

By: Senator(s) Kirby

To: Finance

SENATE BILL NO. 2993

1 AN ACT TO AMEND CHAPTER 475, LAWS OF 2006, TO REMOVE THE
 2 PROVISION THAT LIMITS THE AMOUNT OF STATE GENERAL OBLIGATION BONDS
 3 THAT MAY BE ISSUED UNDER THIS CHAPTER IN ANY FISCAL YEAR TO
 4 PROVIDE FUNDS FOR CAPITAL IMPROVEMENTS AT THE STATE-OWNED SHIPYARD
 5 LOCATED IN JACKSON COUNTY, MISSISSIPPI; TO AMEND SECTIONS 2
 6 THROUGH 17, CHAPTER 1, LAWS OF 2005 THIRD EXTRAORDINARY SESSION,
 7 TO EXTEND UNTIL JULY 1, 2010, CERTAIN AUTHORITY TO ISSUE GENERAL
 8 OBLIGATION BONDS FOR THE MISSISSIPPI EXISTING INDUSTRY
 9 PRODUCTIVITY LOAN FUND; TO AMEND SECTIONS 40 THROUGH 55, CHAPTER
 10 1, 2005 THIRD EXTRAORDINARY SESSION, TO EXTEND UNTIL JULY 1, 2010,
 11 CERTAIN AUTHORITY TO ISSUE GENERAL OBLIGATION BONDS FOR THE
 12 MISSISSIPPI JOB PROTECTION ACT FUND; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Chapter 475, Laws of 2006, is amended as follows:

15 Section 1. As used in this act, the following words shall
 16 have the meanings ascribed herein unless the context clearly
 17 requires otherwise:

18 (a) "Accreted value" of any bonds means, as of any date
 19 of computation, an amount equal to the sum of (i) the stated
 20 initial value of such bonds, plus (ii) the interest accrued
 21 thereon from the issue date to the date of computation at the
 22 rate, compounded semiannually, that is necessary to produce the
 23 approximate yield to maturity shown for bonds of the same
 24 maturity.

25 (b) "Commission" means the State Bond Commission.

26 (c) "State shipyard" means the shipyard property owned
 27 by the state and located in Jackson County, Mississippi.

28 (d) "State" means the State of Mississippi.

29 (e) "Authority" means the Mississippi Development
 30 Authority.



31 Section 2. (1) The authority may use the proceeds from
32 general obligation bonds issued under this act for the purpose of
33 such capital improvements at the state shipyard as it considers
34 necessary to modernize the facility and keep it competitive with
35 other shipyards.

36 (2) The authority, in its discretion, may set aside for
37 minority businesses not more than twenty percent (20%) of its
38 contracts for making such capital improvements at the state
39 shipyard. For the purposes of this subsection (2), the term
40 "minority business" means a business which is owned by a majority
41 of persons who are United States citizens or permanent resident
42 aliens (as defined by the Immigration and Naturalization Service)
43 of the United States, and who are Asian, Black, Hispanic or Native
44 American, according to the following definitions:

45 (a) "Asian" means persons having origins in any of the
46 original people of the Far East, Southeast Asia, the Indian
47 subcontinent, or the Pacific Islands.

48 (b) "Black" means persons having origins in any black
49 racial group of Africa.

50 (c) "Hispanic" means persons of Spanish or Portuguese
51 culture with origins in Mexico, South or Central America, or the
52 Caribbean Islands, regardless of race.

53 (d) "Native American" means persons having origins in
54 any of the original people of North America, including American
55 Indians, Eskimos and Aleuts.

56 Section 3. (1) (a) A special fund, to be designated as the
57 "2006 State Shipyard Improvement Fund," is created within the
58 State Treasury. The fund shall be maintained by the State
59 Treasurer as a separate and special fund, separate and apart from
60 the General Fund of the state. Unexpended amounts remaining in
61 the fund at the end of a fiscal year shall not lapse into the
62 State General Fund, and any interest earned or investment earnings
63 on amounts in the fund shall be deposited into such fund.



64 (b) Monies deposited into the fund shall be disbursed,
65 in the discretion of the authority, to pay the costs incurred by
66 the authority in making capital improvements to the state
67 shipyard.

