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To: Finance

SENATE BILL NO. 3119

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF CAPITAL
3 IMPROVEMENTS FOR THE STATE DEPARTMENT OF MENTAL HEALTH; AND FOR
4 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 bond 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 Mental Health Capital Improvements Fund" is
20 created within the State Treasury. The fund shall be maintained
21 by the State Treasurer as a separate and special fund, separate
22 and apart from the General Fund of the state and investment
23 earnings on 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 the following projects for the State
27 Department of Mental Health as hereinafter described:

28

29 (i) Completion of construction of

30 an adolescent psychiatric hospital at East

31 Mississippi State Hospital that was initially

32 authorized and partially funded pursuant to

33 Chapter 532, 1995 Regular Session..... \$ 2,000,000.00

34 (ii) Construction of a long-term

35 adolescent psychiatric residential facility at East

36 Mississippi State Hospital that has been preplanned

37 pursuant to Chapter 532, 1995 Regular Session..... 18,000,000.00

38 (iii) Completion of the funding

39 necessary to construct a facility to serve

40 emotionally disturbed juvenile offenders that was

41 initially authorized and partially funded pursuant

42 to Chapter 528, Laws of 1995..... 7,500,000.00

43 (iv) Construction of five (5)

44 mental health crisis intervention centers to be

45 constructed in the catchment areas of each of the

46 Department of Mental Health's five (5) major

47 psychiatric facilities..... 12,500,000.00

48 (v) Renovation and repair of the

49 male receiving unit at the Mississippi State

50 Hospital..... 7,750,000.00

51 (vi) Renovation and repair of the

52 female receiving unit at the Mississippi State

53 Hospital..... 7,940,000.00

54 (vii) Completion of renovation,

55 repair and construction necessary for the operation

56 of a residential psychiatric hospital on the Clarke

57 College Campus in Newton, Mississippi..... 9,000,000.00

58 (viii) Construction of an

59 administrative support building at the Boswell

60 Regional Center..... 1,600,000.00

61 (ix) Construction of a 50-bed

62 receiving, detoxification and treatment facility

63 for alcohol and drug patients to be located in

64 Northwest Mississippi..... 8,000,000.00

65 (x) Preplanning to meet the
66 requirements of the Joint Commission on
67 Accreditation of Healthcare Organizations..... 300,000.00
68 **GRAND TOTAL..... \$66,650,000.00**

69 (2) Amounts deposited into such special fund shall be
70 disbursed to pay the costs of projects described in subsection (1)
71 of this section. Promptly after the commission has certified, by
72 resolution duly adopted, that the projects described in subsection
73 (1) shall have been completed, abandoned, or cannot be completed
74 in a timely fashion, any amounts remaining in such special fund
75 shall be applied to pay debt service on the bonds issued under
76 this act, in accordance with the proceedings authorizing the
77 issuance of such bonds and as directed by the commission.

78 (3) The Department of Finance and Administration, acting
79 through the Bureau of Building, Grounds and Real Property
80 Management, is expressly authorized and empowered to receive and
81 expend any local or other source funds in connection with the
82 expenditure of funds provided for in this section. The
83 expenditure of monies deposited into the special fund shall be
84 under the direction of the Department of Finance and
85 Administration, and such funds shall be paid by the State
86 Treasurer upon warrants issued by such department, which warrants
87 shall be issued upon requisitions signed by the Executive Director
88 of the Department of Finance and Administration or his designee.

89 (4) The Department of Finance and Administration is
90 authorized to pay for the purchase of real estate and the
91 construction, repair, renovation, furnishing and equipping of
92 facilities.

