

By: Senator(s) Mettetal, Posey, Tollison

To: Finance

SENATE BILL NO. 3194

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FOR FUNDS FOR IMPROVEMENTS TO THE NORTH  
3 MISSISSIPPI FISH HATCHERY; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** (1) As used in this section, the following words  
6 shall have the meanings ascribed herein unless the context clearly  
7 requires otherwise:

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

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

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

17 (2) (a) (i) A special fund, to be designated as the "North  
18 Mississippi Fish Hatchery Improvements Fund," is created within  
19 the State Treasury. The fund shall be maintained by the State  
20 Treasurer as a separate and special fund, separate and apart from  
21 the General Fund of the state. Unexpended amounts remaining in  
22 the fund at the end of a fiscal year shall not lapse into the  
23 State General Fund, and any interest earned or investment earnings  
24 on amounts in the fund shall be deposited into such fund.

25 (ii) Money deposited into the fund shall be  
26 disbursed, in the discretion of the Department of Finance and  
27 Administration, to pay the costs of construction, furnishing,

28 equipping, repair and renovation of the North Mississippi Fish  
29 Hatchery in Oakland, Mississippi.

30 (b) Amounts deposited into such special fund shall be  
31 disbursed to pay the costs of the projects described in paragraph  
32 (a) of this subsection. Promptly after the commission has  
33 certified, by resolution duly adopted, that the projects described  
34 in subsection (1) shall have been completed, abandoned, or cannot  
35 be completed in a timely fashion, any amounts remaining in such  
36 special fund shall be applied to pay debt service on the bonds  
37 issued under this section, in accordance with the proceedings  
38 authorizing the issuance of such bonds and as directed by the  
39 commission.

40 (c) The Department of Finance and Administration,  
41 acting through the Bureau of Building, Grounds and Real Property  
42 Management, is expressly authorized and empowered to receive and  
43 expend any local or other source funds in connection with the  
44 expenditure of funds provided for in this subsection. The  
45 expenditure of monies deposited into the special fund shall be  
46 under the direction of the Department of Finance and  
47 Administration, and such funds shall be paid by the State  
48 Treasurer upon warrants issued by such department, which warrants  
49 shall be issued upon requisitions signed by the Executive Director  
50 of the Department of Finance and Administration, or his designee.

51 (3) (a) The commission, at one time, or from time to time,  
52 may declare by resolution the necessity for issuance of general  
53 obligation bonds of the State of Mississippi to provide funds for  
54 all costs incurred or to be incurred for the purposes described in  
55 subsection (2) of this section. Upon the adoption of a resolution  
56 by the Department of Finance and Administration, declaring the  
57 necessity for the issuance of any part or all of the general  
58 obligation bonds authorized by this subsection, the department  
59 shall deliver a certified copy of its resolution or resolutions to  
60 the commission. Upon receipt of such resolution, the commission,

61 in its discretion, may act as the issuing agent, prescribe the  
62 form of the bonds, advertise for and accept bids, issue and sell  
63 the bonds so authorized to be sold and do any and all other things  
64 necessary and advisable in connection with the issuance and sale  
65 of such bonds. The total amount of bonds issued under this  
66 section shall not exceed One Million One Hundred Thousand Dollars  
67 (\$1,100,000.00). No bonds shall be issued under this section from  
68 and after July 1, 2011.

69 (b) Any investment earnings on amounts deposited into  
70 the special fund created in subsection (2) of this section shall  
71 be used to pay debt service on bonds issued under this section, in  
72 accordance with the proceedings authorizing issuance of such  
73 bonds.

74 (4) The principal of and interest on the bonds authorized  
75 under this section shall be payable in the manner provided in this  
76 subsection. Such bonds shall bear such date or dates, be in such  
77 denomination or denominations, bear interest at such rate or rates  
78 (not to exceed the limits set forth in Section 75-17-101,  
79 Mississippi Code of 1972), be payable at such place or places  
80 within or without the State of Mississippi, shall mature  
81 absolutely at such time or times not to exceed twenty-five (25)  
82 years from date of issue, be redeemable before maturity at such  
83 time or times and upon such terms, with or without premium, shall  
84 bear such registration privileges, and shall be substantially in  
85 such form, all as shall be determined by resolution of the  
86 commission.

87 (5) The bonds authorized by this section shall be signed by  
88 the chairman of the commission, or by his facsimile signature, and  
89 the official seal of the commission shall be affixed thereto,  
90 attested by the secretary of the commission. The interest  
91 coupons, if any, to be attached to such bonds may be executed by  
92 the facsimile signatures of such officers. Whenever any such  
93 bonds shall have been signed by the officials designated to sign

94 the bonds who were in office at the time of such signing but who  
95 may have ceased to be such officers before the sale and delivery  
96 of such bonds, or who may not have been in office on the date such  
97 bonds may bear, the signatures of such officers upon such bonds  
98 and coupons shall nevertheless be valid and sufficient for all  
99 purposes and have the same effect as if the person so officially  
100 signing such bonds had remained in office until their delivery to  
101 the purchaser, or had been in office on the date such bonds may  
102 bear. However, notwithstanding anything herein to the contrary,  
103 such bonds may be issued as provided in the Registered Bond Act of  
104 the State of Mississippi.

