

By: Senator(s) Farris, Bean

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 3215

1 AN ACT TO PROVIDE FOR THE ISSUANCE OF GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR IMPROVEMENTS TO THE WALTHALL SCHOOL  
3 BUILDING IN HATTIESBURG, MISSISSIPPI, THAT ARE NECESSARY TO LOCATE  
4 A REGIONAL CHILDREN'S DISCOVERY CENTER AT SUCH FACILITY; AND FOR  
5 RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE  
6 OF MISSISSIPPI:

7  
8 SECTION 1. (1) Upon the receipt of matching funds or  
9 verification that the matching funds described in this subsection  
10 are forthcoming, the Department of Finance and Administration, at  
11 one (1) time or from time to time, may declare by resolution the  
12 necessity for issuance of general obligation bonds of the State of  
13 Mississippi in an amount not to exceed Two Million Five Hundred  
14 Thousand Dollars (\$2,500,000.00) to provide funds for necessary  
15 improvements to convert the Walthall School Building in  
16 Hattiesburg, Mississippi, into a regional children's discovery  
17 center to be known as the "Interaction Factory." Such  
18 improvements shall include the repair and renovation of the  
19 Walthall School Building, improvement of parking facilities at the  
20 Walthall School Building and other necessary improvements to such  
21 facility and the grounds of such facility that are necessary to  
22 convert such facility into a regional children's discovery center.  
23 The issuance of the bonds described in this subsection and the  
24 allocation of such funds are conditioned upon the private sector  
25 or local or federal government providing Two Million Five Hundred  
26 Thousand Dollars (\$2,500,000.00) to match the funds provided under  
27 this section. The matching funds required pursuant to this  
28 subsection may be provided in the form of cash or in kind  
29 contributions or any combination of cash or in kind contributions.

30           (2) Upon the adoption of a resolution by the Department of  
31 Finance and Administration, declaring the necessity for the  
32 issuance of any part or all of the general obligation bonds  
33 authorized by this section, the department shall deliver a  
34 certified copy of its resolution or resolutions to the State Bond  
35 Commission. Upon receipt of such resolution, the State Bond  
36 Commission, in its discretion, may act as the issuing agent,  
37 prescribe the form of the bonds, advertise for and accept bids,  
38 issue and sell the bonds so authorized to be sold, and do any and  
39 all other things necessary and advisable in connection with the  
40 issuance and sale of such bonds.

41           (3) The amount of bonds issued under this act shall not  
42 exceed Two Million Five Hundred Thousand Dollars (\$2,500,000.00)  
43 for the project described in subsection (1) of this section.

44           SECTION 2. The principal of and interest on the bonds  
45 authorized under this act shall be payable in the manner provided  
46 in this section. Such bonds shall bear such date or dates, be in  
47 such denomination or denominations, bear interest at such rate or  
48 rates not exceeding the limits set forth in Section 75-17-101, be  
49 payable at such place or places within or without the State of  
50 Mississippi, shall mature absolutely at such time or times not to  
51 exceed twenty (20) years from date of issue, be redeemable before  
52 maturity at such time or times and upon such terms, with or  
53 without premium, shall bear such registration privileges, and  
54 shall be substantially in such form, all as determined by  
55 resolution of the State Bond Commission.

56           SECTION 3. The bonds authorized under this act shall be  
57 signed by the Chairman of the State Bond Commission, or by his  
58 facsimile signature, and the official seal of the State Bond  
59 Commission shall be affixed thereto, attested by the Secretary of  
60 the State Bond Commission. The interest coupons, if any, to be  
61 attached to such bonds may be executed by the facsimile signatures  
62 of such officers. Whenever any such bonds shall have been signed  
63 by the officials designated to sign the bonds who were in office

64 at the time of such signing but who may have ceased to be such  
65 officers before the sale and delivery of such bonds, or who may  
66 not have been in office on the date such bonds may bear, the  
67 signatures of such officers upon such bonds and coupons shall  
68 nevertheless be valid and sufficient for all purposes and have the  
69 same effect as if the person so officially signing such bonds had  
70 remained in office until their delivery to the purchaser, or had  
71 been in office on the date such bonds may bear. However,  
72 notwithstanding anything in this act to the contrary, such bonds  
73 may be issued as provided in the Registered Bond Act of the State  
74 of Mississippi.

75 SECTION 4. All bonds and interest coupons issued under the  
76 provisions of this act have all the qualities and incidents of  
77 negotiable instruments under the provisions of the Uniform  
78 Commercial Code, and in exercising the powers granted by this act,  
79 the State Bond Commission shall not be required to and need not  
80 comply with the provisions of the Uniform Commercial Code.

81 SECTION 5. The State Bond Commission shall act as the  
82 issuing agent for the bonds authorized under this act, prescribe  
83 the form of the bonds, advertise for and accept bids, issue and  
84 sell the bonds so authorized to be sold, pay all fees and costs  
85 incurred in such issuance and sale, and do all other things  
86 necessary and advisable in connection with the issuance and sale  
87 of the bonds. The State Bond Commission may pay the costs that  
88 are incident to the sale, issuance and delivery of the bonds  
89 authorized under this act from the proceeds derived from the sale  
90 of the bonds. The State Bond Commission shall sell such bonds on  
91 sealed bids at public sale, and for such price as it may determine  
92 to be for the best interest of the State of Mississippi, but no  
93 such sale may be made at a price less than par plus accrued  
94 interest to the date of delivery of the bonds to the purchaser.  
95 All interest accruing on such bonds so issued shall be payable  
96 semiannually or annually; however, the first interest payment may  
97 be for any period of not more than one (1) year.

