

By: Representative Williams

To: Ways and Means

HOUSE BILL NO. 1672  
(As Passed the House)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$28,250,000.00 FOR  
3 THE PURPOSE OF RENOVATIONS FOR CONSTRUCTING A JUSTICE FACILITY TO  
4 ACCOMMODATE THE STATE SUPREME COURT, COURT OF APPEALS AND LAW  
5 LIBRARY, AND FOR MOVING AND BUILD-OUT EXPENSES RELATED TO SUCH  
6 CONSTRUCTION; TO AUTHORIZE THE DEPARTMENT OF FINANCE AND  
7 ADMINISTRATION TO CHARGE RENT TO ANY STATE AGENCY OCCUPYING SUCH  
8 PROPERTY IN AN AMOUNT ADEQUATE TO RETIRE THE BONDS ISSUED OR OTHER  
9 DEBT INCURRED PURSUANT TO THIS ACT; AND FOR RELATED PURPOSES.

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

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

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

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

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

23 SECTION 2. (1) (a) A special fund, to be designated as the  
24 "1999 Justice Facility Capital Improvements Fund" is created  
25 within the State Treasury. The fund shall be maintained by the  
26 State Treasurer as a separate and special fund, separate and apart  
27 from the General Fund of the state and investment earnings on  
28 amounts in the fund shall be deposited into such fund.

29 (b) Monies deposited into the fund shall be disbursed,

30 in the discretion of the Department of Finance and Administration,  
31 to pay the costs of capital improvements, additions, renovation,  
32 and/or repair of existing facilities, furnishing, and/or equipping  
33 facilities, and moving and build-out expenses as hereinafter  
34 described:

35 (i) Justice Facility: Construct on state-owned  
36 land a new facility to accommodate the Supreme Court, Court of  
37 Appeals and State Law Library.

38 (ii) Moving and Build-Out Expenses: During the  
39 course of the construction and relocation of each state agency,  
40 provide for moving costs, development and reestablishment of  
41 computer networks, communications, partition construction,  
42 furnishings and equipment, and other necessary expenses associated  
43 with the construction authorized by this act.

44 (c) All new buildings authorized by this act to be  
45 constructed or planned shall be designed to be aesthetically  
46 pleasing and compatible with state-owned buildings located nearby.

47 To the extent practicable, all new buildings authorized by this  
48 act to be constructed or planned shall be of sustainable design  
49 and shall be energy efficient.

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 Twenty-eight Million Two Hundred Fifty Thousand Dollars  
87 (\$28,250,000.00).

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

92 SECTION 4. The principal of and interest on the bonds  
93 authorized under this act shall be payable in the manner provided  
94 in this section. Such bonds shall bear such date or dates, be in  
95 such denomination or denominations, bear interest at such rate or

96 rates (not to exceed the limits set forth in Section 75-17-101,  
97 Mississippi Code of 1972), be payable at such place or places  
98 within or without the State of Mississippi, shall mature  
99 absolutely at such time or times not to exceed twenty-five (25)  
100 years from date of issue, be redeemable before maturity at such  
101 time or times and upon such terms, with or without premium, shall  
102 bear such registration privileges, and shall be substantially in  
103 such form, all as shall be determined by resolution of the  
104 commission.

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

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

129 SECTION 7. The commission shall act as the issuing agent for  
130 the bonds authorized under this act, prescribe the form of the  
131 bonds, advertise for and accept bids, issue and sell the bonds so  
132 authorized to be sold, pay all fees and costs incurred in such  
133 issuance and sale, and do any and all other things necessary and  
134 advisable in connection with the issuance and sale of such bonds.

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

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

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

158 SECTION 8. The bonds issued under the provisions of this act  
159 are general obligations of the State of Mississippi, and for the  
160 payment thereof the full faith and credit of the State of  
161 Mississippi is irrevocably pledged. If the funds appropriated by

162 the Legislature are insufficient to pay the principal of and the  
163 interest on such bonds as they become due, then the deficiency  
164 shall be paid by the State Treasurer from any funds in the State  
165 Treasury not otherwise appropriated. All such bonds shall contain  
166 recitals on their faces substantially covering the provisions of  
167 this section.

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

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

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

192 SECTION 12. Any holder of bonds issued under the provisions  
193 of this act or of any of the interest coupons pertaining thereto  
194 may, either at law or in equity, by suit, action, mandamus or

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

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

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

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

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

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

228 existing law of this state.

229 SECTION 18. Any state agency occupying space in facilities  
230 described in Section 2(1) of this act shall pay to the Bureau of  
231 Capitol Facilities rental payments, the amount of which shall be  
232 determined by the Department of Finance and Administration, which  
233 payments are pledged to retire any bonds or notes issued pursuant  
234 to this act as well as debt service costs during construction  
235 incurred by the General Fund. The amount of rent required to be  
236 paid under this section while bonds or notes are outstanding shall  
237 not be less than an amount which will generate in the aggregate  
238 from all properties occupied pursuant to this act funds adequate  
239 to pay the principal of and interest on the bonds or notes issued  
240 pursuant to this act as they become due as well as paying those  
241 debt costs incurred by the General Fund before occupancy. If the  
242 funds appropriated by the Legislature are insufficient to pay the  
243 principal of and interest on such bonds as they become due, then  
244 the deficiency shall be paid by the State Treasurer from any funds  
245 in the State Treasury not otherwise appropriated.

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

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