

By: Representatives Stringer, Barnett  
(92nd), Compretta

To: Ways and Means

HOUSE BILL NO. 1650

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 IN THE AMOUNT OF \$9,500,000.00 FOR THE PURPOSE OF CAPITAL  
3 IMPROVEMENTS, ADDITIONS, REPAIRS AND RENOVATIONS FOR THE  
4 DEPARTMENT OF PUBLIC SAFETY; AND FOR RELATED PURPOSES.

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

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

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

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

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

18 SECTION 2. (1) (a) A special fund, to be designated as the  
19 "1999 Department of Public Safety Improvements Fund" is created  
20 within the State Treasury. The fund shall be maintained by the  
21 State Treasurer as a separate and special fund, separate and apart  
22 from the General Fund of the state and investment earnings on  
23 amounts in the fund shall be deposited into such fund.

24 (b) Monies deposited into the fund shall be disbursed,  
25 in the discretion of the Department of Finance and Administration,  
26 to pay the costs of capital improvements, additions, renovation  
27 and/or repair of existing facilities, exhibits, furnishing, and/or

28 equipping facilities, and purchasing real property for public  
29 facilities for the Department of Public Safety as hereinafter  
30 described:

- 31 (i) Additions to and renovation of the Mississippi  
32 Crime Laboratory in Jackson, Mississippi..... \$3,000,000.00
- 33 (ii) Replacement of the heating and cooling unit  
34 at the Department of Public Safety Headquarters Building in  
35 Jackson, Mississippi..... \$ 500,000.00
- 36 (iii) Construction of a new Highway Safety Patrol  
37 Substation in Highway Safety Patrol in District 9... \$1,000,000.00
- 38 (iv) Repair and renovation of the Highway Safety  
39 Patrol Substation in Highway Safety Patrol District 5.\$ 100,000.00
- 40 (v) Construction of a new Highway Safety Patrol  
41 Substation, a regional crime laboratory and a new Bureau of  
42 Narcotics Building in Highway Safety Patrol District 6 . . .  
43 ..... \$2,450,000.00
- 44 (vi) Construction of a new Bureau of Narcotics  
45 Building in Highway Safety Patrol District 4 ..... \$750,000.00
- 46 (vii) Construction of a new Highway Safety  
47 Patrol Substation and a regional crime laboratory  
48 in Highway Safety Patrol District 3. . . . . \$1,700,000.00
- 49 GRAND TOTAL . . . . . \$9,500,000.00

50 (2) Amounts deposited into such special fund shall be  
51 disbursed to pay the costs of projects described in subsection (1)  
52 of this section. Promptly after the commission has certified, by  
53 resolution duly adopted, that the projects described in subsection  
54 (1) shall have been completed, abandoned, or cannot be completed  
55 in a timely fashion, any amounts remaining in such special fund  
56 shall be applied to pay debt service on the bonds issued under  
57 this act, in accordance with the proceedings authorizing the  
58 issuance of such bonds and as directed by the commission.

59 (3) The Department of Finance and Administration, acting  
60 through the Bureau of Building, Grounds and Real Property  
61 Management, is expressly authorized and empowered to receive and  
62 expend any local or other source funds in connection with the  
63 expenditure of funds provided for in this section. The  
64 expenditure of monies deposited into the special fund shall be

65 under the direction of the Department of Finance and  
66 Administration, and such funds shall be paid by the State  
67 Treasurer upon warrants issued by such department, which warrants  
68 shall be issued upon requisitions signed by the Executive Director  
69 of the Department of Finance and Administration or his designee.

70 SECTION 3. (1) The commission, at one (1) time, or from  
71 time to time, may declare by resolution the necessity for issuance  
72 of general obligation bonds of the State of Mississippi to provide  
73 funds for all costs incurred or to be incurred for the purposes  
74 described in Section 2 of this act. Upon the adoption of a  
75 resolution by the Department of Finance and Administration,  
76 declaring the necessity for the issuance of any part or all of the  
77 general obligation bonds authorized by this section, the  
78 Department of Finance and Administration shall deliver a certified  
79 copy of its resolution or resolutions to the commission. Upon  
80 receipt of such resolution, the commission, in its discretion, may  
81 act as the issuing agent, prescribe the form of the bonds,  
82 advertise for and accept bids, issue and sell the bonds so  
83 authorized to be sold and do any and all other things necessary  
84 and advisable in connection with the issuance and sale of such  
85 bonds. The total amount of bonds issued under this act shall not  
86 exceed Nine Million Five Hundred Thousand Dollars (\$9,500,000.00).

