

By: Representative Robinson (84th)

To: Ways and Means

HOUSE BILL NO. 1521

1 AN ACT TO AUTHORIZE THE DEPARTMENT OF FINANCE AND
2 ADMINISTRATION TO ISSUE GENERAL OBLIGATION BONDS FOR THE
3 CONSTRUCTION OF REGIONAL JUVENILE DETENTION CENTERS, ONE IN EACH
4 PLANNING AND DEVELOPMENT DISTRICT; AND FOR RELATED PURPOSES.

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

6 SECTION 1. The Department of Finance and Administration, at
7 one time or from time to time, may declare by resolution the
8 necessity for issuance of general obligation bonds of the State of
9 Mississippi to provide funds for the construction of regional
10 juvenile detention facilities, one in each planning and
11 development district, as defined in Section 57-10-505 and Section
12 57-71-5.

13 SECTION 2. As used in Sections 3 through 18 of this act, the
14 following words shall have the meanings ascribed in this section
15 unless the context clearly requires otherwise:

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

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

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

25 SECTION 3. (1) (a) A special fund, to be designated as the
26 "1999 Regional Juvenile Detention Facilities Construction Fund" is
27 created within the State Treasury. The fund shall be maintained

28 by the State Treasurer as a separate and special fund, separate
29 and apart from the General Fund of the state and investment
30 earnings on amounts in the fund shall be deposited into the fund.

31 (b) Monies deposited into the fund shall be disbursed,
32 in the discretion of the Department of Finance and Administration,
33 to pay eighty percent (80%) of the cost of construction of the
34 regional juvenile detention facilities. The counties, within the
35 planning and development district in which a facility is located,
36 shall pay the remaining twenty percent (20%) of the cost of
37 construction of the facility, with each county paying a share of
38 the cost that is based on the ratio that the assessed valuation of
39 the county bares to the assessed valuation of all counties within
40 the planning and development district. All operational costs for
41 a facility shall be paid by the counties within the planning and
42 development district in which the facility is located, with each
43 county paying a share of the cost that is based on the ratio that
44 the assessed valuation of the county bares to the assessed
45 valuation of all counties within the planning and development
46 district.

47 Promptly after the commission has certified, by resolution
48 duly adopted, that the projects described in subsection (1) shall
49 have been completed, abandoned, or cannot be completed in a timely
50 fashion, any amounts remaining in the special fund shall be
51 applied to pay debt service on the bonds issued under Sections 3
52 through 18 of this act, in accordance with the proceedings
53 authorizing the issuance of the bonds and as directed by the
54 commission.

55 (2) The Department of Finance and Administration, acting
56 through the Bureau of Building, Grounds and Real Property
57 Management, may receive and expend any local or other source funds
58 in connection with the expenditure of funds provided for in this
59 section. The expenditure of monies deposited into the special
60 fund shall be under the direction of the Department of Finance and
61 Administration, and the funds shall be paid by the State Treasurer
62 upon warrants issued by the department, which warrants shall be
63 issued upon requisitions signed by the Executive Director of the
64 Department of Finance and Administration or his designee.

65 (3) The Department of Finance and Administration may pay for
66 the purchase of real estate and the construction, furnishing and
67 equipping of facilities.

68 SECTION 4. (1) The commission, at one time, or from time to
69 time, may declare by resolution the necessity for issuance of
70 general obligation bonds of the State of Mississippi to provide
71 funds for all costs incurred or to be incurred for the purposes
72 described in Section 3 of this act. Upon the adoption of a
73 resolution by the Department of Finance and Administration,
74 declaring the necessity for the issuance of any part or all of the
75 general obligation bonds authorized by this section, the
76 Department of Finance and Administration shall deliver a certified
77 copy of its resolution or resolutions to the commission. Upon
78 receipt of the resolution, the commission, in its discretion, may
79 act as the issuing agent, prescribe the form of the bonds,
80 advertise for and accept bids, issue and sell the bonds so
81 authorized to be sold and do any and all other things necessary
82 and advisable in connection with the issuance and sale of such
83 bonds. The total amount of bonds issued under this act shall not
84 exceed Fifteen Million Dollars (\$15,000,000.00).

