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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.