105 (6) All bonds and interest coupons issued under the  
106 provisions of this section have all the qualities and incidents of  
107 negotiable instruments under the provisions of the Uniform  
108 Commercial Code, and in exercising the powers granted by this  
109 section, the commission shall not be required to and need not  
110 comply with the provisions of the Uniform Commercial Code.

111 (7) The commission shall act as the issuing agent for the  
112 bonds authorized under this section, prescribe the form of the  
113 bonds, advertise for and accept bids, issue and sell the bonds so  
114 authorized to be sold, pay all fees and costs incurred in such  
115 issuance and sale, and do any and all other things necessary and  
116 advisable in connection with the issuance and sale of such bonds.  
117 The commission is authorized and empowered to pay the costs that  
118 are incident to the sale, issuance and delivery of the bonds  
119 authorized under this section from the proceeds derived from the  
120 sale of such bonds. The commission shall sell such bonds on  
121 sealed bids at public sale, and for such price as it may determine  
122 to be for the best interest of the State of Mississippi, but no  
123 such sale shall be made at a price less than par plus accrued  
124 interest to the date of delivery of the bonds to the purchaser.  
125 All interest accruing on such bonds so issued shall be payable

126 semiannually or annually; however, the first interest payment may  
127 be for any period of not more than one (1) year.

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

135 The commission, when issuing any bonds under the authority of  
136 this section, may provide that bonds, at the option of the State  
137 of Mississippi, may be called in for payment and redemption at the  
138 call price named therein and accrued interest on such date or  
139 dates named therein.

140 (8) The bonds issued under the provisions of this section  
141 are general obligations of the State of Mississippi, and for the  
142 payment thereof the full faith and credit of the State of  
143 Mississippi is irrevocably pledged. If the funds appropriated by  
144 the Legislature are insufficient to pay the principal of and the  
145 interest on such bonds as they become due, then the deficiency  
146 shall be paid by the State Treasurer from any funds in the State  
147 Treasury not otherwise appropriated. All such bonds shall contain  
148 recitals on their faces substantially covering the provisions of  
149 this subsection.

150 (9) Upon the issuance and sale of bonds under the provisions  
151 of this section, the commission shall transfer the proceeds of any  
152 such sale or sales to the special fund created in subsection (2)  
153 of this section. The proceeds of such bonds shall be disbursed  
154 solely upon the order of the Department of Finance and  
155 Administration under such restrictions, if any, as may be  
156 contained in the resolution providing for the issuance of the  
157 bonds.

158           (10) The bonds authorized under this section may be issued  
159 without any other proceedings or the happening of any other  
160 conditions or things other than those proceedings, conditions and  
161 things which are specified or required by this section. Any  
162 resolution providing for the issuance of bonds under the  
163 provisions of this section shall become effective immediately upon  
164 its adoption by the commission, and any such resolution may be  
165 adopted at any regular or special meeting of the commission by a  
166 majority of its members.

167           (11) The bonds authorized under the authority of this  
168 section may be validated in the Chancery Court of the First  
169 Judicial District of Hinds County, Mississippi, in the manner and  
170 with the force and effect provided by Chapter 13, Title 31,  
171 Mississippi Code of 1972, for the validation of county, municipal,  
172 school district and other bonds. The notice to taxpayers required  
173 by such statutes shall be published in a newspaper published or  
174 having a general circulation in the City of Jackson, Mississippi.

175           (12) Any holder of bonds issued under the provisions of this  
176 section or of any of the interest coupons pertaining thereto may,  
177 either at law or in equity, by suit, action, mandamus or other  
178 proceeding, protect and enforce any and all rights granted under  
179 this section, or under such resolution, and may enforce and compel  
180 performance of all duties required by this section to be  
181 performed, in order to provide for the payment of bonds and  
182 interest thereon.

183           (13) All bonds issued under the provisions of this section  
184 shall be legal investments for trustees and other fiduciaries, and  
185 for savings banks, trust companies and insurance companies  
186 organized under the laws of the State of Mississippi, and such  
187 bonds shall be legal securities which may be deposited with and  
188 shall be received by all public officers and bodies of this state  
189 and all municipalities and political subdivisions for the purpose  
190 of securing the deposit of public funds.

191           (14) Bonds issued under the provisions of this section and  
192 income therefrom shall be exempt from all taxation in the State of  
193 Mississippi.

194           (15) The proceeds of the bonds issued under this section  
195 shall be used solely for the purposes herein provided, including  
196 the costs incident to the issuance and sale of such bonds.

197           (16) The State Treasurer is authorized, without further  
198 process of law, to certify to the Department of Finance and  
199 Administration the necessity for warrants, and the Department of  
200 Finance and Administration is authorized and directed to issue  
201 such warrants, in such amounts as may be necessary to pay when due  
202 the principal of, premium, if any, and interest on, or the  
203 accreted value of, all bonds issued under this section; and the  
204 State Treasurer shall forward the necessary amount to the  
205 designated place or places of payment of such bonds in ample time  
206 to discharge such bonds, or the interest thereon, on the due dates  
207 thereof.

208           (17) This section shall be deemed to be full and complete  
209 authority for the exercise of the powers herein granted, but this  
210 section shall not be deemed to repeal or to be in derogation of  
211 any existing law of this state.

212           **SECTION 2.** This act shall take effect and be in force from  
213 and after July 1, 2007.