

# House Bill 1630

*AN ACT TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS NECESSARY FOR THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT TO ACQUIRE THE RAIL LINE EXTENDING FROM THE STATE PORT AT GULFPORT, MISSISSIPPI, TO THE CITY OF HATTIESBURG, MISSISSIPPI; TO PROVIDE THAT ACTIONS TAKEN BY THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT UNDER THIS ACT SHALL BE SUBJECT TO APPROVAL BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO PROVIDE THAT IF THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT ACQUIRES THE RAIL LINE, IT MAY ENTER INTO ANY AGREEMENT WITH A RAILROAD OR OTHER ENTITY PROVIDING THAT THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL LINE FROM THE STATE FOR COMMERCIAL PURPOSES; TO AUTHORIZE THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT TO ENTER INTO CONTRACTS OR OTHER AGREEMENTS WITH ANY PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP, GOVERNMENTAL UNIT OR OTHER ENTITY NECESSARY TO PERFORM REPAIRS AND UPGRADES TO THE RAIL LINE; TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE REVENUE BONDS TO PROVIDE FUNDS FOR REPAIRS AND UPGRADES TO SUCH RAIL LINE NECESSARY TO PROVIDE INTERMODAL ACCESS TO AND FROM THE STATE PORT AT GULFPORT, MISSISSIPPI; TO PROVIDE THAT THE REVENUE BONDS MAY NOT BE ISSUED UNLESS THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT HAS ENTERED INTO AN AGREEMENT WITH A RAILROAD OR OTHER ENTITY PROVIDING THAT THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL LINE FROM THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT FOR COMMERCIAL PURPOSES; TO PROVIDE THAT THE PAYMENTS RECEIVED FROM ANY SUCH LEASE SHALL BE DEPOSITED INTO A SPECIAL BOND SINKING FUND CREATED FOR THE PURPOSE OF RETIRING BONDS ISSUED UNDER THIS ACT OR OTHER INDEBTEDNESS INCURRED UNDER THIS ACT, OR BOTH; TO PROVIDE THAT MONIES IN SUCH SINKING FUND SHALL BE USED FIRST TO RETIRE REVENUE BONDS ISSUED UNDER THIS ACT OR OTHER INDEBTEDNESS INCURRED UNDER THIS ACT, OR BOTH; TO PROVIDE THAT WHEN THE BALANCE IN THE*

*SPECIAL BOND SINKING FUND IS EQUAL TO THE NEXT TWO DEBT SERVICE REQUIREMENTS OF THE REVENUE BONDS ISSUED UNDER THIS ACT OR OTHER INDEBTEDNESS INCURRED UNDER THIS ACT, OR BOTH, THE EXCESS MONIES IN THE FUND SHALL BE USED TO PAY THE DEBT SERVICE REQUIREMENTS OF GENERAL OBLIGATION BONDS ISSUED UNDER THIS ACT PROVIDED THAT THE BALANCE IN THE SPECIAL BOND SINKING FUND SHALL NOT FALL BELOW THE AMOUNT EQUAL TO THE NEXT TWO DEBT SERVICE REQUIREMENTS OF THE REVENUE BONDS OR OTHER INDEBTEDNESS; TO AUTHORIZE THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT TO BORROW FUNDS FROM THE MISSISSIPPI DEVELOPMENT BANK FOR THE PURPOSE OF ACQUIRING, REPAIRING AND UPGRADING THE RAIL LINE; TO PROVIDE THAT THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT MUST SATISFY CERTAIN CONDITIONS BEFORE TAKING ANY ACTIONS TO ACQUIRE, REPAIR OR UPGRADE THE RAIL LINE AND BEFORE ANY BONDS MAY BE ISSUED OR OTHER DEBT MAY BE INCURRED UNDER THIS ACT; AND FOR RELATED PURPOSES.*

