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To: Ways and Means

HOUSE BILL NO. 849

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS TO  
3 ASSIST IN THE CONSTRUCTION OF THE AFRICAN-AMERICAN ART CENTER AT  
4 THE OHR-O'KEEFE MUSEUM OF ART AND FOR THE RESTORATION, MAINTENANCE  
5 AND PRESERVATION OF THE PLEASANT REED HOUSE IN BILOXI,  
6 MISSISSIPPI; AND FOR RELATED PURPOSES.

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

8 SECTION 1. As used in this act, the following words shall  
9 have the meanings ascribed herein unless the context clearly  
10 requires otherwise:

11 (a) "Accreted value" of any bond means, as of any date  
12 of computation, an amount equal to the sum of (i) the stated  
13 initial value of such bond, plus (ii) the interest accrued thereon  
14 from the issue date to the date of computation at the rate,  
15 compounded semiannually, that is necessary to produce the  
16 approximate yield to maturity shown for bonds of the same  
17 maturity.

18 (b) "State" means the State of Mississippi.

19 (c) "Commission" means the State Bond Commission.

20 SECTION 2. (1) (a) A special fund, to be designated as the  
21 Ohr-O'Keefe Museum of Art - African-American Art Center Fund" is  
22 created within the State Treasury. The fund shall be maintained  
23 by the State Treasurer as a separate and special fund, separate

24 and apart from the General Fund of the state. Unexpended amounts  
25 remaining in the fund at the end of a fiscal year shall not lapse  
26 into the State General Fund, and any interest earned or  
27 investment earnings on amounts in the fund shall be deposited into  
28 such fund.

29 (b) Monies deposited into the fund shall be disbursed,  
30 in the discretion of the Department of Finance and Administration,  
31 to pay the costs of construction of the African-American Art  
32 Center at the Ohr-O'Keefe Museum of Art and restoration,  
33 maintenance and preservation of the Pleasant Reed House in Biloxi,  
34 Mississippi, on the condition that matching funds in the aggregate  
35 sum of at least Two Million Dollars (\$2,000,000.00) are provided.

36 (2) Amounts deposited into such special fund shall be  
37 disbursed to pay the costs of the project described in subsection  
38 (1) of this section. Promptly after the commission has certified,  
39 by resolution duly adopted, that the projects described in  
40 subsection (1) shall have been completed, abandoned, or cannot be  
41 completed in a timely fashion, any amounts remaining in such  
42 special fund shall be applied to pay debt service on the bonds  
43 issued under this act, in accordance with the proceedings  
44 authorizing the issuance of such bonds and as directed by the  
45 commission.

46 SECTION 3. (1) Upon the receipt of matching funds or  
47 verification that the matching funds described in this subsection  
48 (1) are forthcoming, the Department of Finance and Administration,  
49 at one time or from time to time, may declare by resolution the  
50 necessity for issuance of general obligation bonds of the State of  
51 Mississippi in an amount not to exceed Two Million Dollars  
52 (\$2,000,000.00) to provide funds for all costs incurred or to be  
53 incurred for the purposes described in Section 2 of this act. The  
54 issuance of the bonds described in this subsection (1) and the

55 allocation of such funds are conditioned upon the private sector  
56 or local or federal government providing matching funds in the  
57 aggregate sum of at least Two Million Dollars (\$2,000,000.00).  
58 The matching funds required in this subsection (1) may be provided  
59 in the form of cash or in-kind contributions or any combination of  
60 cash or in-kind contributions, including but not limited to  
61 in-kind contributions of land by lease, purchase or donation.