68 (c) Monies in the special fund may be used to reimburse
69 reasonable actual and necessary costs incurred by the authority in
70 providing assistance related to a project for which funding is
71 provided under this act. The authority shall maintain an
72 accounting of actual costs incurred for each project for which
73 reimbursements are sought. Reimbursements under this paragraph
74 (c) shall not exceed Three Hundred Thousand Dollars (\$300,000.00)
75 in the aggregate. Reimbursements under this paragraph (c) shall
76 satisfy any applicable federal tax law requirements.

77 (d) Monies in the special fund may be used to reimburse
78 reasonable actual and necessary costs incurred by the Department
79 of Audit in providing services related to a project for which
80 funding is provided under this act. The Department of Audit shall
81 maintain an accounting of actual costs incurred for each project
82 for which reimbursements are sought. The Department of Audit may
83 escalate its budget and expend such funds in accordance with rules
84 and regulations of the Department of Finance and Administration in
85 a manner consistent with the escalation of federal funds.
86 Reimbursements under this paragraph (d) shall not exceed One
87 Hundred Thousand Dollars (\$100,000.00) in the aggregate.
88 Reimbursements under this paragraph (d) shall satisfy any
89 applicable federal tax law requirements.

90 (2) Amounts deposited into such special fund shall be
91 disbursed to pay the costs of the projects described in subsection
92 (1) of this section. If any monies in the special fund are not
93 used within four (4) years after the date the proceeds of the
94 bonds authorized under this act are deposited into such fund, then
95 the authority shall provide an accounting of such unused monies to
96 the commission. Promptly after the commission has certified, by



97 resolution duly adopted, that the projects described in subsection
98 (1) of this section shall have been completed, abandoned, or
99 cannot be completed in a timely fashion, any amounts remaining in
100 such special fund shall be applied to pay debt service on the
101 bonds issued under this act, in accordance with the proceedings
102 authorizing the issuance of such bonds and as directed by the
103 commission. Before monies in the special fund may be used for the
104 projects described in subsection (1) of this section, the
105 authority shall require that the lessee of the shipyard enter into
106 binding commitments regarding at least the following:

107 (a) That such lessee shall create a certain minimum
108 number of jobs over a certain period of time as determined by the
109 authority (which jobs must be held by persons eligible for
110 employment in the United States under applicable state and federal
111 law); and

112 (b) That if such lessee fails to satisfy any such
113 commitments, the lessee must repay an amount equal to all or a
114 portion of the funds provided by the state under this act as
115 determined by the authority.

116 Section 4. (1) The commission, at one time, or from time to
117 time, may declare by resolution the necessity for issuance of
118 general obligation bonds of the State of Mississippi to provide
119 funds for all costs incurred or to be incurred for the purposes
120 described in Section 3 of this act. No bonds shall be issued
121 under this act until the authority is provided proof that the
122 lessee of the shipyard has incurred debt or has otherwise
123 irrevocably dedicated funds or a combination of debt and funds in
124 the amount of not less than One Hundred Twelve Million Dollars
125 (\$112,000,000.00) used by the lessee in calendar year 2003, or
126 thereafter, for capital improvements, capital investments or
127 capital upgrades at shipyards in Mississippi owned or leased by
128 the lessee. The debt or dedication of funds or combination of
129 debt and funds required of the lessee under this section shall be



130 in addition to any debt or funds required of the lessee under
131 Section 4 of Chapter 501, Laws of 2003, and Section 4 of Chapter
132 1, Laws of 2004 Third Extraordinary Session. In addition, no
133 bonds shall be issued under this act until the authority has
134 certified that the lessee has satisfied the minimum jobs
135 requirements of Section 3(2) of Chapter 501, Laws of 2003, and
136 Section 3(2) of Chapter 1, Laws of 2004 Third Extraordinary
137 Session. Upon the adoption of a resolution by the authority,
138 declaring that the lessee has incurred the required amount of debt
139 and/or irrevocable dedication of funds and created the required
140 minimum number of jobs and declaring the necessity for the
141 issuance of any part or all of the general obligation bonds
142 authorized by this section, the authority shall deliver a
143 certified copy of its resolution or resolutions to the commission.
144 Upon receipt of such resolution, the commission, in its
145 discretion, may act as the issuing agent, prescribe the form of
146 the bonds, advertise for and accept bids, issue and sell the bonds
147 so authorized to be sold and do any and all other things necessary
148 and advisable in connection with the issuance and sale of such
149 bonds. The total amount of bonds issued under this act shall not
150 exceed Fifty-six Million Dollars (\$56,000,000.00); provided,
151 however, that no bonds may be issued before January 1, 2007 * * *.