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

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

- (a) "Accreted value" of any bond means, as of any date of computation, an amount equal to the sum of (i) the stated initial value of such bond, plus (ii) the interest accrued thereon from the issue date to the date of computation at the rate, compounded semiannually, that is necessary to produce the approximate yield to maturity shown for bonds of the same maturity.
- (b) "Commission" means the State Bond Commission.
- (c) "Rail line" means the rail line extending from the State Port at Gulfport to the City of Hattiesburg, Mississippi.
- (d) "State" means the State of Mississippi.
- (e) "Mississippi State Port Authority at Gulfport" means the Mississippi State Port Authority at Gulfport, Mississippi, acting subject to the approval of the Mississippi Development Authority.

SECTION 2. The Mississippi State Port Authority at Gulfport may use the proceeds from general obligation bonds issued under Sections 4 through 18 of this act to acquire the rail line for the purpose of performing repairs and upgrades necessary to provide intermodal access to and from the State Port at Gulfport, Mississippi.

SECTION 3. For the purpose of providing for the payment of the principal of and interest upon bonds issued under this act or indebtedness incurred by the Mississippi State Port Authority at Gulfport under Section 35 of this act, or both, there is created a special bond sinking fund in the State Treasury. The special bond sinking fund shall consist of the monies required to be deposited into the fund under Section 19 of this act and such other amounts as may be paid into such fund by appropriation or other authorization by the Legislature. Except as otherwise provided in this section, monies in the special bond sinking fund shall be used first to pay the debt service requirements of the revenue bonds issued under Sections 20 through 34 of this act or the debt service requirements of the indebtedness incurred by the Mississippi State Port Authority at Gulfport under Section 35 of this act, or both. Whenever the balance in the special bond sinking fund is equal to the next two (2) debt service requirements of the revenue bonds issued under Sections 20 through 34 of this act or the next two (2) debt service requirements of the indebtedness incurred by the Mississippi State Port Authority at Gulfport under Section 35 of this act, or both, the excess monies in such sinking fund shall be used to pay the debt service requirements of the general obligation bonds issued under Sections 4 through 18 of this act; provided, however, that the balance in the special bond sinking fund shall not fall below the amount equal to the next two (2) debt service requirements of the revenue bonds issued under Sections 20 through 34 of this act or the next two (2) debt service requirements of the indebtedness incurred by the Mississippi State Port Authority at Gulfport under Section 35 of this act, or both. Funds required in excess of the amount available in the special bond sinking fund to pay the principal of and interest upon the general obligation bonds issued under Sections 4 through 18 of this act shall be appropriated from the State General Fund. Unexpended amounts remaining in the special bond sinking fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the special bond sinking fund shall be deposited into such sinking fund.

SECTION 4. (1) (a) A special fund, to be designated as the

"South Mississippi Rail Line Acquisition Fund" is created within the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

(b) Monies deposited into the fund shall be disbursed, in the discretion of the Mississippi State Port Authority at Gulfport, to pay the costs incurred by the Mississippi State Port Authority at Gulfport in acquisition of the rail line.

(2) Amounts deposited into such special fund shall be disbursed to pay the costs of the project described in subsection (1) of this section. If any monies in the special fund are not used within four (4) years after the date the proceeds of the bonds authorized under Sections 4 through 18 of this act are deposited into such fund, then the Mississippi State Port Authority at Gulfport shall provide an accounting of such unused monies to the commission. Promptly after the commission has certified, by resolution duly adopted, that the project described in subsection (1) shall have been completed, abandoned, or cannot be completed in a timely fashion, any amounts remaining in such special fund shall be applied to pay debt service on the bonds issued under Sections 4 through 18 of this act, in accordance with the proceedings authorizing the issuance of such bonds and as directed by the commission.

