

By: Representatives Guice, Barnett (116th), To: Ways and Means  
Broomfield, Fredericks, Janus, Peranich,  
Ryan, Simpson

## HOUSE BILL NO. 1579

1 AN ACT TO AMEND SECTIONS 34 THROUGH 50 OF CHAPTER 535, LAWS  
2 OF 1997, TO INCREASE FROM \$1,000,000.00 TO \$11,000,000.00, THE  
3 AMOUNT OF GENERAL OBLIGATION BONDS OF THE STATE OF MISSISSIPPI  
4 THAT MAY BE ISSUED TO PROVIDE FUNDS TO BE ALLOCATED AND DISBURSED  
5 THROUGH THE DEPARTMENT OF FINANCE AND ADMINISTRATION, TO PAY THE  
6 COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, RESTORATION,  
7 RENOVATION AND REPAIR OF MUSEUMS LOCATED IN THIS STATE; TO PROVIDE  
8 THAT \$2,000,000.00 OF THE ADDITIONAL BONDS AUTHORIZED BY THIS ACT  
9 SHALL BE ALLOCATED AND DISBURSED AS A GRANT THROUGH THE DEPARTMENT  
10 OF FINANCE AND ADMINISTRATION TO PAY THE COSTS OF REPAIR,  
11 RENOVATION, REMODELING, EQUIPPING, FURNISHING, ADDING TO AND  
12 IMPROVING THE GEORGE E. OHR ARTS AND CULTURAL CENTER IN BILOXI,  
13 MISSISSIPPI; AND FOR RELATED PURPOSES.

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

15 SECTION 1. Sections 34 through 50 of Chapter 535, Laws of  
16 1997, are amended as follows:

17 Section 34. As used in Sections 34 through 50 of this act,  
18 the following words shall have the meanings ascribed herein unless  
19 the context clearly requires otherwise:

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

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

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

29 Section 35. (1) A special fund, to be designated the "1997  
30 Museum Fund," is hereby created in the State Treasury. The fund  
31 shall be maintained by the State Treasurer as a separate and  
32 special fund, separate and apart from the General Fund of the

33 state, and investment earnings on amounts in the fund shall be  
34 deposited into such fund. The expenditure of monies deposited  
35 into the fund shall be under the direction of the Department of  
36 Finance and Administration, and except as otherwise provided in  
37 subsection (2)(a) of this section, based upon recommendations of  
38 the Board of Trustees of the Department of Archives and  
39 History. \* \* \* Such funds shall be paid by the State Treasurer  
40 upon warrants issued by the Department of Finance and  
41 Administration.

42 (2) (a) Two Million Dollars (\$2,000,000.00) of the monies  
43 deposited into the fund shall be allocated and disbursed as a  
44 grant through the Department of Finance and Administration to pay  
45 the costs of repair, renovation, remodeling, equipping,  
46 furnishing, adding to or improving the George E. Ohr Arts and  
47 Cultural Center in Biloxi, Mississippi.

48 (b) The remaining monies deposited into the fund shall be  
49 allocated and disbursed as grants through the Department of  
50 Finance and Administration, based upon the recommendations of the  
51 Board of Trustees of the Department of Archives and History, to  
52 pay the costs of the acquisition, construction, development,  
53 restoration, renovation or repair of museums located or to be  
54 located in this state. Grants shall be made available to such  
55 museums upon recommendation of the Board of Trustees of the  
56 Department of Archives and History and upon the receipt of  
57 matching funds or verification that the matching funds described  
58 in \* \* \* subsection (3) of this section are forthcoming; provided,  
59 however, that no grant to any one (1) museum may exceed Two  
60 Hundred Thousand Dollars (\$200,000.00).

61 (3) The receipt of any grants from the special fund  
62 described in subsection (1) of this section shall be conditioned  
63 upon the private sector or local or federal government providing  
64 matching funds in an amount equal to the amount allocated from the  
65 special fund. The matching funds shall be provided in the form of  
66 cash or in kind contributions or any combination of cash or in  
67 kind contributions.

68 (4) The Board of Trustees of the Department of Archives and  
69 History shall receive and consider proposals for potential grants  
70 under subsection (2)(b) of this section from any public entity or

71 private nonprofit entity associated with the acquisition,  
72 construction, development, restoration, renovation and repair of a  
73 museum located or to be located in this state. Proposals shall be  
74 submitted in accordance with the provisions of grant procedures,  
75 criteria and standards developed by the board. The board shall  
76 determine those projects to be funded.

77 Section 36. (1) The Department of Finance and  
78 Administration, at one time or from time to time, may declare by  
79 resolution the necessity for issuance of general obligation bonds  
80 of the State of Mississippi to provide funds for all costs  
81 incurred or to be incurred for the purposes described in Section  
82 35(2)(a) of this act.

