

By: Senator(s) Harden

To: Finance

SENATE BILL NO. 3195

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 INSTITUTIONS OF HIGHER LEARNING; AND FOR RELATED  
4 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 IHL Capital Improvements Fund," is created within the State  
20 Treasury. The fund shall be maintained by the State Treasurer as  
21 a separate and special fund, separate and apart from the General  
22 Fund of the state and investment earnings on amounts in the fund  
23 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, renovation and/or repair  
27 of existing facilities, furnishings and/or equipping facilities

28 for agencies or their successors as hereinafter described:

29	NAME	PROJECT	AMOUNT
30			ALLOCATED
31	INSTITUTIONS OF HIGHER LEARNING		
32	Alcorn State University.....		\$ 5,500,000.00
33	Improvements to water, waste		
34	and mechanical system		
35	improvements. . . . .		.\$ 5,500,000.00
36	Delta State University.....		\$ 6,500,000.00
37	Phase I of construction of		
38	a classroom and		
39	administration building.		\$ 6,500,000.00
40	Jackson State University.....		\$ 8,000,000.00
41	Phase I of construction of		
42	a school of business		
43	building. . . . .		\$ 8,000,000.00
44	Mississippi University for Women.....		\$ 4,000,000.00
45	Restoration of campus		
46	landmarks. . . . .		\$ 4,000,000.00
47	Mississippi State University.....		\$11,250,000.00
48	Preplanning of college of		
49	education facility. . .		\$ 500,000.00
50	Construction of a landscape		
51	architecture building. .		\$ 3,000,000.00
52	Renovations to Lee Hall		
53	Auditorium. . . . .		\$ 2,000,000.00
54	Phase II of north entrance		
55	road construction. . . .		\$ 1,000,000.00
56	Renovation of Bowen Hall. . .		\$ 3,500,000.00
57	Construction of a music		
58	recital hall. . . . .		\$ 1,250,000.00
59	Mississippi State University/		
60	Mississippi Agriculture and		
61	Forestry Experiment Station.....		\$ 3,000,000.00
62	Construction of a furniture		
63	testing laboratory. . .		\$ 3,000,000.00
64	Mississippi Valley State University.....		\$ 4,000,000.00

65	Renovation of the Business	
66	Education Building. . .	\$ 4,000,000.00
67	University Medical Center.....	\$ 3,200,000.00
68	Construction of a	
69	classroom facility. . .	\$ 3,200,000.00
70	University of Mississippi.....	\$ 10,000,000.00
71	Phase II of construction of	
72	a performing arts	
73	center. . . . .	\$ 10,000,000.00
74	University of Southern Mississippi.....	\$ 9,500,000.00
75	Preplanning of a student	
76	services building. . . .	\$ 500,000.00
77	Renovation of the Polymer	
78	Science Research	
79	Building. . . . .	\$ 6,000,000.00
80	General renovations and	
81	repairs. . . . .	\$ 3,000,000.00
82	University of Southern Mississippi/	
83	Gulf Coast Research Lab.....	\$ 550,000.00
84	Construction of an	
85	educational complex. . .	\$ 550,000.00
86	University of Southern Mississippi/	
87	Gulf Park Campus.....	\$ 3,000,000.00
88	Phase II of construction of	
89	new building and	
90	campus infrastructure. .	\$ 3,000,000.00
91	Education and Research Center.....	\$ 3,000,000.00
92	<b>TOTAL.....</b>	<b>\$71,500,000.00</b>
93		
94	Preplanning for projects at Jackson State	
95	University, Mississippi Valley State University	
96	and Alcorn State University.....	\$ 500,000.00
97	<b>GRAND TOTAL.....</b>	<b>\$72,000,000.00</b>

98           (2) Amounts deposited into such special fund shall be  
99 disbursed to pay the costs of projects described in subsection (1)  
100 of this section. Promptly after the commission has certified, by  
101 resolution duly adopted, that the projects described in subsection  
102 (1) of this section shall have been completed, abandoned, or  
103 cannot be completed in a timely fashion, any amounts remaining in  
104 such special fund shall be applied to pay debt service on the  
105 bonds issued under this act, in accordance with the proceedings  
106 authorizing the issuance of such bonds and as directed by the  
107 commission.