SECTION 5. (1) The commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of

Mississippi to provide funds for all costs incurred or to be incurred for the purposes described in Section 4 of this act. Upon the adoption of a resolution by the Mississippi State Port Authority at Gulfport, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this section, the Mississippi State Port Authority at Gulfport shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under Sections 4 through 18 of this act shall not exceed Twenty Million Dollars (\$20,000,000.00). No bonds shall be issued under Sections 4 through 18 of this act after July 1, 2004.

(2) Any investment earnings on amounts deposited into the special fund created in Section 4 of this act shall be used to pay debt service on bonds issued under Sections 4 through 18 of this act, in accordance with the proceedings authorizing issuance of such bonds.

SECTION 6. The principal of and interest on the bonds authorized under Sections 4 through 18 of this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty (20) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

SECTION 7. The bonds authorized by Sections 4 through 18 of this act shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

SECTION 8. All bonds and interest coupons issued under the provisions of Sections 4 through 18 of this act have all the qualities and incidents of negotiable instruments under the provisions of the Mississippi Uniform Commercial Code, and in exercising the powers granted by Sections 4 through 18 of this act, the commission shall not be required to and need not comply with the provisions of the Mississippi Uniform Commercial Code.

SECTION 9. The commission shall act as the issuing agent for the bonds authorized under Sections 4 through 18 of this act, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in such issuance and sale, and do any and all other things necessary and

advisable in connection with the issuance and sale of such bonds. The commission is authorized and empowered to pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under Sections 4 through 18 of this act from the proceeds derived from the sale of such bonds. The commission shall sell such bonds on sealed bids at public sale, and for such price as it may determine to be for the best interest of the State of Mississippi, but no such sale shall be made at a price less than par plus accrued interest to the date of delivery of the bonds to the purchaser. All interest accruing on such bonds so issued shall be payable semiannually or annually; however, the first interest payment may be for any period of not more than one (1) year.

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

The commission, when issuing any bonds under the authority of Sections 4 through 18 of this act, may provide that bonds, at the option of the State of Mississippi, may be called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.

SECTION 10. The bonds issued under the provisions of Sections 4 through 18 of this act are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. Such bonds shall be payable from the special bond sinking fund created in Section 3 of this act in the manner provided in such section. If the funds available in such special bond sinking fund for payment of the bonds and any funds appropriated by the Legislature for such purposes are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this section.

SECTION 11. Upon the issuance and sale of bonds under the provisions of Sections 4 through 18 of this act, the commission shall transfer the proceeds of any such sale or sales to the special fund created in Section 4 of this act. The proceeds of such bonds shall be disbursed solely upon the order of the Mississippi State Port Authority at Gulfport under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

SECTION 12. The bonds authorized under Sections 4 through 18 of this act may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things which are specified or required by Sections 4 through 18 of this act. Any resolution providing for the issuance of bonds under the provisions of Sections 4 through 18 of this act shall become effective immediately upon its adoption by the commission, and any such resolution may be adopted at any regular or special meeting of the commission by a majority of its members.

SECTION 13. The bonds authorized under the authority of Sections 4 through 18 of this act may be validated in the Chancery Court of the First Judicial District of Hinds County, Mississippi, in the manner and with the force and effect provided by Chapter 13, Title 31, Mississippi Code of 1972, for the validation of county, municipal, school district and other bonds. The notice to taxpayers required by such statutes shall be published in a newspaper published or having a general circulation in the City of Jackson, Mississippi.

SECTION 14. Any holder of bonds issued under the provisions of Sections 4 through 18 of this act or of any of the interest coupons pertaining thereto may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted under Sections 4 through 18 of this act, or under such resolution, and may enforce and compel performance of all duties required by Sections 4 through 18 of this act to be performed, in order to provide for the payment of bonds and interest thereon.

SECTION 15. All bonds issued under the provisions of Sections 4 through 18 of this act shall be legal investments for trustees and other fiduciaries, and for savings banks, trust companies and insurance companies organized under the laws of the State of Mississippi, and such bonds shall be legal securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for the purpose of securing the deposit of public funds.

