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To: Finance

SENATE BILL NO. 3086

1 AN ACT TO PROVIDE FOR THE ISSUANCE OF GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF PAYING THE STATE'S PORTION OF THE COSTS
3 OF CONSTRUCTING A NEW HIGHWAY FROM U.S. HIGHWAY 61 NORTH OF PORT
4 GIBSON, MISSISSIPPI, TO GRAND GULF ROAD ON THE NORTHERN SIDE OF
5 THE GRAND GULF NUCLEAR POWER STATION IN CLAIBORNE COUNTY,
6 MISSISSIPPI; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** As used in this act, the following words shall
9 have the meanings ascribed herein unless the context clearly
10 requires otherwise:

11 (a) "Accreted value" of any bond means, as of any date
12 of computation, an amount equal to the sum of (i) the stated
13 initial value of such bond, plus (ii) the interest accrued thereon
14 from the issue date to the date of computation at the rate,
15 compounded semiannually, that is necessary to produce the
16 approximate yield to maturity shown for bonds of the same
17 maturity.

18 (b) "State" means the State of Mississippi.

19 (c) "Commission" means the State Bond Commission.

20 **SECTION 2.** A special fund, to be designated the "Grand Gulf
21 Access Road Construction Fund," is created within the State
22 Treasury. The fund shall be maintained by the State Treasurer as
23 a separate and special fund, separate and apart from the General
24 Fund of the state, and investment earnings on amounts in the fund
25 shall be deposited into such fund. The expenditure of monies
26 deposited into the fund shall be under the direction of the
27 Mississippi Transportation Commission, and such funds shall be
28 paid by the State Treasurer upon warrants issued by the Department
29 of Finance and Administration. Money deposited into such fund

30 shall be disbursed to pay the State of Mississippi's portion of
31 the cost of constructing a new highway from U.S. Highway 61 north
32 of Port Gibson, Mississippi, running in a northwesterly direction
33 approximately five and two-tenths (5-2/10) miles to intersect with
34 Grand Gulf Road on the northern side of the Grand Gulf Nuclear
35 Power Station in Claiborne County, Mississippi.

36 **SECTION 3.** (1) At such time as federal funds are available
37 for the project described in Section 2 of this act, which, when
38 combined with the proceeds of bonds issued under this act, will
39 fully fund such project, the Mississippi Transportation
40 Commission, at one time or from time to time, may declare by
41 resolution the necessity for issuance of general obligation bonds
42 of the State of Mississippi to provide funds for all costs
43 incurred or to be incurred for the project described in Section 2
44 of this act. Upon the adoption of a resolution by the Mississippi
45 Transportation Commission declaring the necessity for the issuance
46 of any part or all of the general obligation bonds authorized by
47 this section, the Mississippi Transportation Commission shall
48 deliver a certified copy of its resolution or resolutions to the
49 commission. Upon receipt of such resolution, the commission, in
50 its discretion, may act as the issuing agent, prescribe the form
51 of the bonds, advertise for and accept bids, issue and sell the
52 bonds so authorized to be sold, and do any and all other things
53 necessary and advisable in connection with the issuance and sale
54 of such bonds. The amount of bonds issued under this act shall
55 not exceed Four Million Dollars (\$4,000,000.00).

56 (2) Any investment earnings on amounts deposited into the
57 Grand Gulf Access Road Construction Fund created in Section 2 of
58 this act shall be used to pay debt service on bonds issued under
59 this act, in accordance with the proceedings authorizing issuance
60 of such bonds.

61 (3) Upon the completion or abandonment of the project
62 described in Section 2 of this act, as evidenced by a resolution

63 adopted by the Mississippi Transportation Commission certifying
64 that such project has been completed or abandoned, the balance, if
65 any, remaining in the Grand Gulf Access Road Construction Fund
66 shall be promptly applied to pay debt service on bonds issued
67 under this act, in accordance with the proceedings authorizing the
68 issuance of such bonds.

69 **SECTION 4.** The principal of and interest on the bonds
70 authorized under this act shall be payable in the manner provided
71 in this section. Such bonds shall bear such date or dates, be in
72 such denomination or denominations, bear interest at such rate or
73 rates (not to exceed the limits set forth in Section 75-17-101),
74 be payable at such place or places within or without the State of
75 Mississippi, shall mature absolutely at such time or times not to
76 exceed twenty-five (25) years from date of issue, be redeemable
77 before maturity at such time or times and upon such terms, with or
78 without premium, shall bear such registration privileges, and
79 shall be substantially in such form, all as shall be determined by
80 resolution of the commission.

81 **SECTION 5.** The bonds authorized by this act shall be signed
82 by the Chairman of the State Bond Commission, or by his facsimile
83 signature, and the official seal of the commission shall be
84 affixed thereto, attested by the secretary of the commission. The
85 interest coupons, if any, to be attached to such bonds may be
86 executed by the facsimile signatures of such officers. Whenever
87 any such bonds shall have been signed by the officials designated
88 to sign the bonds who were in office at the time of such signing
89 but who may have ceased to be such officers before the sale and
90 delivery of such bonds, or who may not have been in office on the
91 date such bonds may bear, the signatures of such officers upon
92 such bonds and coupons shall nevertheless be valid and sufficient
93 for all purposes and have the same effect as if the person so
94 officially signing such bonds had remained in office until their
95 delivery to the purchaser, or had been in office on the date such

96 bonds may bear. However, notwithstanding anything herein to the
97 contrary, such bonds may be issued as provided in the Registered
98 Bond Act of the State of Mississippi.

