

By: Representative Perkins

To: Local and Private
Legislation

HOUSE BILL NO. 1775

1 AN ACT TO AUTHORIZE LEE COUNTY, MISSISSIPPI, PONTOTOC COUNTY,
2 MISSISSIPPI, AND UNION COUNTY, MISSISSIPPI, TO EACH ISSUE
3 INDUSTRIAL DEVELOPMENT GENERAL OBLIGATION BONDS FOR THE PURPOSE OF
4 FINANCING AND/OR REFINANCING THE ACQUISITION OF REAL PROPERTY TO
5 BE USED FOR AN ECONOMIC DEVELOPMENT PROJECT LOCATED IN UNION AND
6 PONTOTOC COUNTIES, MISSISSIPPI; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** It is hereby determined and declared that for the
9 benefit of the people of Lee, Pontotoc and Union Counties,
10 Mississippi, and the surrounding area, the increase of their
11 commerce, welfare and prosperity, and the improvement and
12 maintenance of their living conditions, that the board of
13 supervisors of each of said counties be granted the authority to
14 issue industrial development general obligation bonds of such
15 counties for the purposes of and as hereinafter provided in this
16 act.

17 **SECTION 2.** As used in this act, the following words shall
18 have the meanings ascribed herein unless the context clearly
19 requires otherwise:

20 (a) "Bond" or "bonds" means bonds, notes or other
21 evidences of indebtedness, including refunding bonds, of one or
22 more of the counties issued, in one or more series, from time to
23 time, pursuant to this act.

24 (b) "Costs of the project" shall include the following:

25 (i) The cost of acquiring the property, including
26 the cost of the purchase thereof or the cost of any option to
27 purchase the property, the cost of engineering, legal and related
28 services; the cost of the preparation of studies, surveys and all

29 other expenses necessary or incident to the acquisition of the
30 property;

31 (ii) The cost of reimbursing the district for its
32 costs incurred in connection with the acquisition and/or
33 improvements of the property, including retiring any outstanding
34 indebtedness now or hereafter incurred by the district in
35 connection with the acquisition of the property, removal,
36 relocation, purchase or construction of easements, cell towers,
37 wetlands or any other activity related to finalization of the
38 property by the district or PUL Alliance, any financing charges,
39 such as premiums or prepayment penalties, if any, and interest
40 accrued prior to the reimbursement to the district;

41 (iii) All costs of site preparation and other
42 start-up costs; all costs of construction; all costs of fixtures
43 and of real and personal property required for the purposes of the
44 project and facilities related thereto, whether publicly or
45 privately owned, including land and any rights or undivided
46 interest therein, easements, franchises, fees, permits, approvals,
47 licenses, and certificates and the securing of such permits,
48 approvals, licenses, and certificates and all machinery and
49 equipment, including motor vehicles which are used for project
50 functions; costs of construction, expansion and improvement of
51 utilities through and serving the property; acquisition of any
52 certificates of need and/or public convenience for the provision
53 of water and/or other utilities; any costs associated with the
54 closure, post-closure maintenance or corrective action on
55 environmental matters, wetlands mitigation, financing charges and
56 interest prior to and during construction and during such
57 additional period as the counties may reasonably determine to be
58 necessary for the placing of the project in operation; costs of
59 engineering, surveying, environmental geotechnical, architectural
60 and legal services; costs of plans and specifications and all
61 expenses necessary or incident to determining the feasibility or

62 practicability of the project; administrative expenses; and such
63 other expenses as may be necessary or incidental to the financing
64 authorized in this act. The costs of any project may also include
65 funds for the creation of a debt service reserve, a renewal and
66 replacement reserve, bond insurance and credit enhancement, and
67 such other reserves as may be reasonably required by the alliance
68 for the operation of its projects and as may be authorized by any
69 bond resolution or trust agreement or indenture pursuant to the
70 provisions of which the issuance of any such bonds may be
71 authorized. Any obligation or expense incurred for any of the
72 foregoing purposes shall be regarded as a part of the costs of the
73 project and may be paid or reimbursed as such out of the proceeds
74 of user fees, of revenue bonds or notes issued under this act for
75 such project, or from other revenues obtained by the alliance; and

76 (iv) Any and all costs paid or incurred in
77 connection with the financing and/or refinancing of the property,
78 including, but not limited to, the costs incurred in connection
79 with the sale and issuance of bonds pursuant hereto.