SECTION 16. Bonds issued under the provisions of Sections 4 through 18 of this act and income therefrom shall be exempt from all taxation in the State of Mississippi.

SECTION 17. The proceeds of the bonds issued under Sections 4 through 18 of this act shall be used solely for the purposes provided in Sections 4 through 18 of this act, including the costs incident to the issuance and sale of such bonds.

SECTION 18. The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under Sections 4 through 18 of this act; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

SECTION 19. (1) If the Mississippi State Port Authority at Gulfport acquires the rail line, it may enter into any binding agreement with a railroad or other entity providing that the railroad or other entity shall lease the rail line from the Mississippi State Port Authority at Gulfport for commercial purposes. The Mississippi State Port Authority at Gulfport may enter into any lease of the rail line to a railroad or other entity for commercial purposes, and the payments from any such lease shall be deposited into the special bond sinking fund created in Section 3 of this act. Any lease entered into with a railroad or other entity under this subsection (1) shall terminate no earlier than the date of the maturity of the revenue bonds issued under Sections 20 through 34 of this act or the date of the maturity of the indebtedness incurred by the Mississippi State Port Authority at Gulfport under Section 35 of this act, or both, whichever is the later. The lease payments paid by the railroad or other entity over a lease term shall be in an amount at least sufficient to retire the revenue bonds issued under Sections 20 through 34 of this act at the date of maturity of the bonds or the indebtedness incurred by the Mississippi State Port Authority at Gulfport under Section 35 of this act at the date of maturity of such indebtedness, or both, and the amount of the lease payments may not be reduced until such bonds or indebtedness, or both, are retired.

(2) If the Mississippi State Port Authority at Gulfport acquires the rail line, it may enter into any contracts or other agreements with any person, corporation, association, partnership, governmental unit or other entity necessary to perform repairs and upgrades to the rail line for the purpose of providing intermodal access to and from the State Port at Gulfport, Mississippi. The Mississippi State Port Authority at Gulfport may enter into any contracts or other agreements with a railroad or other entity for the operation, management and maintenance of the rail line.

(3) If the Mississippi State Port Authority at Gulfport acquires the rail line, the Mississippi State Port Authority at Gulfport shall have, as far as is practicable, all powers authorized for railroad authorities under Section 19-29-1 et seq., Mississippi Code of 1972, and such additional powers as may be determined necessary to carry out the provisions of this act.

SECTION 20. (1) (a) A special fund, to be designated as the "South Mississippi Rail Line Upgrade and Repair Fund" is created within the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

(b) Monies deposited into the fund shall be disbursed, in the discretion of the Mississippi State Port Authority at Gulfport, to pay the costs incurred in performing repairs and upgrades to the rail line for the purpose of providing intermodal access to and from the State Port at Gulfport, Mississippi.

(2) Amounts deposited into such special fund shall be disbursed to pay the costs of the projects described in subsection (1) of this section. If any monies in the special fund are not used within four (4) years after the date the proceeds of the bonds authorized under Sections 20 through 34 of this act are deposited into such fund, then the Mississippi State Port Authority at Gulfport shall provide an accounting of such unused monies to the commission. Promptly after the commission has certified, by resolution duly adopted, that the projects described in subsection (1) shall have been completed, abandoned, or cannot be completed in a timely fashion, any amounts remaining in such special fund shall be applied to pay debt service on the bonds issued under Sections 20 through 34 of this act, in accordance with the proceedings authorizing the issuance of such bonds and as directed by the commission.

