

By: Senator(s) Horhn, Harden, Hall, Frazier, To: Finance; Economic
Walls, Ferris, Simmons, Jackson, Jordan Dev, Tourism and
(24th), Furniss, Turner Parks

SENATE BILL NO. 3194
(As Passed the Senate)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS TO
3 THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO BE
4 UTILIZED TO MAKE LOW INTEREST LOANS AVAILABLE TO PERSONS OR
5 ENTITIES WHO DEVELOP CERTAIN PROPERTY IN THE FARISH STREET
6 HISTORIC DISTRICT; AND FOR RELATED PURPOSES.

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

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

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

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

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

20 SECTION 2. (1) The Department of Economic and Community
21 Development shall utilize the proceeds of the bonds issued
22 pursuant to this act to establish a program whereby loans, at a
23 rate not to exceed one percent (1%) less than the federal discount
24 rate, may be made available to persons or entities to assist in
25 the development of commercial property and culturally significant
26 property in the Farish Street Historic District.

27 (2) Money received by the Department of Economic and
28 Community Development for the repayment of any loans made pursuant
29 to the program established pursuant to subsection (1) of this

section shall be paid to the State Treasurer to be deposited into a sinking fund hereby created in the State Treasury. The money in the sinking fund shall be expended upon legislative appropriation to pay the interest on and principal of bonds issued pursuant to this act. Unexpended amounts remaining in the sinking fund at the end of the fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the sinking fund shall be deposited to the credit of the sinking fund.

(3) (a) A special fund, to be designated as the "Farish Street Historic District Fund," is created within the State Treasury, which shall consist of money deposited into the fund pursuant to this act. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Money remaining in the fund at the end of a fiscal year shall not lapse into the General Fund and investment earnings on amounts in the fund shall be deposited into such fund. Money in the fund may not be used or expended for any purpose except as authorized under this act.

(b) Monies deposited into the Farish Street Historic District Fund shall be disbursed by the Department of Economic and Community Development to provide funds for the loans authorized in subsection (1) of this section.

SECTION 3. (1) In administering the provisions of this act, the Department of Economic and Community Development shall have the following powers and duties:

(a) To supervise the use of all funds made available under this act for the loans authorized in Section 2 of this act;

(b) To review all loans for which funds are authorized to be made available under this act;

(c) To requisition monies in the Farish Street Historic District Fund and distribute those monies in accordance with the provisions of this act;

(d) To maintain an accurate record of all loans made available under this act; and

(e) To adopt and promulgate such rules and regulations as may be necessary or desirable for the purpose of implementing the provisions of this act.

(2) Any person or other entity desiring a loan authorized

under Section 2 of this act shall submit an application along with plans for the proposed project, for which a loan is sought, to the Department of Archives and History for review. The Department of Archives and History shall review the proposed project and determine whether or not the proposed work conforms with the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings." In making such a determination, the Department of Archives and History shall also obtain an opinion from the Farish Street Neighborhood Historic District Foundation. If the Department of Archives and History determines that a proposed project conforms with the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings" and the opinion from the Farish Street Neighborhood Historic District Foundation, the Department of Archives and History shall forward the loan application to the Department of Economic and Community Development. If the Department of Archives and History determines that a proposed project does not conform with the "Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings" and the opinion from the Farish Street Neighborhood Historic District Foundation, the Department of Archives and History shall advise the applicant of its review assessment and shall return the application to the applicant. New construction within the Farish Street Neighborhood Historic District and rehabilitation of historic buildings within the district shall be compatible in size, scale, massing, materials and setback in relation to the district's historic buildings.

SECTION 4. (1) The commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for all costs incurred or to be incurred for the purposes described in Section 2 of this act. Upon the adoption of a resolution by the Department of Finance and Administration, declaring the necessity for the issuance of any part or all of the

general obligation bonds authorized by this section, the Department of Finance and Administration shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this act shall not exceed Six Million Dollars (\$6,000,000.00).

(2) Proceeds from the sale of the bonds issued under this act shall be deposited in the special fund created in Section 2(3) of this act. Any investment earnings on amounts deposited into the special fund created in Section 2(3) of this act shall be used to pay debt service on bonds issued under this act, in accordance with the proceedings authorizing issuance of such bonds.

SECTION 5. The principal of and interest on the bonds authorized under this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

SECTION 6. The bonds authorized by this act shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the

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

149 SECTION 7. All bonds and interest coupons issued under the
150 provisions of this act have all the qualities and incidents of
151 negotiable instruments under the provisions of the Mississippi
152 Uniform Commercial Code, and in exercising the powers granted by
153 this act, the commission shall not be required to and need not
154 comply with the provisions of the Mississippi Uniform Commercial
155 Code.

156 SECTION 8. The commission shall act as the issuing agent for
157 the bonds authorized under this act, prescribe the form of the
158 bonds, advertise for and accept bids, issue and sell the bonds so
159 authorized to be sold, pay all fees and costs incurred in such
160 issuance and sale, and do any and all other things necessary and
161 advisable in connection with the issuance and sale of such bonds.

162 The commission is authorized and empowered to pay the costs that
163 are incident to the sale, issuance and delivery of the bonds
164 authorized under this act from the proceeds derived from the sale
165 of such bonds. The commission shall sell such bonds on sealed
166 bids at public sale, and for such price as it may determine to be
167 for the best interest of the State of Mississippi, but no such
168 sale shall be made at a price less than par plus accrued interest
169 to the date of delivery of the bonds to the purchaser. All

interest accruing on such bonds so issued shall be payable semiannually or annually; however, the first interest payment may be for any period of not more than one (1) year.

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

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

SECTION 9. The bonds issued under the provisions of this act are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this section.

SECTION 10. Upon the issuance and sale of bonds under the provisions of this act, the commission shall transfer the proceeds of any such sale or sales to the special fund created in Section 2(3) of this act. The proceeds of such bonds shall be disbursed solely upon the order of the Department of Economic and Community Development under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

SECTION 11. The bonds authorized under this act may be issued without any other proceedings or the happening of any other

conditions or things other than those proceedings, conditions and things which are specified or required by this act. Any resolution providing for the issuance of bonds under the provisions of this act shall become effective immediately upon its adoption by the commission, and any such resolution may be adopted at any regular or special meeting of the commission by a majority of its members.

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

SECTION 13. Any holder of bonds issued under the provisions of this act or of any of the interest coupons pertaining thereto may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted under this act, or under such resolution, and may enforce and compel performance of all duties required by this act to be performed, in order to provide for the payment of bonds and interest thereon.

SECTION 14. All bonds issued under the provisions of this act shall be legal investments for trustees and other fiduciaries, and for savings banks, trust companies and insurance companies organized under the laws of the State of Mississippi, and such bonds shall be legal securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for the purpose of securing the deposit of public funds.

SECTION 15. Bonds issued under the provisions of this act and income therefrom shall be exempt from all taxation in the State of Mississippi.

SECTION 16. The proceeds of the bonds issued under this act shall be used solely for the purposes herein provided, including the costs incident to the issuance and sale of such bonds.

SECTION 17. The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this act; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

SECTION 18. This act shall be deemed to be full and complete authority for the exercise of the powers herein granted, but this act shall not be deemed to repeal or to be in derogation of any existing law of this state.

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