98 Notice of the sale of any such bond shall be published at  
99 least one (1) time, not less than ten (10) days before the date of  
100 sale, and shall be so published in one or more newspapers  
101 published or having a general circulation in the City of Jackson,  
102 Mississippi, and in one or more other newspapers or financial  
103 journals with a national circulation, to be selected by the State  
104 Bond Commission.

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

110 SECTION 6. The bonds issued under the provisions of this act  
111 are general obligations of the State of Mississippi, and for the  
112 payment thereof the full faith and credit of the State of  
113 Mississippi is irrevocably pledged. If the funds appropriated by  
114 the Legislature are insufficient to pay the principal of and the  
115 interest on such bonds as they become due, then the deficiency  
116 shall be paid by the State Treasurer from any funds in the State  
117 Treasury not otherwise appropriated. All such bonds shall contain  
118 recitals on their faces substantially covering the provisions of  
119 this section.

120 SECTION 7. The State Treasurer is authorized to certify to  
121 the Executive Director of the Department of Finance and  
122 Administration the necessity for warrants, and the Executive  
123 Director of the Department of Finance and Administration is  
124 authorized and directed to issue such warrants, in such amounts as  
125 may be necessary to pay when due the principal of, premium, if  
126 any, and interest on, or the accreted value of, all bonds issued  
127 under this act; and the State Treasurer shall forward the  
128 necessary amount to the designated place or places of payment of  
129 such bonds in ample time to discharge such bonds, or the interest  
130 on the bonds, on their due dates.

131 SECTION 8. Upon the issuance and sale of bonds under this

132 act, the State Bond Commission shall deposit the proceeds of any  
133 such sale or sales in a special fund created in the State Treasury  
134 to be known as the "Regional Children's Discovery Center Fund."  
135 Such fund shall be maintained by the State Treasurer as a separate  
136 and special fund, separate and apart from the General Fund of the  
137 state, and investment earnings on amounts in the fund shall be  
138 deposited into such fund. The proceeds of such bonds shall be  
139 used solely for the purposes provided in this act, including the  
140 costs incident to the issuance and sale of such bonds. The costs  
141 incident to the issuance and sale of such bonds shall be disbursed  
142 by warrant upon requisition of the State Bond Commission, signed  
143 by the chairman of the commission. The remaining monies in the  
144 fund shall be expended solely under the direction of the  
145 Department of Finance and Administration under such restrictions,  
146 if any, as may be contained in the resolution providing for the  
147 issuance of the bonds, and such funds shall be paid by the State  
148 Treasurer upon warrants issued by the Executive Director of the  
149 Department of Finance and Administration.

150 SECTION 9. The bonds authorized under this act may be issued  
151 without any other proceedings or the happening of any other  
152 conditions or things other than those proceedings, conditions and  
153 things that are specified or required by this act. Any resolution  
154 providing for the issuance of bonds under this act shall become  
155 effective immediately upon its adoption by the State Bond  
156 Commission, and any such resolution may be adopted at any regular  
157 or special meeting of the State Bond Commission by a majority of  
158 its members.

159 SECTION 10. The bonds authorized under the authority of this  
160 act may be validated in the Chancery Court of the First Judicial  
161 District of Hinds County, Mississippi, in the manner and with the  
162 force and effect provided by Chapter 13, Title 31, Mississippi  
163 Code of 1972, for the validation of county, municipal, school  
164 district and other bonds. The notice to taxpayers required by  
165 such statutes shall be published in a newspaper published or

166 having a general circulation in the City of Jackson, Mississippi.

167 SECTION 11. Any holder of bonds issued under this act or of  
168 any of the interest coupons pertaining to the bonds may, either at  
169 law or in equity, by suit, action, mandamus or other proceeding,  
170 protect and enforce all rights granted under this act, or under  
171 such resolution, and may enforce and compel performance of all  
172 duties required by this act to be performed, in order to provide  
173 for the payment of bonds and interest on the bonds.

174 SECTION 12. All bonds issued under this act shall be legal  
175 investments for trustees and other fiduciaries, and for savings  
176 banks, trust companies and insurance companies organized under the  
177 laws of the State of Mississippi, and such bonds shall be legal  
178 securities that may be deposited with and shall be received by all  
179 public officers and bodies of this state and all municipalities  
180 and political subdivisions for the purpose of securing the deposit  
181 of public funds.

182 SECTION 13. Bonds issued under this act and income from the  
183 bonds shall be exempt from all taxation in the State of  
184 Mississippi.

185 SECTION 14. This act shall be deemed to be full and complete  
186 authority for the exercise of the powers granted, but this act  
187 shall not be deemed to repeal or to be in derogation of any  
188 existing law of this state.

189 SECTION 15. This act shall take effect and be in force from  
190 and after its passage.