93 SECTION 3. (1) The commission, at one time, or from time to
94 time, may declare by resolution the necessity for issuance of
95 general obligation bonds of the State of Mississippi to provide
96 funds for all costs incurred or to be incurred for the purposes
97 described in Section 2 of this act. Upon the adoption of a

98 resolution by the Department of Finance and Administration,
99 declaring the necessity for the issuance of any part or all of the
100 general obligation bonds authorized by this section, the
101 Department of Finance and Administration shall deliver a certified
102 copy of its resolution or resolutions to the commission. Upon
103 receipt of such resolution, the commission, in its discretion, may
104 act as the issuing agent, prescribe the form of the bonds,
105 advertise for and accept bids, issue and sell the bonds so
106 authorized to be sold and do any and all other things necessary
107 and advisable in connection with the issuance and sale of such
108 bonds. The total amount of bonds issued under this act shall not
109 exceed Sixty-six Million Six Hundred Fifty Thousand Dollars
110 (\$66,650,000.00).

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

115 SECTION 4. The principal of and interest on the bonds
116 authorized under this act shall be payable in the manner provided
117 in this section. Such bonds shall bear such date or dates, be in
118 such denomination or denominations, bear interest at such rate or
119 rates (not to exceed the limits set forth in Section 75-17-101,
120 Mississippi Code of 1972), be payable at such place or places
121 within or without the State of Mississippi, shall mature
122 absolutely at such time or times not to exceed twenty-five (25)
123 years from date of issue, be redeemable before maturity at such
124 time or times and upon such terms, with or without premium, shall
125 bear such registration privileges, and shall be substantially in
126 such form, all as shall be determined by resolution of the
127 commission.

128 SECTION 5. The bonds authorized by this act shall be signed
129 by the chairman of the commission, or by his facsimile signature,
130 and the official seal of the commission shall be affixed thereto,

131 attested by the secretary of the commission. The interest coupons,
132 if any, to be attached to such bonds may be executed by the
133 facsimile signatures of such officers. Whenever any such bonds
134 shall have been signed by the officials designated to sign the
135 bonds who were in office at the time of such signing but who may
136 have ceased to be such officers before the sale and delivery of
137 such bonds, or who may not have been in office on the date such
138 bonds may bear, the signatures of such officers upon such bonds
139 and coupons shall nevertheless be valid and sufficient for all
140 purposes and have the same effect as if the person so officially
141 signing such bonds had remained in office until their delivery to
142 the purchaser, or had been in office on the date such bonds may
143 bear. However, notwithstanding anything herein to the contrary,
144 such bonds may be issued as provided in the Registered Bond Act of
145 the State of Mississippi.

146 SECTION 6. All bonds and interest coupons issued under the
147 provisions of this act have all the qualities and incidents of
148 negotiable instruments under the provisions of the Mississippi
149 Uniform Commercial Code, and in exercising the powers granted by
150 this act, the commission shall not be required to and need not
151 comply with the provisions of the Mississippi Uniform Commercial
152 Code.

153 SECTION 7. The commission shall act as the issuing agent for
154 the bonds authorized under this act, prescribe the form of the
155 bonds, advertise for and accept bids, issue and sell the bonds so
156 authorized to be sold, pay all fees and costs incurred in such
157 issuance and sale, and do any and all other things necessary and
158 advisable in connection with the issuance and sale of such bonds.
159 The commission is authorized and empowered to pay the costs that
160 are incident to the sale, issuance and delivery of the bonds
161 authorized under this act from the proceeds derived from the sale
162 of such bonds. The commission shall sell such bonds on sealed
163 bids at public sale, and for such price as it may determine to be

164 for the best interest of the State of Mississippi, but no such
165 sale shall be made at a price less than par plus accrued interest
166 to the date of delivery of the bonds to the purchaser. All
167 interest accruing on such bonds so issued shall be payable
168 semiannually or annually; however, the first interest payment may
169 be for any period of not more than one (1) year.

170 Notice of the sale of any such bonds shall be published at
171 least one (1) time, not less than ten (10) days before the date of
172 sale, and shall be so published in one or more newspapers
173 published or having a general circulation in the City of Jackson,
174 Mississippi, and in one or more other newspapers or financial
175 journals with a national circulation, to be selected by the
176 commission.

