

By: Senator(s) Ross, Jackson, Gordon, Smith, Dearing, Furniss, Gollott To: Veterans and Military Affairs; Finance

SENATE BILL NO. 3201  
(As Passed the Senate)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO THE MISSISSIPPI  
3 MILITARY DEPARTMENT TO DEFRAY THE EXPENSE OF CONSTRUCTION DESIGN  
4 TO ENABLE ACCESS TO FEDERAL CONSTRUCTION FUNDS; AND FOR RELATED  
5 PURPOSES.

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

7 SECTION 1. (1) A special fund, to be designated as the  
8 "Mississippi National Guard Special Project Design Fund," is  
9 created within the State Treasury. The fund shall be maintained  
10 by the State Treasurer as a separate and special fund, separate  
11 and apart from the General Fund of the state. Unexpended amounts  
12 remaining in the fund at the end of a fiscal year shall not lapse  
13 into the State General Fund, and any interest earned or investment  
14 earnings on amounts in the fund shall be deposited into such fund.  
15 Monies deposited into the fund shall be disbursed, in the  
16 discretion of the Mississippi Military Department, for the purpose  
17 of defraying the expense of construction design to enable the  
18 Mississippi Military Department to access federal construction  
19 funds. Any federal reimbursements received by the state for  
20 construction design expenses that are paid from the fund created  
21 pursuant to this section shall be deposited, upon receipt, to the  
22 credit of such fund.

23 (2) The expenditure of monies deposited into the special  
24 fund shall be under the direction of the Mississippi Military  
25 Department, and such funds shall be paid by the State Treasurer  
26 upon warrants issued by such department, which warrants shall be  
27 issued upon requisitions signed by the Adjutant General or his  
28 designee.

29           SECTION 2. (1) The State Bond Commission, at one time, or  
30 from time to time, may declare by resolution the necessity for  
31 issuance of general obligation bonds of the State of Mississippi  
32 to provide funds for all costs incurred or to be incurred for the  
33 purposes described in Section 1 of this act. Upon the adoption of  
34 a resolution by the Mississippi Military Department, declaring the  
35 necessity for the issuance of any part or all of the general  
36 obligation bonds authorized by this section, the Mississippi  
37 Military Department shall deliver a certified copy of its  
38 resolution or resolutions to the State Bond Commission. Upon  
39 receipt of such resolution, the State Bond Commission, in its  
40 discretion, may act as the issuing agent, prescribe the form of  
41 the bonds, advertise for and accept bids, issue and sell the bonds  
42 so authorized to be sold and do any and all other things necessary  
43 and advisable in connection with the issuance and sale of such  
44 bonds. The total amount of bonds issued under this act shall not  
45 exceed Seven Hundred Fifty Thousand Dollars (\$750,000.00).

46           (2) Any investment earnings on amounts deposited into the  
47 special fund created in Section 1 of this act shall be used to pay  
48 debt service on bonds issued under this act, in accordance with  
49 the proceedings authorizing issuance of such bonds.

50           SECTION 3. The principal of and interest on the bonds  
51 authorized under this act shall be payable in the manner provided  
52 in this section. Such bonds shall bear such date or dates, be in  
53 such denomination or denominations, bear interest at such rate or  
54 rates (not to exceed the limits set forth in Section 75-17-101,  
55 Mississippi Code of 1972), be payable at such place or places  
56 within or without the State of Mississippi, shall mature  
57 absolutely at such time or times not to exceed twenty-five (25)  
58 years from date of issue, be redeemable before maturity at such  
59 time or times and upon such terms, with or without premium, shall  
60 bear such registration privileges, and shall be substantially in  
61 such form, all as shall be determined by resolution of the State  
62 Bond Commission.

63 SECTION 4. The bonds authorized by this act shall be signed  
64 by the Chairman of the State Bond Commission, or by his facsimile  
65 signature, and the official seal of the State Bond Commission  
66 shall be affixed thereto, attested by the Secretary of the State  
67 Bond Commission. The interest coupons, if any, to be attached to  
68 such bonds may be executed by the facsimile signatures of such  
69 officers. Whenever any such bonds shall have been signed by the  
70 officials designated to sign the bonds who were in office at the  
71 time of such signing but who may have ceased to be such officers  
72 before the sale and delivery of such bonds, or who may not have  
73 been in office on the date such bonds may bear, the signatures of  
74 such officers upon such bonds and coupons shall nevertheless be  
75 valid and sufficient for all purposes and have the same effect as  
76 if the person so officially signing such bonds had remained in  
77 office until their delivery to the purchaser, or had been in  
78 office on the date such bonds may bear. However, notwithstanding  
79 anything herein to the contrary, such bonds may be issued as  
80 provided in the Registered Bond Act of the State of Mississippi.

81 SECTION 5. All bonds and interest coupons issued under the  
82 provisions of this act have all the qualities and incidents of  
83 negotiable instruments under the provisions of the Mississippi  
84 Uniform Commercial Code, and in exercising the powers granted by  
85 this act, the State Bond Commission shall not be required to and  
86 need not comply with the provisions of the Mississippi Uniform  
87 Commercial Code.