83 (2) Upon recommendation of the Department of Archives and  
84 History, the commission, at one time, or from time to time, may  
85 declare by resolution the necessity for issuance of general  
86 obligation bonds of the State of Mississippi to provide funds for  
87 all costs incurred or to be incurred for the purposes described in  
88 Section 35 (2)(b) of this act.

89 (3) Upon the adoption of a resolution by the Department of  
90 Finance and Administration, declaring the necessity for the  
91 issuance of any part or all of the general obligation bonds  
92 authorized by this section, the Department of Finance and  
93 Administration shall deliver a certified copy of its resolution or  
94 resolutions to the commission. Upon receipt of such resolution,  
95 the commission, in its discretion, may act as the issuing agent,  
96 prescribe the form of the bonds, advertise for and accept bids,  
97 issue and sell the bonds so authorized to be sold and do any and  
98 all other things necessary and advisable in connection with the  
99 issuance and sale of such bonds. The total amount of bonds issued  
100 under Sections 34 through 50 of this act shall not exceed Eleven  
101 Million Dollars (\$11,000,000.00).

102 (4) Any investment earnings on amounts deposited into the  
103 special fund created in Section 35 of this act shall be used to  
104 pay debt service on bonds issued under Sections 34 through 50 of

105 this act, in accordance with the proceedings authorizing issuance  
106 of such bonds.

107 Section 37. The principal of and interest on the bonds  
108 authorized under Section 36 of this act shall be payable in the  
109 manner provided in this section. Such bonds shall bear such date  
110 or dates, be in such denomination or denominations, bear interest  
111 at such rate or rates (not to exceed the limits set forth in  
112 Section 75-17-101, Mississippi Code of 1972), be payable at such  
113 place or places within or without the State of Mississippi, shall  
114 mature absolutely at such time or times not to exceed twenty (20)  
115 years from date of issue, be redeemable before maturity at such  
116 time or times and upon such terms, with or without premium, shall  
117 bear such registration privileges, and shall be substantially in  
118 such form, all as shall be determined by resolution of the  
119 commission.

120 Section 38. The bonds authorized by Section 36 of this act  
121 shall be signed by the chairman of the commission, or by his  
122 facsimile signature, and the official seal of the commission shall  
123 be affixed thereto, attested by the secretary of the commission.  
124 The interest coupons, if any, to be attached to such bonds may be  
125 executed by the facsimile signatures of such officers. Whenever  
126 any such bonds shall have been signed by the officials designated  
127 to sign the bonds who were in office at the time of such signing  
128 but who may have ceased to be such officers before the sale and  
129 delivery of such bonds, or who may not have been in office on the  
130 date such bonds may bear, the signatures of such officers upon  
131 such bonds and coupons shall nevertheless be valid and sufficient  
132 for all purposes and have the same effect as if the person so  
133 officially signing such bonds had remained in office until their  
134 delivery to the purchaser, or had been in office on the date such  
135 bonds may bear. However, notwithstanding anything herein to the  
136 contrary, such bonds may be issued as provided in the Registered  
137 Bond Act of the State of Mississippi.

138 Section 39. All bonds and interest coupons issued under the

139 provisions of Sections 34 through 50 of this act have all the  
140 qualities and incidents of negotiable instruments under the  
141 provisions of the Uniform Commercial Code, and in exercising the  
142 powers granted by Sections 34 through 50 of this act, the  
143 commission shall not be required to and need not comply with the  
144 provisions of the Uniform Commercial Code.

145 SECTION 40. The commission shall act as the issuing agent  
146 for the bonds authorized under Section 36 of this act, prescribe  
147 the form of the bonds, advertise for and accept bids, issue and  
148 sell the bonds so authorized to be sold, pay all fees and costs  
149 incurred in such issuance and sale, and do any and all other  
150 things necessary and advisable in connection with the issuance and  
151 sale of such bonds. The commission is authorized and empowered to  
152 pay the costs that are incident to the sale, issuance and delivery  
153 of the bonds authorized under Sections 34 through 50 of this act  
154 from the proceeds derived from the sale of such bonds. The  
155 commission shall sell such bonds on sealed bids at public sale,  
156 and for such price as it may determine to be for the best interest  
157 of the State of Mississippi, but no such sale shall be made at a  
158 price less than par plus accrued interest to the date of delivery  
159 of the bonds to the purchaser. All interest accruing on such  
160 bonds so issued shall be payable semiannually or annually;  
161 however, the first interest payment may be for any period of not  
162 more than one (1) year.

163 Notice of the sale of any such bond shall be published at  
164 least one (1) time, not less than ten (10) days before the date of  
165 sale, and shall be so published in one or more newspapers  
166 published or having a general circulation in the City of Jackson,  
167 Mississippi, and in one or more other newspapers or financial  
168 journals with a national circulation, to be selected by the  
169 commission.