99 **SECTION 6.** All bonds and interest coupons issued under the
100 provisions of this act have all the qualities and incidents of
101 negotiable instruments under the provisions of the Uniform
102 Commercial Code, and in exercising the powers granted by this act,
103 the commission shall not be required to and need not comply with
104 the provisions of the Uniform Commercial Code.

105 **SECTION 7.** The commission shall act as the issuing agent for
106 the bonds authorized under this act, prescribe the form of the
107 bonds, advertise for and accept bids, issue and sell the bonds so
108 authorized to be sold, pay all fees and costs incurred in such
109 issuance and sale, and do any and all other things necessary and
110 advisable in connection with the issuance and sale of such bonds.
111 The commission is authorized and empowered to pay the costs that
112 are incident to the sale, issuance and delivery of the bonds
113 authorized under this act from the proceeds derived from the sale
114 of such bonds. The commission shall sell such bonds on sealed
115 bids at public sale, and for such price as it may determine to be
116 for the best interest of the state, but no such sale shall be made
117 at a price less than par plus accrued interest to the date of
118 delivery of the bonds to the purchaser. All interest accruing on
119 such bonds so issued shall be payable semiannually or annually;
120 however, the first interest payment may be for any period of not
121 more than one (1) year.

122 Notice of the sale of any such bonds shall be published at
123 least one time, not less than ten (10) days before the date of
124 sale, and shall be so published in one or more newspapers
125 published or having a general circulation in the City of Jackson,
126 Mississippi, and in one or more other newspapers or financial
127 journals with a national circulation, to be selected by the
128 commission.

129 The commission, when issuing any bonds under the authority of
130 this act, may provide that bonds, at the option of the state, may
131 be called in for payment and redemption at the call price named
132 therein and accrued interest on such date or dates named therein.

133 **SECTION 8.** The bonds issued under the provision of this act
134 are general obligations of the State of Mississippi, and for the
135 payment thereof the full faith and credit of the State of
136 Mississippi is irrevocably pledged. If the funds appropriated by
137 the Legislature for such purpose are insufficient to pay the
138 principal of and the interest upon such bonds as they become due,
139 the deficiency shall be paid by the State Treasurer from any funds
140 in the State Treasury not otherwise appropriated. All such bonds
141 shall contain recitals on their faces substantially covering the
142 foregoing provisions of this section.

143 **SECTION 9.** Upon the issuance and sale of bonds under the
144 provisions of this act, the commission shall transfer the proceeds
145 of any such sale or sales to the Grand Gulf Access Road
146 Construction Fund created in Section 2 of this act. The proceeds
147 of such bonds shall be disbursed solely upon the order of the
148 Mississippi Transportation Commission under such restrictions, if
149 any, as may be contained in the resolution providing for the
150 issuance of the bonds.

151 **SECTION 10.** The bonds authorized under this act may be
152 issued without any other proceedings or the happening of any other
153 conditions or things other than those proceedings, conditions and
154 things which are specified or required by this act. Any
155 resolution providing for the issuance of bonds under the
156 provisions of this act shall become effective immediately upon its
157 adoption by the commission, and any such resolution may be adopted
158 at any regular or special meeting of the commission by a majority
159 of its members.

160 **SECTION 11.** The bonds authorized under the authority of this
161 act may be validated in the Chancery Court of the First Judicial

162 District of Hinds County, Mississippi, in the manner and with the
163 force and effect provided by Chapter 13, Title 31, Mississippi
164 Code of 1972, for the validation of county, municipal, school
165 district and other bonds. The notice to taxpayers required by
166 such statutes shall be published in a newspaper published or
167 having a general circulation in the City of Jackson, Mississippi.

168 **SECTION 12.** Any holder of bonds issued under the provisions
169 of this act or of any of the interest coupons pertaining thereto
170 may, either at law or in equity, by suit, action, mandamus or
171 other proceeding, protect and enforce any and all rights granted
172 under this act, or under such resolution, and may enforce and
173 compel performance of all duties required by this act to be
174 performed, in order to provide for the payment of bonds and
175 interest thereon.

176 **SECTION 13.** All bonds issued under the provisions of this
177 act shall be legal investments for trustees and other fiduciaries,
178 and for savings banks, trust companies and insurance companies
179 organized under the laws of the State of Mississippi, and such
180 bonds shall be legal securities which may be deposited with and
181 shall be received by all public officers and bodies of this state
182 and all municipalities and political subdivisions for the purpose
183 of securing the deposit of public funds.

184 **SECTION 14.** Bonds issued under the provisions of this act
185 and income therefrom shall be exempt from all taxation in the
186 State of Mississippi.

187 **SECTION 15.** The proceeds of the bonds issued under this act
188 shall be used solely for the purposes herein provided, including
189 the costs incident to the issuance and sale of such bonds.

190 **SECTION 16.** The State Treasurer is authorized, without
191 further process of law, to certify to the Department of Finance
192 and Administration the necessity for warrants, and the Department
193 of Finance and Administration is authorized and directed to issue
194 such warrants, in such amounts as may be necessary to pay when due

195 the principal of, premium, if any, and interest on, or the
196 accreted value of, all bonds issued under this act; and the State
197 Treasurer shall forward the necessary amount to the designated
198 place or places of payment of such bonds in ample time to
199 discharge such bonds, or the interest thereon, on the due dates
200 thereof.

201 **SECTION 17.** The provisions of this act shall be deemed to be
202 full and complete authority for the exercise of the powers therein
203 granted, but this act shall not be deemed to repeal or to be in
204 derogation of any existing law of this state.

205 **SECTION 18.** This act shall take effect and be in force from
206 and after its passage.