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

91 SECTION 4. The principal of and interest on the bonds  
92 authorized under Section 3 of this act shall be payable in the  
93 manner provided in this section. Such bonds shall bear such date  
94 or dates, be in such denomination or denominations, bear interest  
95 at such rate or rates (not to exceed the limits set forth in  
96 Section 75-17-101, Mississippi Code of 1972), be payable at such  
97 place or places within or without the State of Mississippi, shall

98 mature absolutely at such time or times not to exceed twenty-five  
99 (25) years from date of issue, be redeemable before maturity at  
100 such time or times and upon such terms, with or without premium,  
101 shall bear such registration privileges, and shall be  
102 substantially in such form, all as shall be determined by  
103 resolution of the commission.

104 SECTION 5. The bonds authorized by Section 3 of this act  
105 shall be signed by the chairman of the commission, or by his  
106 facsimile signature, and the official seal of the commission shall  
107 be affixed thereto, attested by the secretary of the commission.  
108 The interest coupons, if any, to be attached to such bonds may be  
109 executed by the facsimile signatures of such officers. Whenever  
110 any such bonds shall have been signed by the officials designated  
111 to sign the bonds who were in office at the time of such signing  
112 but who may have ceased to be such officers before the sale and  
113 delivery of such bonds, or who may not have been in office on the  
114 date such bonds may bear, the signatures of such officers upon  
115 such bonds and coupons shall nevertheless be valid and sufficient  
116 for all purposes and have the same effect as if the person so  
117 officially signing such bonds had remained in office until their  
118 delivery to the purchaser, or had been in office on the date such  
119 bonds may bear. However, notwithstanding anything herein to the  
120 contrary, such bonds may be issued as provided in the Registered  
121 Bond Act of the State of Mississippi.

122 SECTION 6. All bonds and interest coupons issued under the  
123 provisions of this act have all the qualities and incidents of  
124 negotiable instruments under the provisions of the Uniform  
125 Commercial Code, and in exercising the powers granted by this act,  
126 the commission shall not be required to and need not comply with  
127 the provisions of the Uniform Commercial Code.

128 SECTION 7. The commission shall act as the issuing agent for  
129 the bonds authorized under Section 3 of this act, prescribe the  
130 form of the bonds, advertise for and accept bids, issue and sell

131 the bonds so authorized to be sold, pay all fees and costs  
132 incurred in such issuance and sale, and do any and all other  
133 things necessary and advisable in connection with the issuance and  
134 sale of such bonds. The commission is authorized and empowered to  
135 pay the costs that are incident to the sale, issuance and delivery  
136 of the bonds authorized under this act from the proceeds derived  
137 from the sale of such bonds. The commission shall sell such bonds  
138 on sealed bids at public sale, and for such price as it may  
139 determine to be for the best interest of the State of Mississippi,  
140 but no such sale shall be made at a price less than par plus  
141 accrued interest to the date of delivery of the bonds to the  
142 purchaser. All interest accruing on such bonds so issued shall be  
143 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 so published in one or more newspapers  
148 published 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 this act, may provide that bonds, at the option of the State of  
154 Mississippi, may be called in for payment and redemption at the  
155 call price named therein and accrued interest on such date or  
156 dates named therein.

157 SECTION 8. The bonds issued under the provisions of this act  
158 are general obligations of the State of Mississippi, and for the  
159 payment thereof the full faith and credit of the State of  
160 Mississippi is irrevocably pledged. If the funds appropriated by  
161 the Legislature are insufficient to pay the principal of and the  
162 interest on such bonds as they become due, then the deficiency  
163 shall be paid by the State Treasurer from any funds in the State

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

167 SECTION 9. Upon the issuance and sale of bonds under the  
168 provisions of this act, the commission shall transfer the proceeds  
169 of any such sale or sales to the special fund created in Section 2  
170 of this act. The proceeds of such bonds shall be disbursed solely  
171 upon the order of the Department of Finance and Administration  
172 under such restrictions, if any, as may be contained in the  
173 resolution providing for the issuance of the bonds.