152 (2) Any investment earnings on amounts deposited into the
153 special fund created in Section 3 of this act shall be used to pay
154 debt service on bonds issued under this act, in accordance with
155 the proceedings authorizing issuance of such bonds.

156 Section 5. The principal of and interest on the bonds
157 authorized under this act shall be payable in the manner provided
158 in this section. Such bonds shall bear such date or dates, be in
159 such denomination or denominations, bear interest at such rate or
160 rates (not to exceed the limits set forth in Section 75-17-101,
161 Mississippi Code of 1972), be payable at such place or places
162 within or without the State of Mississippi, shall mature



163 absolutely at such time or times not to exceed twenty (20) years
164 from date of issue, be redeemable before maturity at such time or
165 times and upon such terms, with or without premium, shall bear
166 such registration privileges, and shall be substantially in such
167 form, all as shall be determined by resolution of the commission.

168 Section 6. The bonds authorized by this act shall be signed
169 by the chairman of the commission, or by his facsimile signature,
170 and the official seal of the commission shall be affixed thereto,
171 attested by the secretary of the commission. The interest
172 coupons, if any, to be attached to such bonds may be executed by
173 the facsimile signatures of such officers. Whenever any such
174 bonds shall have been signed by the officials designated to sign
175 the bonds who were in office at the time of such signing but who
176 may have ceased to be such officers before the sale and delivery
177 of such bonds, or who may not have been in office on the date such
178 bonds may bear, the signatures of such officers upon such bonds
179 and coupons shall nevertheless be valid and sufficient for all
180 purposes and have the same effect as if the person so officially
181 signing such bonds had remained in office until their delivery to
182 the purchaser, or had been in office on the date such bonds may
183 bear. However, notwithstanding anything herein to the contrary,
184 such bonds may be issued as provided in the Registered Bond Act of
185 the State of Mississippi.

186 Section 7. All bonds and interest coupons issued under the
187 provisions of this act shall have all the qualities and incidents
188 of negotiable instruments under the provisions of the Uniform
189 Commercial Code, and in exercising the powers granted by this act,
190 the commission shall not be required to and need not comply with
191 the provisions of the Uniform Commercial Code.

192 Section 8. The commission shall act as the issuing agent for
193 the bonds authorized under this act, prescribe the form of the
194 bonds, advertise for and accept bids, issue and sell the bonds so
195 authorized to be sold, pay all fees and costs incurred in such



196 issuance and sale, and do any and all other things necessary and
197 advisable in connection with the issuance and sale of such bonds.
198 The commission is authorized and empowered to pay the costs that
199 are incident to the sale, issuance and delivery of the bonds
200 authorized under this act from the proceeds derived from the sale
201 of such bonds. The commission shall sell such bonds on sealed
202 bids at public sale, and for such price as it may determine to be
203 for the best interest of the State of Mississippi, but no such
204 sale shall be made at a price less than par plus accrued interest
205 to the date of delivery of the bonds to the purchaser. All
206 interest accruing on such bonds so issued shall be payable
207 semiannually or annually; however, the first interest payment may
208 be for any period of not more than one (1) year.

209 Notice of the sale of any such bonds shall be published at
210 least one time, not less than ten (10) days before the date of
211 sale, and shall be so published in one or more newspapers
212 published or having a general circulation in the City of Jackson,
213 Mississippi, and in one or more other newspapers or financial
214 journals with a national circulation, to be selected by the
215 commission.

216 The commission, when issuing any bonds under the authority of
217 this act, may provide that bonds, at the option of the State of
218 Mississippi, may be called in for payment and redemption at the
219 call price named therein and accrued interest on such date or
220 dates named therein.

221 Section 9. The bonds issued under the provisions of this act
222 are general obligations of the State of Mississippi, and for the
223 payment thereof the full faith and credit of the State of
224 Mississippi is irrevocably pledged. If the funds appropriated by
225 the Legislature for such purposes are insufficient to pay the
226 principal of and the interest on such bonds as they become due,
227 then the deficiency shall be paid by the State Treasurer from any
228 funds in the State Treasury not otherwise appropriated. All such



229 bonds shall contain recitals on their faces substantially covering
230 the provisions of this section.