85 (2) Any investment earnings on amounts deposited into the
86 special fund created in Section 3 of this act shall be used to pay
87 debt service on bonds issued under Sections 3 through 18 of this
88 act, in accordance with the proceedings authorizing issuance of
89 the bonds.

90 SECTION 5. The principal of and interest on the bonds
91 authorized under Sections 3 through 18 of this act shall be
92 payable in the manner provided in this section. The bonds shall
93 bear a date or dates, be in a denomination or denominations, bear
94 interest at a rate or rates (not to exceed the limits set forth in
95 Section 75-17-101, Mississippi Code of 1972), be payable at a
96 place or places within or without the State of Mississippi, shall
97 mature absolutely at a time or times not to exceed twenty-five

98 (25) years from the date of issue, be redeemable before maturity
99 at a time or times and upon such terms, with or without premium,
100 shall bear registration privileges, and shall be substantially in
101 such form, all as shall be determined by resolution of the
102 commission.

103 SECTION 6. The bonds authorized by Sections 3 through 18 of
104 this act shall be signed by the chairman of the commission, or by
105 his facsimile signature, and the official seal of the commission
106 shall be affixed thereto, attested by the secretary of the
107 commission. The interest coupons, if any, to be attached to the
108 bonds may be executed by the facsimile signatures of the officers.

109 Whenever any such bonds shall have been signed by the officials
110 designated to sign the bonds who were in office at the time of the
111 signing but who may have ceased to be officers before the sale and
112 delivery of the bonds, or who may not have been in office on the
113 date the bonds may bear, the signatures of the officers upon the
114 bonds and coupons shall nevertheless be valid and sufficient for
115 all purposes and have the same effect as if the person officially
116 signing the bonds had remained in office until their delivery to
117 the purchaser, or had been in office on the date the bonds may
118 bear. However, notwithstanding anything herein to the contrary,
119 the bonds may be issued as provided in the Registered Bond Act of
120 the State of Mississippi.

121 SECTION 7. All bonds and interest coupons issued under the
122 provisions of Sections 3 through 18 of this act have all the
123 qualities and incidents of negotiable instruments under the
124 provisions of the Mississippi Uniform Commercial Code, and in
125 exercising the powers granted by this act, the commission shall
126 not be required to and need not comply with the provisions of the
127 Mississippi Uniform Commercial Code.

128 SECTION 8. The commission shall act as the issuing agent for
129 the bonds authorized under Sections 3 through 18 of this act,
130 prescribe the form of the bonds, advertise for and accept bids,

131 issue and sell the bonds so authorized to be sold, pay all fees
132 and costs incurred in the issuance and sale, and do any and all
133 other things necessary and advisable in connection with the
134 issuance and sale of the bonds. The commission may pay the costs
135 that are incident to the sale, issuance and delivery of the bonds
136 authorized under Sections 3 through 18 of this act from the
137 proceeds derived from the sale of the bonds. The commission shall
138 sell the bonds on sealed bids at public sale, and for a price as
139 it may determine to be for the best interest of the State of
140 Mississippi, but no such sale shall be made at a price less than
141 par plus accrued interest to the date of delivery of the bonds to
142 the purchaser. All interest accruing on the bonds issued shall
143 be payable semiannually or annually; however, the first interest
144 payment may be for any period of not more than one (1) year.

145 Notice of the sale of any such bonds shall be published at
146 least one (1) time, not less than ten (10) days before the date of
147 sale, and shall be published in one or more newspapers published
148 or having a general circulation in the City of Jackson,
149 Mississippi, and in one or more other newspapers or financial
150 journals with a national circulation, to be selected by the
151 commission.

152 The commission, when issuing any bonds under the authority of
153 Sections 3 through 18 of this act, may provide that bonds, at the
154 option of the State of Mississippi, may be called in for payment
155 and redemption at the call price named therein and accrued
156 interest on the date or dates named therein.