174 SECTION 10. The bonds authorized under this act may be  
175 issued without any other proceedings or the happening of any other  
176 conditions or things other than those proceedings, conditions and  
177 things which are specified or required by this act. Any  
178 resolution providing for the issuance of bonds under the  
179 provisions of this act shall become effective immediately upon its  
180 adoption by the commission, and any such resolution may be adopted  
181 at any regular or special meeting of the commission by a majority  
182 of its members.

183 SECTION 11. The bonds authorized under the authority of this  
184 act may be validated in the Chancery Court of the First Judicial  
185 District of Hinds County, Mississippi, in the manner and with the  
186 force and effect provided by Chapter 13, Title 31, Mississippi  
187 Code of 1972, for the validation of county, municipal, school  
188 district and other bonds. The notice to taxpayers required by  
189 such statutes shall be published in a newspaper published or  
190 having a general circulation in the City of Jackson, Mississippi.

191 SECTION 12. Any holder of bonds issued under the provisions  
192 of this act or of any of the interest coupons pertaining thereto  
193 may, either at law or in equity, by suit, action, mandamus or  
194 other proceeding, protect and enforce any and all rights granted  
195 under this act, or under such resolution, and may enforce and  
196 compel performance of all duties required by this act to be

197 performed, in order to provide for the payment of bonds and  
198 interest thereon.

199 SECTION 13. All bonds issued under the provisions of this  
200 act shall be legal investments for trustees and other fiduciaries,  
201 and for savings banks, trust companies and insurance companies  
202 organized under the laws of the State of Mississippi, and such  
203 bonds shall be legal securities which may be deposited with and  
204 shall be received by all public officers and bodies of this state  
205 and all municipalities and political subdivisions for the purpose  
206 of securing the deposit of public funds.

207 SECTION 14. Bonds issued under the provisions of this act  
208 and income therefrom shall be exempt from all taxation in the  
209 State of Mississippi.

210 SECTION 15. The proceeds of the bonds issued under this act  
211 shall be used solely for the purposes therein provided, including  
212 the costs incident to the issuance and sale of such bonds.

213 SECTION 16. The State Treasurer is authorized, without  
214 further process of law, to certify to the Department of Finance  
215 and Administration the necessity for warrants, and the Department  
216 of Finance and Administration is authorized and directed to issue  
217 such warrants, in such amounts as may be necessary to pay when due  
218 the principal of, premium, if any, and interest on, or the  
219 accreted value of, all bonds issued under this act; and the State  
220 Treasurer shall forward the necessary amount to the designated  
221 place or places of payment of such bonds in ample time to  
222 discharge such bonds, or the interest thereon, on the due dates  
223 thereof.

224 SECTION 17. This act shall be deemed to be full and complete  
225 authority for the exercise of the powers therein granted, but this  
226 act shall not be deemed to repeal or to be in derogation of any  
227 existing law of this state.

228 SECTION 18. The Department of Public Safety shall pay to the  
229 Bureau of Capitol Facilities rental payments, the amount of which

230 shall be determined by the Department of Finance and  
231 Administration, which payments are pledged to retire any bonds or  
232 notes issued pursuant to this act as well as debt service costs  
233 during construction incurred by the General Fund. The amount of  
234 rent required to be paid under this section while bonds or notes  
235 are outstanding shall not be less than an amount which will  
236 generate in the aggregate from all properties occupied pursuant to  
237 this act funds adequate to pay the principal of and interest on  
238 the bonds or notes issued pursuant to this act as they become due  
239 as well as paying those debt costs incurred by the General Fund  
240 before occupancy. If the funds appropriated by the Legislature  
241 are insufficient to pay the principal of and interest on such  
242 bonds as they become due, then the deficiency shall be paid by the  
243 State Treasurer from any funds in the State Treasury not otherwise  
244 appropriated.

245 SECTION 19. After the retirement of all bonds or notes  
246 issued to construct or renovate the facilities described in  
247 Section 2(1) of this act, the supervision of such property shall  
248 remain that of the Bureau of Capitol Facilities of the Department  
249 of Finance and Administration. Such bureau shall establish the  
250 amount of rental payments. All rental payments shall be made to  
251 the bureau and the bureau shall deposit such payments into the  
252 State General Fund.

253 SECTION 20. This act shall take effect and be in force from  
254 and after its passage.