231 Section 10. Upon the issuance and sale of bonds under the
232 provisions of this act, the commission shall transfer the proceeds
233 of any such sale or sales to the special fund created in Section 3
234 of this act. The proceeds of such bonds shall be disbursed solely
235 upon the order of the authority under such restrictions, if any,
236 as may be contained in the resolution providing for the issuance
237 of the bonds.

238 Section 11. The bonds authorized under this act may be
239 issued without any other proceedings or the happening of any other
240 conditions or things other than those proceedings, conditions and
241 things which are specified or required by this act. Any
242 resolution providing for the issuance of bonds under the
243 provisions of this act shall become effective immediately upon its
244 adoption by the commission, and any such resolution may be adopted
245 at any regular or special meeting of the commission by a majority
246 of its members.

247 Section 12. The bonds authorized under the authority of this
248 act may be validated in the Chancery Court of the First Judicial
249 District of Hinds County, Mississippi, in the manner and with the
250 force and effect provided by Chapter 13, Title 31, Mississippi
251 Code of 1972, for the validation of county, municipal, school
252 district and other bonds. The notice to taxpayers required by
253 such statutes shall be published in a newspaper published or
254 having a general circulation in the City of Jackson, Mississippi.

255 Section 13. Any holder of bonds issued under the provisions
256 of this act or of any of the interest coupons pertaining thereto
257 may, either at law or in equity, by suit, action, mandamus or
258 other proceeding, protect and enforce any and all rights granted
259 under this act, or under such resolution, and may enforce and
260 compel performance of all duties required by this act to be



261 performed, in order to provide for the payment of bonds and
262 interest thereon.

263 Section 14. All bonds issued under the provisions of this
264 act shall be legal investments for trustees and other fiduciaries,
265 and for savings banks, trust companies and insurance companies
266 organized under the laws of the State of Mississippi, and such
267 bonds shall be legal securities which may be deposited with and
268 shall be received by all public officers and bodies of this state
269 and all municipalities and political subdivisions for the purpose
270 of securing the deposit of public funds.

271 Section 15. Bonds issued under the provisions of this act
272 and income therefrom shall be exempt from all taxation in the
273 State of Mississippi.

274 Section 16. The proceeds of the bonds issued under this act
275 shall be used solely for the purposes provided in this act,
276 including the costs incident to the issuance and sale of such
277 bonds.

278 Section 17. The State Treasurer is authorized, without
279 further process of law, to certify to the Department of Finance
280 and Administration the necessity for warrants, and the Department
281 of Finance and Administration is authorized and directed to issue
282 such warrants, in such amounts as may be necessary to pay when due
283 the principal of, premium, if any, and interest on, or the
284 accreted value of, all bonds issued under this act; and the State
285 Treasurer shall forward the necessary amount to the designated
286 place or places of payment of such bonds in ample time to
287 discharge such bonds, or the interest thereon, on the due dates
288 thereof.

289 Section 18. All improvements made to the state shipyard with
290 the proceeds of bonds issued pursuant to this act shall, as
291 state-owned property, be exempt from ad valorem taxation, except
292 ad valorem taxation for school district purposes.



293 Section 19. This act shall be deemed to be full and complete
294 authority for the exercise of the powers herein granted, but this
295 act shall not be deemed to repeal or to be in derogation of any
296 existing law of this state.

297 **SECTION 2.** Sections 2 through 17, Chapter 1, Laws of 2005
298 Third Extraordinary Session, are amended as follows:

299 Section 2. As used in Sections 2 through 17 of this act, the
300 following words shall have the meanings ascribed herein unless the
301 context clearly requires otherwise:

302 (a) "Accreted value" of any bonds means, as of any date
303 of computation, an amount equal to the sum of (i) the stated
304 initial value of such bond, plus (ii) the interest accrued thereon
305 from the issue date to the date of computation at the rate,
306 compounded semiannually, that is necessary to produce the
307 approximate yield to maturity shown for bonds of the same
308 maturity.

309 (b) "Act" means Sections 2 through 17 of this act.

310 (c) "State" means the State of Mississippi.

311 (d) "Commission" means the State Bond Commission.

