

By: Senator(s) Harden

To: Finance

SENATE BILL NO. 3210

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

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

98 **GRAND TOTAL..... \$73,000,000.00**

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

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

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

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

129 SECTION 3. (1) The commission, at one time, or from time to
130 time, may declare by resolution the necessity for issuance of

131 general obligation bonds of the State of Mississippi to provide
132 funds for all costs incurred or to be incurred for the purposes
133 described in Section 2 of this act. Upon the adoption of a
134 resolution by the Department of Finance and Administration,
135 declaring the necessity for the issuance of any part or all of the
136 general obligation bonds authorized by this section, the
137 Department of Finance and Administration shall deliver a certified
138 copy of its resolution or resolutions to the commission. Upon
139 receipt of such resolution, the commission, in its discretion, may
140 act as the issuing agent, prescribe the form of the bonds,
141 advertise for and accept bids, issue and sell the bonds so
142 authorized to be sold and do any and all other things necessary
143 and advisable in connection with the issuance and sale of such
144 bonds. The total amount of bonds issued under this act shall not
145 exceed Seventy-three Million Dollars (\$73,000,000.00).

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

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

163 SECTION 5. The bonds authorized by this act shall be signed

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

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

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

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

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

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

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

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

230 upon the order of the Department of Finance and Administration
231 under such restrictions, if any, as may be contained in the
232 resolution providing for the issuance of the bonds.

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

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

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

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

263 shall be received by all public officers and bodies of this state
264 and all municipalities and political subdivisions for the purpose
265 of securing the deposit of public funds.

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

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

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

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

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