62 (2) Upon the adoption of a resolution by the Department of  
63 Finance and Administration, declaring the necessity for the  
64 issuance of any part or all of the general obligation bonds  
65 authorized by this section, the Department of Finance and  
66 Administration shall deliver a certified copy of its resolution or  
67 resolutions to the commission. Upon receipt of such resolution,  
68 the commission, in its discretion, may act as the issuing agent,  
69 prescribe the form of the bonds, advertise for and accept bids,  
70 issue and sell the bonds so authorized to be sold and do any and  
71 all other things necessary and advisable in connection with the  
72 issuance and sale of such bonds. The total amount of bonds issued  
73 under this act shall not exceed Two Million Dollars  
74 (\$2,000,000.00).

75 (3) Any investment earnings on amounts deposited into the  
76 special fund created in Section 2 of this act shall be used to pay  
77 debt service on bonds issued under this act, in accordance with  
78 the proceedings authorizing issuance of such bonds.

79 SECTION 4. The principal of and interest on the bonds  
80 authorized under this act shall be payable in the manner provided  
81 in this section. Such bonds shall bear such date or dates, be in  
82 such denomination or denominations, bear interest at such rate or

83 rates (not to exceed the limits set forth in Section 75-17-101,  
84 Mississippi Code of 1972), be payable at such place or places  
85 within or without the State of Mississippi, shall mature  
86 absolutely at such time or times not to exceed twenty (20) years  
87 from date of issue, be redeemable before maturity at such time or  
88 times and upon such terms, with or without premium, shall bear  
89 such registration privileges, and shall be substantially in such  
90 form, all as shall be determined by resolution of the commission.

91 SECTION 5. The bonds authorized by this act shall be signed  
92 by the chairman of the commission, or by his facsimile signature,  
93 and the official seal of the commission shall be affixed thereto,  
94 attested by the secretary of the commission. The interest  
95 coupons, if any, to be attached to such bonds may be executed by  
96 the facsimile signatures of such officers. Whenever any such  
97 bonds shall have been signed by the officials designated to sign  
98 the bonds who were in office at the time of such signing but who  
99 may have ceased to be such officers before the sale and delivery  
100 of such bonds, or who may not have been in office on the date such  
101 bonds may bear, the signatures of such officers upon such bonds  
102 and coupons shall nevertheless be valid and sufficient for all  
103 purposes and have the same effect as if the person so officially  
104 signing such bonds had remained in office until their delivery to  
105 the purchaser, or had been in office on the date such bonds may  
106 bear. However, notwithstanding anything herein to the contrary,  
107 such bonds may be issued as provided in the Registered Bond Act of  
108 the State of Mississippi.

109 SECTION 6. All bonds and interest coupons issued under the  
110 provisions of this act have all the qualities and incidents of

111 negotiable instruments under the provisions of the Mississippi  
112 Uniform Commercial Code, and in exercising the powers granted by  
113 this act, the commission shall not be required to and need not  
114 comply with the provisions of the Mississippi Uniform Commercial  
115 Code.

116 SECTION 7. The commission shall act as the issuing agent for  
117 the bonds authorized under this act, prescribe the form of the  
118 bonds, advertise for and accept bids, issue and sell the bonds so  
119 authorized to be sold, pay all fees and costs incurred in such  
120 issuance and sale, and do any and all other things necessary and  
121 advisable in connection with the issuance and sale of such bonds.

122 The commission is authorized and empowered to pay the costs that  
123 are incident to the sale, issuance and delivery of the bonds  
124 authorized under this act from the proceeds derived from the sale  
125 of such bonds. The commission shall sell such bonds on sealed  
126 bids at public sale, and for such price as it may determine to be  
127 for the best interest of the State of Mississippi, but no such  
128 sale shall be made at a price less than par plus accrued interest  
129 to the date of delivery of the bonds to the purchaser. All  
130 interest accruing on such bonds so issued shall be payable  
131 semiannually or annually; however, the first interest payment may  
132 be for any period of not more than one (1) year.

133 Notice of the sale of any such bonds shall be published at  
134 least one time, not less than ten (10) days before the date of  
135 sale, and shall be so published in one or more newspapers  
136 published or having a general circulation in the City of Jackson,  
137 Mississippi, and in one or more other newspapers or financial  
138 journals with a national circulation, to be selected by the

139 commission.

