

By: Senator(s) Smith, White (29th), Furniss, Harvey, Jackson, Mettetal, Gollott, Cuevas To: Finance

SENATE BILL NO. 3196

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF CAPITAL
3 IMPROVEMENTS AT COMMUNITY AND JUNIOR COLLEGES; 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 Community and Junior Colleges 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. Unexpended amounts
23 remaining in the fund at the end of a fiscal year shall not lapse
24 into the State General Fund, and any interest earned or investment
25 earnings on amounts in the fund shall be deposited to the credit
26 of the fund. Monies in the fund may not be used or expended for
27 any purpose except as authorized under this act.

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

29 in the discretion of the Department of Finance and Administration,
 30 to pay the costs of construction of new facilities and addition to
 31 or renovation of existing facilities, or community and junior
 32 college campuses as recommended by the State Board of Community
 33 and Junior Colleges. The amount to be expended at each community
 34 and junior college is as follows:

35	Coahoma.....	\$ 584,705.00
36	Copiah-Lincoln.....	822,919.00
37	East Central.....	751,941.00
38	East Mississippi.....	662,489.00
39	Hinds.....	1,619,623.00
40	Holmes.....	799,973.00
41	Itawamba.....	902,063.00
42	Jones.....	1,174,697.00
43	Meridian.....	822,141.00
44	Mississippi Delta.....	861,811.00
45	Mississippi Gulf Coast.....	1,457,443.00
46	Northeast Mississippi.....	919,371.00
47	Northwest Mississippi.....	1,048,492.00
48	Pearl River.....	874,257.00
49	Southwest Mississippi.....	698,075.00
50	GRAND TOTAL.....	\$14,000,000.00

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

60 (3) The Department of Finance and Administration, acting
 61 through the Bureau of Building, Grounds and Real Property
 62 Management, is expressly authorized and empowered to receive and

63 expend any local or other source funds in connection with the
64 expenditure of funds provided for in this section. The
65 expenditure of monies deposited into the special fund shall be
66 under the direction of the Department of Finance and
67 Administration, and such funds shall be paid by the State
68 Treasurer upon warrants issued by such department, which warrants
69 shall be issued upon requisitions signed by the Executive Director
70 of the Department of Finance and Administration or his designee.

71 SECTION 3. (1) The commission, at one time, or from time to
72 time, may declare by resolution the necessity for issuance of
73 general obligation bonds of the State of Mississippi to provide
74 funds for all costs incurred or to be incurred for the purposes
75 described in Section 2 of this act. Upon the adoption of a
76 resolution by the Department of Finance and Administration,
77 declaring the necessity for the issuance of any part or all of the
78 general obligation bonds authorized by this section, the
79 Department of Finance and Administration shall deliver a certified
80 copy of its resolution or resolutions to the commission. Upon
81 receipt of such resolution, the commission, in its discretion, may
82 act as the issuing agent, prescribe the form of the bonds,
83 advertise for and accept bids, issue and sell the bonds so
84 authorized to be sold and do any and all other things necessary
85 and advisable in connection with the issuance and sale of such
86 bonds. The total amount of bonds issued under this act shall not
87 exceed Fourteen Million Dollars (\$14,000,000.00).

88 (2) Any investment earnings on amounts deposited into the
89 special funds created in Section 2 of this act shall be used to
90 pay debt service on bonds issued under this act, in accordance
91 with 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
109 coupons, if any, to be attached to such bonds may be executed by
110 the facsimile signatures of such officers. Whenever any such
111 bonds shall have been signed by the officials designated to sign
112 the bonds who were in office at the time of such signing but who
113 may have ceased to be such officers before the sale and delivery
114 of 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 herein 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 herein 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. This act shall take effect and be in force from
230 and after its passage.