88 SECTION 6. The State Bond Commission shall act as the  
89 issuing agent for the bonds authorized under this act, prescribe  
90 the form of the bonds, advertise for and accept bids, issue and  
91 sell the bonds so authorized to be sold, pay all fees and costs  
92 incurred in such issuance and sale, and do any and all other  
93 things necessary and advisable in connection with the issuance and  
94 sale of such bonds. The State Bond Commission is authorized and  
95 empowered to pay the costs that are incident to the sale, issuance  
96 and delivery of the bonds authorized under this act from the

97 proceeds derived from the sale of such bonds. The State Bond  
98 Commission shall sell such bonds on sealed bids at public sale,  
99 and for such price as it may determine to be for the best interest  
100 of the State of Mississippi, but no such sale shall be made at a  
101 price less than par plus accrued interest to the date of delivery  
102 of the bonds to the purchaser. All interest accruing on such  
103 bonds so issued shall be payable semiannually or annually;  
104 however, the first interest payment may be for any period of not  
105 more than one (1) year.

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

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

118 SECTION 7. The bonds issued under the provisions of this act  
119 are general obligations of the State of Mississippi, and for the  
120 payment thereof the full faith and credit of the State of  
121 Mississippi is irrevocably pledged. If the funds appropriated by  
122 the Legislature are insufficient to pay the principal of and the  
123 interest on such bonds as they become due, then the deficiency  
124 shall be paid by the State Treasurer from any funds in the State  
125 Treasury not otherwise appropriated. All such bonds shall contain  
126 recitals on their faces substantially covering the provisions of  
127 this section.

128 SECTION 8. Upon the issuance and sale of bonds under the  
129 provisions of this act, the State Bond Commission shall transfer  
130 the proceeds of any such sale or sales to the special fund created

131 in Section 1 of this act. The proceeds of such bonds shall be  
132 disbursed solely upon the order of the Mississippi Military  
133 Department under such restrictions, if any, as may be contained in  
134 the resolution providing for the issuance of the bonds.

135 SECTION 9. The bonds authorized under this act may be issued  
136 without any other proceedings or the happening of any other  
137 conditions or things other than those proceedings, conditions and  
138 things which are specified or required by this act. Any  
139 resolution providing for the issuance of bonds under the  
140 provisions of this act shall become effective immediately upon its  
141 adoption by the State Bond Commission, and any such resolution may  
142 be adopted at any regular or special meeting of the State Bond  
143 Commission by a majority of its members.

144 SECTION 10. The bonds authorized under the authority of this  
145 act may be validated in the Chancery Court of the First Judicial  
146 District of Hinds County, Mississippi, in the manner and with the  
147 force and effect provided by Chapter 13, Title 31, Mississippi  
148 Code of 1972, for the validation of county, municipal, school  
149 district and other bonds. The notice to taxpayers required by  
150 such statutes shall be published in a newspaper published or  
151 having a general circulation in the City of Jackson, Mississippi.

152 SECTION 11. Any holder of bonds issued under the provisions  
153 of this act or of any of the interest coupons pertaining thereto  
154 may, either at law or in equity, by suit, action, mandamus or  
155 other proceeding, protect and enforce any and all rights granted  
156 under this act, or under such resolution, and may enforce and  
157 compel performance of all duties required by this act to be  
158 performed, in order to provide for the payment of bonds and  
159 interest thereon.

160 SECTION 12. All bonds issued under the provisions of this  
161 act shall be legal investments for trustees and other fiduciaries,  
162 and for savings banks, trust companies and insurance companies  
163 organized under the laws of the State of Mississippi, and such  
164 bonds shall be legal securities which may be deposited with and

165 shall be received by all public officers and bodies of this state  
166 and all municipalities and political subdivisions for the purpose  
167 of securing the deposit of public funds.

168 SECTION 13. Bonds issued under the provisions of this act  
169 and income therefrom shall be exempt from all taxation in the  
170 State of Mississippi.

171 SECTION 14. The proceeds of the bonds issued under this act  
172 shall be used solely for the purposes herein provided, including  
173 the costs incident to the issuance and sale of such bonds.

174 SECTION 15. The State Treasurer is authorized, without  
175 further process of law, to certify to the Department of Finance  
176 and Administration the necessity for warrants, and the Department  
177 of Finance and Administration is authorized and directed to issue  
178 such warrants, in such amounts as may be necessary to pay when due  
179 the principal of, premium, if any, and interest on, or the  
180 accreted value of, all bonds issued under this act; and the State  
181 Treasurer shall forward the necessary amount to the designated  
182 place or places of payment of such bonds in ample time to  
183 discharge such bonds, or the interest thereon, on the due dates  
184 thereof.

185 SECTION 16. This act shall be deemed to be full and complete  
186 authority for the exercise of the powers herein granted, but this  
187 act shall not be deemed to repeal or to be in derogation of any  
188 existing law of this state.

189 SECTION 17. This act shall take effect and be in force from  
190 and after its passage.