140       The commission, when issuing any bonds under the authority of  
141 this act, may provide that bonds, at the option of the State of  
142 Mississippi, may be called in for payment and redemption at the  
143 call price named therein and accrued interest on such date or  
144 dates named therein.

145       SECTION 8. The bonds issued under the provisions of this act  
146 are general obligations of the State of Mississippi, and for the  
147 payment thereof the full faith and credit of the State of  
148 Mississippi is irrevocably pledged. If the funds appropriated by  
149 the Legislature are insufficient to pay the principal of and the  
150 interest on such bonds as they become due, then the deficiency  
151 shall be paid by the State Treasurer from any funds in the State  
152 Treasury not otherwise appropriated. All such bonds shall contain  
153 recitals on their faces substantially covering the provisions of  
154 this section.

155       SECTION 9. Upon the issuance and sale of bonds under the  
156 provisions of this act, the commission shall transfer the proceeds  
157 of any such sale or sales to the special fund created in Section 2  
158 of this act. The proceeds of such bonds shall be disbursed solely  
159 upon the order of the Department of Finance and Administration  
160 under such restrictions, if any, as may be contained in the  
161 resolution providing for the issuance of the bonds.

162       SECTION 10. The bonds authorized under this act may be  
163 issued without any other proceedings or the happening of any other  
164 conditions or things other than those proceedings, conditions and  
165 things which are specified or required by this act. Any  
166 resolution providing for the issuance of bonds under the

167 provisions of this act shall become effective immediately upon its  
168 adoption by the commission, and any such resolution may be adopted  
169 at any regular or special meeting of the commission by a majority  
170 of its members.

171 SECTION 11. The bonds authorized under the authority of this  
172 act may be validated in the Chancery Court of the First Judicial  
173 District of Hinds County, Mississippi, in the manner and with the  
174 force and effect provided by Chapter 13, Title 31, Mississippi  
175 Code of 1972, for the validation of county, municipal, school  
176 district and other bonds. The notice to taxpayers required by  
177 such statutes shall be published in a newspaper published or  
178 having a general circulation in the City of Jackson, Mississippi.

179 SECTION 12. Any holder of bonds issued under the provisions  
180 of this act or of any of the interest coupons pertaining thereto  
181 may, either at law or in equity, by suit, action, mandamus or  
182 other proceeding, protect and enforce any and all rights granted  
183 under this act, or under such resolution, and may enforce and  
184 compel performance of all duties required by this act to be  
185 performed, in order to provide for the payment of bonds and  
186 interest thereon.

187 SECTION 13. All bonds issued under the provisions of this  
188 act shall be legal investments for trustees and other fiduciaries,  
189 and for savings banks, trust companies and insurance companies  
190 organized under the laws of the State of Mississippi, and such  
191 bonds shall be legal securities which may be deposited with and  
192 shall be received by all public officers and bodies of this state  
193 and all municipalities and political subdivisions for the purpose  
194 of securing the deposit of public funds.

195 SECTION 14. Bonds issued under the provisions of this act  
196 and income therefrom shall be exempt from all taxation in the  
197 State of Mississippi.

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

201 SECTION 16. The State Treasurer is authorized, without  
202 further process of law, to certify to the Department of Finance  
203 and Administration the necessity for warrants, and the Department  
204 of Finance and Administration is authorized and directed to issue  
205 such warrants, in such amounts as may be necessary to pay when due  
206 the principal of, premium, if any, and interest on, or the  
207 accreted value of, all bonds issued under this act; and the State  
208 Treasurer shall forward the necessary amount to the designated  
209 place or places of payment of such bonds in ample time to  
210 discharge such bonds, or the interest thereon, on the due dates  
211 thereof.

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

216 SECTION 18. This act shall take effect and be in force from  
217 and after July 1, 2000.