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

182 SECTION 8. The bonds issued under the provisions of this act
183 are general obligations of the State of Mississippi, and for the
184 payment thereof the full faith and credit of the State of
185 Mississippi is irrevocably pledged. If the funds appropriated by
186 the Legislature are insufficient to pay the principal of and the
187 interest on such bonds as they become due, then the deficiency
188 shall be paid by the State Treasurer from any funds in the State
189 Treasury not otherwise appropriated. All such bonds shall contain
190 recitals on their faces substantially covering the provisions of
191 this section.

192 SECTION 9. Upon the issuance and sale of bonds under the
193 provisions of this act, the commission shall transfer the proceeds
194 of any such sale or sales to the special fund created in Section 2
195 of this act. The proceeds of such bonds shall be disbursed solely
196 upon the order of the Department of Finance and Administration

197 under such restrictions, if any, as may be contained in the
198 resolution providing for the issuance of the bonds.

199 SECTION 10. The bonds authorized under this act may be
200 issued without any other proceedings or the happening of any other
201 conditions or things other than those proceedings, conditions and
202 things which are specified or required by this act. Any
203 resolution providing for the issuance of bonds under the
204 provisions of this act shall become effective immediately upon its
205 adoption by the commission, and any such resolution may be adopted
206 at any regular or special meeting of the commission by a majority
207 of its members.

208 SECTION 11. The bonds authorized under the authority of this
209 act may be validated in the Chancery Court of the First Judicial
210 District of Hinds County, Mississippi, in the manner and with the
211 force and effect provided by Chapter 13, Title 31, Mississippi
212 Code of 1972, for the validation of county, municipal, school
213 district and other bonds. The notice to taxpayers required by
214 such statutes shall be published in a newspaper published or
215 having a general circulation in the City of Jackson, Mississippi.

216 SECTION 12. Any holder of bonds issued under the provisions
217 of this act or of any of the interest coupons pertaining thereto
218 may, either at law or in equity, by suit, action, mandamus or
219 other proceeding, protect and enforce any and all rights granted
220 under this act, or under such resolution, and may enforce and
221 compel performance of all duties required by this act to be
222 performed, in order to provide for the payment of bonds and
223 interest thereon.

224 SECTION 13. All bonds issued under the provisions of this
225 act shall be legal investments for trustees and other fiduciaries,
226 and for savings banks, trust companies and insurance companies
227 organized under the laws of the State of Mississippi, and such
228 bonds shall be legal securities which may be deposited with and
229 shall be received by all public officers and bodies of this state

230 and all municipalities and political subdivisions for the purpose
231 of securing the deposit of public funds.

232 SECTION 14. Bonds issued under the provisions of this act
233 and income therefrom shall be exempt from all taxation in the
234 State of Mississippi.

235 SECTION 15. The proceeds of the bonds issued under this act
236 shall be used solely for the purposes herein provided, including
237 the costs incident to the issuance and sale of such bonds.

238 SECTION 16. The State Treasurer is authorized, without
239 further process of law, to certify to the Department of Finance
240 and Administration the necessity for warrants, and the Department
241 of Finance and Administration is authorized and directed to issue
242 such warrants, in such amounts as may be necessary to pay when due
243 the principal of, premium, if any, and interest on, or the
244 accreted value of, all bonds issued under this act; and the State
245 Treasurer shall forward the necessary amount to the designated
246 place or places of payment of such bonds in ample time to
247 discharge such bonds, or the interest thereon, on the due dates
248 thereof.

249 SECTION 17. This act shall be deemed to be full and complete
250 authority for the exercise of the powers herein granted, but this
251 act shall not be deemed to repeal or to be in derogation of any
252 existing law of this state.

253 SECTION 18. This act shall take effect and be in force from
254 and after its passage.