80 (c) "County" or "counties" means individually or
81 collectively, each of Lee County, Pontotoc County and Union
82 County, Mississippi.

83 (d) "District" means the Three Rivers Planning and
84 Development District or any successor thereto.

85 (e) "Governing body" means the board of supervisors of
86 each of the counties.

87 (f) "Project" means the financing or refinancing of the
88 acquisition of, and/or improvements to the property.

89 (g) "Property" means certain real property, located in
90 Pontotoc and Union Counties, Mississippi, purchased or to be
91 purchased by the district to be used for a project as defined by
92 Section 57-75-5(f)(xxi).

93 (h) "PUL Alliance" means an alliance of Pontotoc, Union
94 and Lee Counties established under the Regional Economic

95 Development Act (Section 57-64-1 et seq., Mississippi Code of
96 1972).

97 (i) "State" means the State of Mississippi.

98 **SECTION 3.** Each county is hereby authorized to issue its
99 general obligation bonds in an aggregate principal amount not to
100 exceed Ten Million Dollars (\$10,000,000.00) to finance a portion
101 of the costs of the project.

102 **SECTION 4.** The total principal amount of bonds issued
103 pursuant to the provisions of this act, exclusive of bonds issued
104 to provide for the refunding of outstanding bonds, shall not
105 exceed Thirty Million Dollars (\$30,000,000.00).

106 **SECTION 5.** Any bonds issued pursuant to this act shall be
107 general obligations of the issuing county, and the full faith and
108 credit of such county shall be pledged to the payment of the
109 principal of, redemption premium, if any, and interest on the
110 bonds.

111 **SECTION 6.** (1) The bonds shall be dated, shall bear
112 interest at such rate or rates, shall mature at such time or times
113 in either serial or term form or both not exceeding thirty (30)
114 years from their date, and may be made redeemable prior to
115 maturity at such price or prices and upon such terms and
116 conditions as may be determined by the county issuing the bonds;
117 shall be in such form and denomination or denominations and
118 payable at such place or places, either within the state or
119 without the state, and may be authenticated in such manner, as the
120 county may determine by resolution. The bonds shall be executed
121 on behalf of the county by the manual or facsimile signature of
122 the president of its governing body and shall be countersigned by
123 the manual or facsimile signature of its chancery clerk. In cases
124 where any officer whose signature or a facsimile of whose
125 signature shall appear on any bonds shall cease to be such officer
126 before the delivery of and payment for such bonds, such signature
127 or such facsimile shall nevertheless be valid and sufficient for

128 all purposes the same as if such officer had remained in office
129 until such delivery and payment. The bonds may be issued in book
130 entry or in fully registered form, or any combination, or may be
131 payable to a specific person, as each county may determine, and
132 provision may be made for the conversion from one (1) form to
133 another.

134 (2) Each county shall sell its bonds at such price or prices
135 as it shall determine, at public or private sale.

136 (3) All bonds issued pursuant to the provisions of this act
137 shall be excepted from any limitations of indebtedness prescribed
138 by any special or general law and such bonds shall not be
139 considered indebtedness of the county issuing such bonds in
140 applying said limitations of indebtedness.

141 **SECTION 7.** (1) Any bonds at any time outstanding under this
142 act may, at any time and from time to time, be refunded by the
143 county issuing such bonds by the issuance of its refunding bonds
144 in such amount as the governing body may deem necessary, but not
145 exceeding:

146 (a) The principal amount of the bonds being refunded;

147 (b) Applicable redemption premiums, if any, thereon;

148 (c) Unpaid interest on such bonds to be refunded to the
149 date of delivery or exchange of the refunding bonds;

150 (d) In the event the proceeds from the sale of the
151 refunding bonds are to be deposited in trust as hereafter
152 provided, interest to accrue on such bonds to be refunded from the
153 date of delivery of the refunding bonds to the date of maturity or
154 to a redemption date of the bonds to be refunded; and

155 (e) Expenses, premiums and commissions deemed by the
156 governing body to be necessary in connection with the issuance of
157 the refunding bonds.