170 The commission, when issuing any bonds under the authority of  
171 Sections 34 through 50 of this act, may provide that bonds, at the  
172 option of the State of Mississippi, may be called in for payment

173 and redemption at the call price named therein and accrued  
174 interest on such date or dates named therein.

175 Section 41. The bonds issued under the provisions of  
176 Sections 34 through 50 of this act are general obligations of the  
177 State of Mississippi, and for the payment thereof the full faith  
178 and credit of the State of Mississippi is irrevocably pledged. If  
179 the funds appropriated by the Legislature are insufficient to pay  
180 the principal of and the interest on such bonds as they become  
181 due, then the deficiency shall be paid by the State Treasurer from  
182 any funds in the State Treasury not otherwise appropriated. All  
183 such bonds shall contain recitals on their faces substantially  
184 covering the provisions of this section.

185 Section 42. Upon the issuance and sale of bonds under the  
186 provisions of Sections 34 through 50 of this act, the commission  
187 shall transfer the proceeds of any such sale or sales to the  
188 special fund created in Section 35 of this act. The proceeds of  
189 such bonds shall be disbursed solely upon the order of the  
190 Department of Finance and Administration under such restrictions,  
191 if any, as may be contained in the resolution providing for the  
192 issuance of the bonds.

193 Section 43. The bonds authorized under Sections 34 through  
194 50 of this act may be issued without any other proceedings or the  
195 happening of any other conditions or things other than those  
196 proceedings, conditions and things which are specified or required  
197 by Sections 34 through 50 of this act. Any resolution providing  
198 for the issuance of bonds under the provisions of Sections 34  
199 through 50 of this act shall become effective immediately upon its  
200 adoption by the commission, and any such resolution may be adopted  
201 at any regular or special meeting of the commission by a majority  
202 of its members.

203 Section 44. The bonds authorized under the authority of  
204 Sections 34 through 50 of this act may be validated in the  
205 Chancery Court of the First Judicial District of Hinds County,  
206 Mississippi, in the manner and with the force and effect provided

207 by Chapter 13, Title 31, Mississippi Code of 1972, for the  
208 validation of county, municipal, school district and other bonds.

209 The notice to taxpayers required by such statutes shall be  
210 published in a newspaper published or having a general circulation  
211 in the City of Jackson, Mississippi.

212 Section 45. Any holder of bonds issued under the provisions  
213 of Sections 34 through 50 of this act or of any of the interest  
214 coupons pertaining thereto may, either at law or in equity, by  
215 suit, action, mandamus or other proceeding, protect and enforce  
216 any and all rights granted under Sections 34 through 50 of this  
217 act, or under such resolution, and may enforce and compel  
218 performance of all duties required by Sections 34 through 50 of  
219 this act to be performed, in order to provide for the payment of  
220 bonds and interest thereon.

221 Section 46. All bonds issued under the provisions of  
222 Sections 34 through 50 of this act shall be legal investments for  
223 trustees and other fiduciaries, and for savings banks, trust  
224 companies and insurance companies organized under the laws of the  
225 State of Mississippi, and such bonds shall be legal securities  
226 which may be deposited with and shall be received by all public  
227 officers and bodies of this state and all municipalities and  
228 political subdivisions for the purpose of securing the deposit of  
229 public funds.

230 Section 47. Bonds issued under the provisions of Sections 34  
231 through 50 of this act and income therefrom shall be exempt from  
232 all taxation in the State of Mississippi.

233 Section 48. The proceeds of the bonds issued under Sections  
234 34 through 50 of this act shall be used solely for the purposes  
235 herein provided, including the costs incident to the issuance and  
236 sale of such bonds.

237 Section 49. The State Treasurer is authorized, without  
238 further process of law, to certify to the Department of Finance  
239 and Administration the necessity for warrants, and the Department  
240 of Finance and Administration is authorized and directed to issue

241 such warrants, in such amounts as may be necessary to pay when due  
242 the principal of, premium, if any, and interest on, or the  
243 accreted value of, all bonds issued under Sections 34 through 50  
244 of this act; and the State Treasurer shall forward the necessary  
245 amount to the designated place or places of payment of such bonds  
246 in ample time to discharge such bonds, or the interest thereon, on  
247 the due dates thereof.

248         Section 50. Sections 34 through 50 of this act shall be  
249 deemed to be full and complete authority for the exercise of the  
250 powers herein granted, but Sections 34 through 50 of this act  
251 shall not be deemed to repeal or to be in derogation of any  
252 existing law of this state.

253         SECTION 2. This act shall take effect and be in force from  
254 and after July 1, 1999.