SECTION 21. (1) The commission, at one time or from time to time, may declare by resolution the necessity for issuance of revenue bonds of the State of Mississippi to provide funds for all costs incurred or to be incurred for the purposes described in Section 20 of this act. However, the commission may not issue revenue bonds under Sections 20 through 34 of this act unless the Mississippi State Port Authority at Gulfport first has entered into an agreement with a railroad or other entity which satisfies the lease requirements of Section 19 of this act. Upon the adoption of a resolution by the Mississippi State Port Authority of Gulfport, declaring the necessity for the issuance of any part or all of the revenue bonds authorized by this section and that the requirements of Section 19 of this act have been satisfied, the Mississippi State Port Authority at Gulfport shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under Sections 20 through 34 of this act shall not exceed Twenty Million Dollars (\$20,000,000.00). No bonds shall be issued under Sections 20 through 34 of this act after July 1, 2008.

(2) Any investment earnings on amounts deposited into the special fund created in Section 20 of this act shall be used to pay debt service on bonds issued under Sections 20 through 34 of this act, in accordance with the proceedings authorizing issuance of such bonds.

SECTION 22. The principal of and interest on the bonds authorized under Sections 20 through 34 of this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-103, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty (20) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

SECTION 23. The bonds authorized by Sections 20 through 34 of this act shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

SECTION 24. All bonds and interest coupons issued under the provisions of Sections 20 through 34 of this act have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by Sections 20 through 34 of this act, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

SECTION 25. The commission shall act as the issuing agent for the bonds authorized under Sections 20 through 34 of this act, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in such issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The commission is authorized and empowered to pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under Sections 20 through 34 of this act from the proceeds derived from the sale of such bonds. The commission shall sell such bonds on sealed bids at public sale, and for such price as it may determine to be for the best interest of the State of Mississippi, but no such sale shall be made at a price less than par plus accrued interest to the date of delivery of the bonds to the purchaser. All interest accruing on such bonds so issued shall be payable semiannually or annually; however, the first interest payment may be for any period of not more than one (1) year.

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

The commission, when issuing any bonds under the authority of Sections 20 through 34 of this act, may provide that bonds, at the option of the State of Mississippi, may be



called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.

SECTION 26. Bonds issued under authority of Sections 20 through 34 of this act shall be revenue bonds of the state, the principal of and interest on which shall be payable solely from and shall be secured by the special bond sinking fund created in Section 3 of this act. The bonds shall never constitute an indebtedness of the state within the meaning of any state constitutional provision or statutory limitation, and shall never constitute or give rise to a pecuniary liability of the state, or a charge against its general credit or taxing powers, and such fact shall be plainly stated on the face of each such bond. The bonds shall not be considered when computing any limitation of indebtedness of the state. All bonds issued under the authority of Sections 20 through 34 of this act and all interest coupons applicable thereto shall be construed to be negotiable instruments, despite the fact that they are payable solely from a specified source.

SECTION 27. Upon the issuance and sale of bonds under the provisions of Sections 20 through 34 of this act, the commission shall transfer the proceeds of any such sale or sales to the special fund created in Section 20 of this act. The proceeds of such bonds shall be disbursed solely upon the order of the Mississippi State Port Authority at Gulfport under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

SECTION 28. The bonds authorized under Sections 20 through 34 of this act may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things which are specified or required by Sections 20 through 34 of this act. Any resolution providing for the issuance of bonds under the provisions of Sections 20 through 34 of this act shall become effective immediately upon its adoption by the commission, and any such resolution may be adopted at any regular or special meeting of the commission by a majority of its members.

SECTION 29. The bonds authorized under the authority of Sections 20 through 34 of this act may be validated in the Chancery Court of the First Judicial District of Hinds County, Mississippi, in the manner and with the force and effect provided by Chapter 13, Title 31, Mississippi Code of 1972, for the validation of county, municipal, school district and other bonds. The notice to taxpayers required by such statutes shall be published in a newspaper published or having a general circulation in the City of Jackson, Mississippi.

SECTION 30. Any holder of bonds issued under the provisions of Sections 20 through 34 of this act or of any of the interest coupons pertaining thereto may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted under Sections 20 through 34 of this act, or under such resolution, and may enforce and compel performance of all duties required by Sections 20 through 34 of this act to be performed, in order to provide for the payment of bonds and interest thereon.