158 (2) Any such refunding may be effected, whether the bonds to
159 be refunded shall have then matured or shall thereafter mature,
160 either by exchange of the refunding bonds for the bonds to be

161 refunded thereby with the consent of the holders of the bonds to
162 be so refunded, or by sale of the refunding bonds and application
163 of the proceeds thereof to the payment of the bonds to be refunded
164 thereby, and regardless of whether or not the bonds to be refunded
165 were issued in connection with the same projects or separate
166 projects, and regardless of whether or not the bonds proposed to
167 be refunded shall be payable on the same date or on different
168 dates or shall be due serially or otherwise.

169 (3) The principal proceeds from the sale of any refunding
170 bonds shall be applied only as follows:

171 (a) To the immediate payment and retirement of the
172 bonds being refunded; or

173 (b) To the extent not required for the immediate
174 payment of the bonds being refunded, then such proceeds shall be
175 deposited in trust to provide for the payment and retirement of
176 the bonds being refunded and to pay any expenses incurred in
177 connection with such refunding, but may also be used to pay
178 interest on the refunding bonds prior to the retirement of the
179 bonds being refunded. Money in any such trust fund may be
180 invested in direct obligations of, or obligations the principal of
181 and interest on which are guaranteed by, the United States of
182 America, or in certificates of deposit issued by a bank or trust
183 company located in the state if such certificates shall be secured
184 by a pledge of any of said obligations having an aggregate market
185 value, exclusive of accrued interest, equal at least to the
186 principal amount of the certificates so secured. Nothing herein
187 shall be construed as a limitation on the duration of any deposit
188 in trust for the retirement of bonds being refunded but which
189 shall not have matured and which shall not be presently
190 redeemable.

191 **SECTION 8.** Prior to the issuance of any bonds under the
192 provisions of this act, the governing body of each county shall
193 adopt a resolution declaring its intention so to do, stating the

194 amount of bonds proposed to be issued, and the date upon which
195 such governing body proposes to direct the issuance of such bonds.
196 Such resolution shall be published once a week for at least three
197 (3) consecutive weeks in a newspaper published in the county. The
198 first publication of such resolution shall be made not less than
199 twenty-one (21) days prior to the date fixed in such resolution to
200 direct the issuance of the bonds and the last publication shall be
201 made not more than seven (7) days prior to such date.

202 **SECTION 9.** Bonds issued under the provisions of this act
203 shall be legal investments for commercial banks, savings and loan
204 associations and insurance companies organized under the laws of
205 the state.

206 **SECTION 10.** The bonds authorized by this act and the income
207 therefrom, and the revenues derived therefrom, shall be exempt
208 from all income taxation in the state.

209 **SECTION 11.** Any bonds issued under the provisions of this
210 act shall be validated in the manner provided by law.

211 **SECTION 12.** This act, without reference to any other
212 statute, shall be deemed to be full and complete authority for the
213 issuance of the aforesaid bonds, and shall be construed as an
214 additional and alternative method therefor, and none of the
215 present restrictions, requirements, conditions or limitations of
216 law applicable to the issuance or sale of bonds, notes or other
217 obligations by counties in this state shall apply to the issuance
218 and sale of bonds under this act, and no proceedings shall be
219 required for the issuance of such bonds other than those provided
220 for and required herein, and all powers necessary to be exercised
221 in order to carry out the provisions of this act, are hereby
222 conferred.

223 **SECTION 13.** Each county is further authorized and empowered
224 to adopt any and all lawful resolutions, orders and/or ordinances;
225 to execute such documents, contracts, leases, certificates and

226 indentures; and to do and perform any and all acts and things
227 necessary and requisite to carry out the purposes of this act.

228 **SECTION 14.** This act shall take effect and be in force from
229 and after its passage.