108           (3) The Department of Finance and Administration, acting  
109 through the Bureau of Building, Grounds and Real Property  
110 Management, is expressly authorized and empowered to receive and  
111 expend any local or other source funds in connection with the  
112 expenditure of funds provided for in this section. The  
113 expenditure of monies deposited into the special fund shall be  
114 under the direction of the Department of Finance and  
115 Administration, and such funds shall be paid by the State  
116 Treasurer upon warrants issued by such department, which warrants  
117 shall be issued upon requisitions signed by the Executive Director  
118 of the Department of Finance and Administration or his designee.

119           (4) The Department of Finance and Administration is  
120 authorized to pay for construction, repair, renovation, furnishing  
121 and equipping of facilities.

122           (5) Any amounts allocated to an institution of higher  
123 learning that are in excess of that needed to complete the  
124 projects at such institution of higher learning that are described  
125 in subsection (1) of this section may be used for general repairs  
126 and renovations of the institution of higher learning to which  
127 such amount is allocated.

128           SECTION 3. (1) The commission, at one time, or from time to  
129 time, may declare by resolution the necessity for issuance of  
130 general obligation bonds of the State of Mississippi to provide

131 funds for all costs incurred or to be incurred for the purposes  
132 described in Section 2 of this act. Upon the adoption of a  
133 resolution by the Department of Finance and Administration,  
134 declaring the necessity for the issuance of any part or all of the  
135 general obligation bonds authorized by this section, the  
136 Department of Finance and Administration shall deliver a certified  
137 copy of its resolution or resolutions to the commission. Upon  
138 receipt of such resolution, the commission, in its discretion, may  
139 act as the issuing agent, prescribe the form of the bonds,  
140 advertise for and accept bids, issue and sell the bonds so  
141 authorized to be sold and do any and all other things necessary  
142 and advisable in connection with the issuance and sale of such  
143 bonds. The total amount of bonds issued under this act shall not  
144 exceed Seventy-two Million Dollars (\$72,000,000.00).

145 (2) Any investment earnings on amounts deposited into the  
146 special funds created in Section 2 of this act shall be used to  
147 pay debt service on bonds issued under this act, in accordance  
148 with the proceedings authorizing issuance of such bonds.

149 SECTION 4. The principal of and interest on the bonds  
150 authorized under this act shall be payable in the manner provided  
151 in this section. Such bonds shall bear such date or dates, be in  
152 such denomination or denominations, bear interest at such rate or  
153 rates (not to exceed the limits set forth in Section 75-17-101,  
154 Mississippi Code of 1972), be payable at such place or places  
155 within or without the State of Mississippi, shall mature  
156 absolutely at such time or times not to exceed twenty-five (25)  
157 years from date of issue, be redeemable before maturity at such  
158 time or times and upon such terms, with or without premium, shall  
159 bear such registration privileges, and shall be substantially in  
160 such form, all as shall be determined by resolution of the  
161 commission.

162 SECTION 5. The bonds authorized by this act shall be signed  
163 by the chairman of the commission, or by his facsimile signature,

164 and the official seal of the commission shall be affixed thereto,  
165 attested by the secretary of the commission. The interest  
166 coupons, if any, to be attached to such bonds may be executed by  
167 the facsimile signatures of such officers. Whenever any such  
168 bonds shall have been signed by the officials designated to sign  
169 the bonds who were in office at the time of such signing but who  
170 may have ceased to be such officers before the sale and delivery  
171 of such bonds, or who may not have been in office on the date such  
172 bonds may bear, the signatures of such officers upon such bonds  
173 and coupons shall nevertheless be valid and sufficient for all  
174 purposes and have the same effect as if the person so officially  
175 signing such bonds had remained in office until their delivery to  
176 the purchaser, or had been in office on the date such bonds may  
177 bear. However, notwithstanding anything herein to the contrary,  
178 such bonds may be issued as provided in the Registered Bond Act of  
179 the State of Mississippi.

180 SECTION 6. All bonds and interest coupons issued under the  
181 provisions of this act have all the qualities and incidents of  
182 negotiable instruments under the provisions of the Uniform  
183 Commercial Code, and in exercising the powers granted by this act,  
184 the commission shall not be required to and need not comply with  
185 the provisions of the Uniform Commercial Code.