312 Section 3. (1) The Mississippi Development Authority, at
313 one time, or from time to time, may declare by resolution the
314 necessity for issuance of general obligation bonds of the State of
315 Mississippi to provide funds for the program authorized in Section
316 57-93-1. Upon the adoption of a resolution by the Mississippi
317 Development Authority, declaring the necessity for the issuance of
318 any part or all of the general obligation bonds authorized by this
319 section, the Mississippi Development Authority shall deliver a
320 certified copy of its resolution or resolutions to the commission.
321 Upon receipt of such resolution, the commission, in its
322 discretion, may act as the issuing agent, prescribe the form of
323 the bonds, advertise for and accept bids, issue and sell the bonds
324 so authorized to be sold and do any and all other things necessary
325 and advisable in connection with the issuance and sale of such



326 bonds. The total amount of bonds issued under this act shall not
327 exceed Seven Million Dollars (\$7,000,000.00). No bonds shall be
328 issued under this act after July 1, 2010.

329 (2) The proceeds of bonds issued pursuant to this act shall
330 be deposited into the Mississippi Existing Industry Productivity
331 Loan Fund created pursuant to Section 57-93-1. Any investment
332 earnings on bonds issued pursuant to this act shall be used to pay
333 debt service on bonds issued under this act, in accordance with
334 the proceedings authorizing issuance of such bonds.

335 Section 4. The principal of and interest on the bonds
336 authorized under this act shall be payable in the manner provided
337 in this section. Such bonds shall bear such date or dates, be in
338 such denomination or denominations, bear interest at such rate or
339 rates (not to exceed the limits set forth in Section 75-17-101,
340 Mississippi Code of 1972), be payable at such place or places
341 within or without the State of Mississippi, shall mature
342 absolutely at such time or times not to exceed twenty-five (25)
343 years from date of issue, be redeemable before maturity at such
344 time or times and upon such terms, with or without premium, shall
345 bear such registration privileges, and shall be substantially in
346 such form, all as shall be determined by resolution of the
347 commission.

348 Section 5. The bonds authorized by this act shall be signed
349 by the chairman of the commission, or by his facsimile signature,
350 and the official seal of the commission shall be affixed thereto,
351 attested by the secretary of the commission. The interest
352 coupons, if any, to be attached to such bonds may be executed by
353 the facsimile signatures of such officers. Whenever any such
354 bonds shall have been signed by the officials designated to sign
355 the bonds who were in office at the time of such signing but who
356 may have ceased to be such officers before the sale and delivery
357 of such bonds, or who may not have been in office on the date such
358 bonds may bear, the signatures of such officers upon such bonds



359 and coupons shall nevertheless be valid and sufficient for all
360 purposes and have the same effect as if the person so officially
361 signing such bonds had remained in office until their delivery to
362 the purchaser, or had been in office on the date such bonds may
363 bear. However, notwithstanding anything herein to the contrary,
364 such bonds may be issued as provided in the Registered Bond Act of
365 the State of Mississippi.

366 Section 6. All bonds and interest coupons issued under the
367 provisions of this act have all the qualities and incidents of
368 negotiable instruments under the provisions of the Uniform
369 Commercial Code, and in exercising the powers granted by this act,
370 the commission shall not be required to and need not comply with
371 the provisions of the Uniform Commercial Code.

372 Section 7. The commission shall act as the issuing agent for
373 the bonds authorized under this act, prescribe the form of the
374 bonds, advertise for and accept bids, issue and sell the bonds so
375 authorized to be sold, pay all fees and costs incurred in such
376 issuance and sale, and do any and all other things necessary and
377 advisable in connection with the issuance and sale of such bonds.
378 The commission is authorized and empowered to pay the costs that
379 are incident to the sale, issuance and delivery of the bonds
380 authorized under this act from the proceeds derived from the sale
381 of such bonds. The commission shall sell such bonds on sealed
382 bids at public sale, and for such price as it may determine to be
383 for the best interest of the State of Mississippi, but no such
384 sale shall be made at a price less than par plus accrued interest
385 to the date of delivery of the bonds to the purchaser. All
386 interest accruing on such bonds so issued shall be payable
387 semiannually or annually; however, the first interest payment may
388 be for any period of not more than one (1) year.

389 Notice of the sale of any such bonds shall be published at
390 least one time, not less than ten (10) days before the date of
391 sale, and shall be so published in one or more newspapers



392 published or having a general circulation in the City of Jackson,
393 Mississippi, and in one or more other newspapers or financial
394 journals with a national circulation, to be selected by the
395 commission.

396 The commission, when issuing any bonds under the authority of
397 this act, may provide that bonds, at the option of the State of
398 Mississippi, may be called in for payment and redemption at the
399 call price named therein and accrued interest on such date or
400 dates named therein.