157 SECTION 9. The bonds issued under the provisions of Sections
158 3 through 18 of this act are general obligations of the State of
159 Mississippi, and for the payment thereof the full faith and credit
160 of the State of Mississippi is irrevocably pledged. If the funds
161 appropriated by the Legislature are insufficient to pay the
162 principal of and the interest on the bonds as they become due,
163 then the deficiency shall be paid by the State Treasurer from any

164 funds in the State Treasury not otherwise appropriated. All such
165 bonds shall contain recitals on their faces substantially covering
166 the provisions of this section.

167 SECTION 10. Upon the issuance and sale of bonds under the
168 provisions of Sections 3 through 18 of this act, the commission
169 shall transfer the proceeds of any such sale or sales to the
170 special fund created in Section 3 of this act. The proceeds of
171 the bonds shall be disbursed solely upon the order of the
172 Department of Finance and Administration under the restrictions,
173 if any, as may be contained in the resolution providing for the
174 issuance of the bonds.

175 SECTION 11. The bonds authorized under Sections 3 through 18
176 of this act may be issued without any other proceedings or the
177 happening of any other conditions or things other than those
178 proceedings, conditions and things which are specified or required
179 by this act. Any resolution providing for the issuance of bonds
180 under the provisions of this act shall become effective
181 immediately upon its adoption by the commission, and any such
182 resolution may be adopted at any regular or special meeting of the
183 commission by a majority of its members.

184 SECTION 12. The bonds authorized under the authority of
185 Sections 3 through 18 of this act may be validated in the Chancery
186 Court of the First Judicial District of Hinds County, Mississippi,
187 in the manner and with the force and effect provided by Chapter
188 13, Title 31, Mississippi Code of 1972, for the validation of
189 county, municipal, school district and other bonds. The notice to
190 taxpayers required by these statutes shall be published in a
191 newspaper published or having a general circulation in the City of
192 Jackson, Mississippi.

193 SECTION 13. Any holder of bonds issued under the provisions
194 of Sections 3 through 18 of this act or of any of the interest
195 coupons pertaining thereto may, either at law or in equity, by
196 suit, action, mandamus or other proceeding, protect and enforce

197 any and all rights granted under this act, or under such
198 resolution, and may enforce and compel performance of all duties
199 required by this act to be performed, in order to provide for the
200 payment of bonds and interest thereon.

201 SECTION 14. All bonds issued under the provisions of
202 Sections 3 through 18 of this act shall be legal investments for
203 trustees and other fiduciaries, and for savings banks, trust
204 companies and insurance companies organized under the laws of the
205 State of Mississippi, and the bonds shall be legal securities
206 which may be deposited with and shall be received by all public
207 officers and bodies of this state and all municipalities and
208 political subdivisions for the purpose of securing the deposit of
209 public funds.

210 SECTION 15. Bonds issued under the provisions of Sections 3
211 through 18 of this act and income therefrom shall be exempt from
212 all taxation in the State of Mississippi.

213 SECTION 16. The proceeds of the bonds issued under Sections
214 3 through 18 of this act shall be used solely for the purposes
215 herein provided, including the costs incident to the issuance and
216 sale of the bonds.

217 SECTION 17. The State Treasurer, without further process of
218 law, may certify to the Department of Finance and Administration
219 the necessity for warrants, and the Department of Finance and
220 Administration shall issue the warrants, in amounts as may be
221 necessary to pay when due the principal of, premium, if any, and
222 interest on, or the accreted value of, all bonds issued under
223 Sections 3 through 18 of this act; and the State Treasurer shall
224 forward the necessary amount to the designated place or places of
225 payment of the bonds in ample time to discharge the bonds, or the
226 interest thereon, on the due dates thereof.

227 SECTION 18. Sections 3 through 18 of this act shall be
228 deemed to be full and complete authority for the exercise of the
229 powers herein granted, but Sections 3 through 18 of this act shall

230 not be deemed to repeal or to be in derogation of any existing law
231 of this state.

232 SECTION 19. This act shall take effect and be in force from
233 and after its passage.