186 SECTION 7. The commission shall act as the issuing agent for  
187 the bonds authorized under this act, prescribe the form of the  
188 bonds, advertise for and accept bids, issue and sell the bonds so  
189 authorized to be sold, pay all fees and costs incurred in such  
190 issuance and sale, and do any and all other things necessary and  
191 advisable in connection with the issuance and sale of such bonds.  
192 The commission is authorized and empowered to pay the costs that  
193 are incident to the sale, issuance and delivery of the bonds  
194 authorized under this act from the proceeds derived from the sale  
195 of such bonds. The commission shall sell such bonds on sealed  
196 bids at public sale, and for such price as it may determine to be

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

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

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

215 SECTION 8. The bonds issued under the provisions of this act  
216 are general obligations of the State of Mississippi, and for the  
217 payment thereof the full faith and credit of the State of  
218 Mississippi is irrevocably pledged. If the funds appropriated by  
219 the Legislature are insufficient to pay the principal of and the  
220 interest on such bonds as they become due, then the deficiency  
221 shall be paid by the State Treasurer from any funds in the State  
222 Treasury not otherwise appropriated. All such bonds shall contain  
223 recitals on their faces substantially covering the provisions of  
224 this section.

225 SECTION 9. Upon the issuance and sale of bonds under the  
226 provisions of this act, the commission shall transfer the proceeds  
227 of any such sale or sales to the special funds created in Section 2  
228 of this act. The proceeds of such bonds shall be disbursed solely  
229 upon the order of the Department of Finance and Administration

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

232 SECTION 10. The bonds authorized under this act may be  
233 issued without any other proceedings or the happening of any other  
234 conditions or things other than those proceedings, conditions and  
235 things which are specified or required by this act. Any  
236 resolution providing for the issuance of bonds under the  
237 provisions of this act shall become effective immediately upon its  
238 adoption by the commission, and any such resolution may be adopted  
239 at any regular or special meeting of the commission by a majority  
240 of its members.

241 SECTION 11. The bonds authorized under the authority of this  
242 act may be validated in the Chancery Court of the First Judicial  
243 District of Hinds County, Mississippi, in the manner and with the  
244 force and effect provided by Chapter 13, Title 31, Mississippi  
245 Code of 1972, for the validation of county, municipal, school  
246 district and other bonds. The notice to taxpayers required by  
247 such statutes shall be published in a newspaper published or  
248 having a general circulation in the City of Jackson, Mississippi.

249 SECTION 12. Any holder of bonds issued under the provisions  
250 of this act or of any of the interest coupons pertaining thereto  
251 may, either at law or in equity, by suit, action, mandamus or  
252 other proceeding, protect and enforce any and all rights granted  
253 under this act, or under such resolution, and may enforce and  
254 compel performance of all duties required by this act to be  
255 performed, in order to provide for the payment of bonds and  
256 interest thereon.

257 SECTION 13. All bonds issued under the provisions of this  
258 act shall be legal investments for trustees and other fiduciaries,  
259 and for savings banks, trust companies and insurance companies  
260 organized under the laws of the State of Mississippi, and such  
261 bonds shall be legal securities which may be deposited with and  
262 shall be received by all public officers and bodies of this state



263 and all municipalities and political subdivisions for the purpose  
264 of securing the deposit of public funds.

265 SECTION 14. Bonds issued under the provisions of this act  
266 and income therefrom shall be exempt from all taxation in the  
267 State of Mississippi.

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

271 SECTION 16. The State Treasurer is authorized, without  
272 further process of law, to certify to the Department of Finance  
273 and Administration the necessity for warrants, and the Department  
274 of Finance and Administration is authorized and directed to issue  
275 such warrants, in such amounts as may be necessary to pay when due  
276 the principal of, premium, if any, and interest on, or the  
277 accreted value of, all bonds issued under this act; and the State  
278 Treasurer shall forward the necessary amount to the designated  
279 place or places of payment of such bonds in ample time to  
280 discharge such bonds, or the interest thereon, on the due dates  
281 thereof.

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

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