401 Section 8. The bonds issued under the provisions of this act
402 are general obligations of the State of Mississippi, and for the
403 payment thereof the full faith and credit of the State of
404 Mississippi is irrevocably pledged. If the funds appropriated by
405 the Legislature are insufficient to pay the principal of and the
406 interest on such bonds as they become due, then the deficiency
407 shall be paid by the State Treasurer from any funds in the State
408 Treasury not otherwise appropriated. All such bonds shall contain
409 recitals on their faces substantially covering the provisions of
410 this section.

411 Section 9. Upon the issuance and sale of bonds under the
412 provisions of this act, the commission shall transfer the proceeds
413 of any such sale or sales to the Mississippi Existing Industry
414 Productivity Loan Fund created in Section 57-95-1. The proceeds
415 of such bonds shall be disbursed solely upon the order of the
416 Mississippi Development Authority under such restrictions, if any,
417 as may be contained in the resolution providing for the issuance
418 of the bonds.

419 Section 10. The bonds authorized under this act may be
420 issued without any other proceedings or the happening of any other
421 conditions or things other than those proceedings, conditions and
422 things which are specified or required by this act. Any
423 resolution providing for the issuance of bonds under the
424 provisions of this act shall become effective immediately upon its



425 adoption by the commission, and any such resolution may be adopted
426 at any regular or special meeting of the commission by a majority
427 of its members.

428 Section 11. The bonds authorized under the authority of this
429 act may be validated in the Chancery Court of the First Judicial
430 District of Hinds County, Mississippi, in the manner and with the
431 force and effect provided by Chapter 13, Title 31, Mississippi
432 Code of 1972, for the validation of county, municipal, school
433 district and other bonds. The notice to taxpayers required by
434 such statutes shall be published in a newspaper published or
435 having a general circulation in the City of Jackson, Mississippi.

436 Section 12. Any holder of bonds issued under the provisions
437 of this act or of any of the interest coupons pertaining thereto
438 may, either at law or in equity, by suit, action, mandamus or
439 other proceeding, protect and enforce any and all rights granted
440 under this act, or under such resolution, and may enforce and
441 compel performance of all duties required by this act to be
442 performed, in order to provide for the payment of bonds and
443 interest thereon.

444 Section 13. All bonds issued under the provisions of this
445 act shall be legal investments for trustees and other fiduciaries,
446 and for savings banks, trust companies and insurance companies
447 organized under the laws of the State of Mississippi, and such
448 bonds shall be legal securities which may be deposited with and
449 shall be received by all public officers and bodies of this state
450 and all municipalities and political subdivisions for the purpose
451 of securing the deposit of public funds.

452 Section 14. Bonds issued under the provisions of this act
453 and income therefrom shall be exempt from all taxation in the
454 State of Mississippi.

455 Section 15. The proceeds of the bonds issued under this act
456 shall be used solely for the purposes therein provided, including
457 the costs incident to the issuance and sale of such bonds.



458 Section 16. The State Treasurer is authorized, without
459 further process of law, to certify to the Department of Finance
460 and Administration the necessity for warrants, and the Department
461 of Finance and Administration is authorized and directed to issue
462 such warrants, in such amounts as may be necessary to pay when due
463 the principal of, premium, if any, and interest on, or the
464 accreted value of, all bonds issued under this act; and the State
465 Treasurer shall forward the necessary amount to the designated
466 place or places of payment of such bonds in ample time to
467 discharge such bonds, or the interest thereon, on the due dates
468 thereof.

469 Section 17. This act shall be deemed to be full and complete
470 authority for the exercise of the powers therein granted, but this
471 act shall not be deemed to repeal or to be in derogation of any
472 existing law of this state.

473 **SECTION 3.** Sections 40 through 55, Chapter 1, 2005 Third
474 Extraordinary Session, are amended as follows:

475 Section 40. As used in Sections 40 through 55 of this act,
476 the following words shall have the meanings ascribed herein unless
477 the context clearly requires otherwise:

478 (a) "Accreted value" of any bonds means, as of any date
479 of computation, an amount equal to the sum of (i) the stated
480 initial value of such bond, plus (ii) the interest accrued thereon
481 from the issue date to the date of computation at the rate,
482 compounded semiannually, that is necessary to produce the
483 approximate yield to maturity shown for bonds of the same
484 maturity.