SECTION 31. All bonds issued under the provisions of Sections 20 through 34 of this act shall be legal investments for trustees and other fiduciaries, and for savings banks, trust companies and insurance companies organized under the laws of the State of Mississippi, and such bonds shall be legal securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for the purpose of securing the deposit of public funds.

SECTION 32. Bonds issued under the provisions of Sections 20 through 34 of this act and income therefrom shall be exempt from all taxation in the State of Mississippi.

SECTION 33. The proceeds of the bonds issued under Sections 20 through 34 of this act; shall be used solely for the purposes provided in Sections 20 through 34 of this act, including the costs incident to the issuance and sale of such bonds.

SECTION 34. The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under Sections 20 through 34 of this act; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

SECTION 35. In addition to, and not as a limitation of, the availability of the use of proceeds from general obligation bonds issued under Sections 4 through 18 of this act or the use of proceeds from revenue bonds issued under Sections 20 through 34 of this act, or both, the Mississippi State Port Authority at Gulfport may borrow money from the Mississippi Development Bank pursuant to Section 31-25-1 et seq., Mississippi Code of 1972, to provide funds to acquire the rail line and/or to perform repairs and upgrades necessary to provide intermodal access to and from the State Port at Gulfport, Mississippi. Any loan made by the Mississippi Development Bank to the Mississippi State Port Authority at Gulfport for the purposes stated in this section may be made upon such terms and conditions as prescribed by and between the Mississippi Development Bank and the Mississippi State Port Authority at Gulfport pursuant to Section 31-25-1 et seq., without regard to any other provision of this act. The Mississippi State Port Authority at Gulfport may not borrow money from the Mississippi Development Bank after July 1, 2004, to provide funds to acquire the rail line and may not borrow money from the Mississippi Development Bank after July 1, 2008, to provide funds to perform repairs and upgrades necessary to provide intermodal access to and from the State Port at Gulfport.

SECTION 36. (1) Notwithstanding any other provision of this act to the contrary, before the Mississippi State Port Authority at Gulfport may take any action under this act regarding the acquisition, repair or upgrade of the rail line and before any bonds may be issued or other debt may be incurred under this act, it shall undertake, conduct and complete the following:

(a) A cost benefit analysis regarding the purchase of the rail line;

(b) A study regarding the condition of the rail line and any needed repairs or upgrades; and

(c) A study regarding the cost of purchasing the rail line.

(2) The Mississippi State Port Authority at Gulfport is authorized to employ or contract with all necessary and competent professionals including, but not limited to, attorneys, engineers, appraisers, consultants, certified public accountants and other related professionals, to assist the Mississippi State Port Authority at Gulfport in carrying out its duties and responsibilities under this section.

(3) The Mississippi State Port Authority at Gulfport may use any available funds in order to pay any costs incurred under this section.

(4) If the Mississippi State Port Authority at Gulfport acquires the rail line and enters into any agreement with a railroad or other entity for the operation of the rail line, the Mississippi State Port Authority at Gulfport shall encourage such railroad or other entity to retain the current employees of the rail line.

(5) The authority granted to the Mississippi State Port Authority at Gulfport under this section is plenary and intended to assist the Mississippi State Port Authority at Gulfport in gauging and evaluating the feasibility and profitability of the state acquiring and operating the rail line.

SECTION 37. This act shall be deemed to be full and complete authority for the exercise of the powers herein granted, but this act shall not be deemed to repeal or to be in derogation of any existing law of this state.

SECTION 38. The powers and authority granted under this act shall be additional and supplemental to any other powers and authority granted by law and shall not amend, repeal or supersede any other powers and authority granted by law.

SECTION 39. This act shall take effect and be in force from and after its passage.

Passed State Senate  
March 26, 2001

Passed House of Representatives  
March 25, 2001

APPROVED BY THE GOVERNOR

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GOVERNOR