485 (b) "Act" means Sections 40 through 55 of this act.

486 (c) "State" means the State of Mississippi.

487 (d) "Commission" means the State Bond Commission.

488 Section 41. (1) The Mississippi Development Authority, at
489 one time, or from time to time, may declare by resolution the
490 necessity for issuance of general obligation bonds of the State of



491 Mississippi to provide funds for the program authorized in Section
492 57-95-1. Upon the adoption of a resolution by the Mississippi
493 Development Authority, declaring the necessity for the issuance of
494 any part or all of the general obligation bonds authorized by this
495 section, the Mississippi Development Authority shall deliver a
496 certified copy of its resolution or resolutions to the commission.
497 Upon receipt of such resolution, the commission, in its
498 discretion, may act as the issuing agent, prescribe the form of
499 the bonds, advertise for and accept bids, issue and sell the bonds
500 so authorized to be sold and do any and all other things necessary
501 and advisable in connection with the issuance and sale of such
502 bonds. The total amount of bonds issued under this act shall not
503 exceed Twelve Million Dollars (\$12,000,000.00). No bonds shall be
504 issued under this act after July 1, 2010.

505 (2) The proceeds of bonds issued pursuant to this act shall
506 be deposited into the Mississippi Job Protection Act Fund created
507 pursuant to Section 57-95-1. Any investment earnings on bonds
508 issued pursuant to this act shall be used to pay debt service on
509 bonds issued under this act, in accordance with the proceedings
510 authorizing issuance of such bonds.

511 Section 42. The principal of and interest on the bonds
512 authorized under this act shall be payable in the manner provided
513 in this section. Such bonds shall bear such date or dates, be in
514 such denomination or denominations, bear interest at such rate or
515 rates (not to exceed the limits set forth in Section 75-17-101,
516 Mississippi Code of 1972), be payable at such place or places
517 within or without the State of Mississippi, shall mature
518 absolutely at such time or times not to exceed twenty-five (25)
519 years from date of issue, be redeemable before maturity at such
520 time or times and upon such terms, with or without premium, shall
521 bear such registration privileges, and shall be substantially in
522 such form, all as shall be determined by resolution of the
523 commission.



524 Section 43. The bonds authorized by this act shall be signed
525 by the chairman of the commission, or by his facsimile signature,
526 and the official seal of the commission shall be affixed thereto,
527 attested by the secretary of the commission. The interest
528 coupons, if any, to be attached to such bonds may be executed by
529 the facsimile signatures of such officers. Whenever any such
530 bonds shall have been signed by the officials designated to sign
531 the bonds who were in office at the time of such signing but who
532 may have ceased to be such officers before the sale and delivery
533 of such bonds, or who may not have been in office on the date such
534 bonds may bear, the signatures of such officers upon such bonds
535 and coupons shall nevertheless be valid and sufficient for all
536 purposes and have the same effect as if the person so officially
537 signing such bonds had remained in office until their delivery to
538 the purchaser, or had been in office on the date such bonds may
539 bear. However, notwithstanding anything herein to the contrary,
540 such bonds may be issued as provided in the Registered Bond Act of
541 the State of Mississippi.

542 Section 44. All bonds and interest coupons issued under the
543 provisions of this act have all the qualities and incidents of
544 negotiable instruments under the provisions of the Uniform
545 Commercial Code, and in exercising the powers granted by this act,
546 the commission shall not be required to and need not comply with
547 the provisions of the Uniform Commercial Code.

548 Section 45. The commission shall act as the issuing agent
549 for the bonds authorized under this act, prescribe the form of the
550 bonds, advertise for and accept bids, issue and sell the bonds so
551 authorized to be sold, pay all fees and costs incurred in such
552 issuance and sale, and do any and all other things necessary and
553 advisable in connection with the issuance and sale of such bonds.
554 The commission is authorized and empowered to pay the costs that
555 are incident to the sale, issuance and delivery of the bonds
556 authorized under this act from the proceeds derived from the sale



557 of such bonds. The commission shall sell such bonds on sealed
558 bids at public sale, and for such price as it may determine to be
559 for the best interest of the State of Mississippi, but no such
560 sale shall be made at a price less than par plus accrued interest
561 to the date of delivery of the bonds to the purchaser. All
562 interest accruing on such bonds so issued shall be payable
563 semiannually or annually; however, the first interest payment may
564 be for any period of not more than one (1) year.

565 Notice of the sale of any such bonds shall be published at
566 least one time, not less than ten (10) days before the date of
567 sale, and shall be so published in one or more newspapers
568 published or having a general circulation in the City of Jackson,
569 Mississippi, and in one or more other newspapers or financial
570 journals with a national circulation, to be selected by the
571 commission.

572 The commission, when issuing any bonds under the authority of
573 this act, may provide that bonds, at the option of the State of
574 Mississippi, may be called in for payment and redemption at the
575 call price named therein and accrued interest on such date or
576 dates named therein.

577 Section 46. The bonds issued under the provisions of this
578 act are general obligations of the State of Mississippi, and for
579 the payment thereof the full faith and credit of the State of
580 Mississippi is irrevocably pledged. If the funds appropriated by
581 the Legislature are insufficient to pay the principal of and the
582 interest on such bonds as they become due, then the deficiency
583 shall be paid by the State Treasurer from any funds in the State
584 Treasury not otherwise appropriated. All such bonds shall contain
585 recitals on their faces substantially covering the provisions of
586 this section.

587 Section 47. Upon the issuance and sale of bonds under the
588 provisions of this act, the commission shall transfer the proceeds
589 of any such sale or sales to the Mississippi Job Protection Act



590 Fund created in Section 57-95-1. The proceeds of such bonds shall
591 be disbursed solely upon the order of the Mississippi Development
592 Authority under such restrictions, if any, as may be contained in
593 the resolution providing for the issuance of the bonds.

594 Section 48. The bonds authorized under this act may be
595 issued without any other proceedings or the happening of any other
596 conditions or things other than those proceedings, conditions and
597 things which are specified or required by this act. Any
598 resolution providing for the issuance of bonds under the
599 provisions of this act shall become effective immediately upon its
600 adoption by the commission, and any such resolution may be adopted
601 at any regular or special meeting of the commission by a majority
602 of its members.

603 Section 49. The bonds authorized under the authority of this
604 act may be validated in the Chancery Court of the First Judicial
605 District of Hinds County, Mississippi, in the manner and with the
606 force and effect provided by Chapter 13, Title 31, Mississippi
607 Code of 1972, for the validation of county, municipal, school
608 district and other bonds. The notice to taxpayers required by
609 such statutes shall be published in a newspaper published or
610 having a general circulation in the City of Jackson, Mississippi.

611 Section 50. Any holder of bonds issued under the provisions
612 of this act or of any of the interest coupons pertaining thereto
613 may, either at law or in equity, by suit, action, mandamus or
614 other proceeding, protect and enforce any and all rights granted
615 under this act, or under such resolution, and may enforce and
616 compel performance of all duties required by this act to be
617 performed, in order to provide for the payment of bonds and
618 interest thereon.

619 Section 51. All bonds issued under the provisions of this
620 act shall be legal investments for trustees and other fiduciaries,
621 and for savings banks, trust companies and insurance companies
622 organized under the laws of the State of Mississippi, and such



623 bonds shall be legal securities which may be deposited with and
624 shall be received by all public officers and bodies of this state
625 and all municipalities and political subdivisions for the purpose
626 of securing the deposit of public funds.

627 Section 52. Bonds issued under the provisions of this act
628 and income therefrom shall be exempt from all taxation in the
629 State of Mississippi.

630 Section 53. The proceeds of the bonds issued under this act
631 shall be used solely for the purposes therein provided, including
632 the costs incident to the issuance and sale of such bonds.

633 Section 54. The State Treasurer is authorized, without
634 further process of law, to certify to the Department of Finance
635 and Administration the necessity for warrants, and the Department
636 of Finance and Administration is authorized and directed to issue
637 such warrants, in such amounts as may be necessary to pay when due
638 the principal of, premium, if any, and interest on, or the
639 accreted value of, all bonds issued under this act; and the State
640 Treasurer shall forward the necessary amount to the designated
641 place or places of payment of such bonds in ample time to
642 discharge such bonds, or the interest thereon, on the due dates
643 thereof.

644 Section 55. This act shall be deemed to be full and complete
645 authority for the exercise of the powers therein granted, but this
646 act shall not be deemed to repeal or to be in derogation of any
647 existing law of this state.

648 **SECTION 4.** This act shall take effect and be in force from
649 and after its passage.

