

By: Mayo, Espy

To: Ways and Means

HOUSE BILL NO. 1566

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$2,435,000.00 FOR THE
3 PURPOSE OF REPAIRING, RENOVATING, RESTORING, FURNISHING AND
4 EQUIPPING CERTAIN FACILITIES FOR DELTA STATE UNIVERSITY; AND FOR
5 RELATED PURPOSES.

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

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

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

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

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

19 SECTION 2. (1) (a) A special fund, to be designated as the
20 "Delta State University - Cutrer House and Education Building
21 Repair and Renovation Fund," is created within the State Treasury.

22 The fund shall be maintained by the State Treasurer as a separate
23 and special fund, separate and apart from the General Fund of the
24 state. Unexpended amounts remaining in the fund at the end of a
25 fiscal year shall not lapse into the State General Fund, and any
26 interest earned or investment earnings on amounts in the fund
27 shall be deposited to the credit of the fund. Monies in the fund

28 may not be used or expended for any purpose except as authorized
29 under this act.

30 (b) Monies deposited into the fund shall be disbursed,
31 in the discretion of the Department of Finance and Administration,
32 to pay the costs of the following projects for Delta State
33 University as hereinafter described:

34 PROJECT	AMOUNT ALLOCATED
35 Repair, renovation, restoration, 36 equipping and furnishing of 37 the Cutrer House.....	\$1,150,000.00
38 Repair, renovation, equipping and 39 furnishing of classrooms and 40 laboratories for the Education 41 Building.....	<u>1,285,000.00</u>
42 TOTAL.....	\$2,435,000.00

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

53 (3) The Department of Finance and Administration, acting
54 through the Bureau of Building, Grounds and Real Property
55 Management, is expressly authorized and empowered to receive and
56 expend any local or other source funds in connection with the
57 expenditure of funds provided for in this section. The
58 expenditure of monies deposited into the special fund shall be
59 under the direction of the Department of Finance and
60 Administration, and such funds shall be paid by the State
61 Treasurer upon warrants issued by such department, which warrants
62 shall be issued upon requisitions signed by the Executive Director
63 of the Department of Finance and Administration, or his designee.

64 SECTION 3. (1) The commission, at one time, or from time to

65 time, may declare by resolution the necessity for issuance of
66 general obligation bonds of the State of Mississippi to provide
67 funds for all costs incurred or to be incurred for the purposes
68 described in Section 2 of this act. Upon the adoption of a
69 resolution by the Department of Finance and Administration,
70 declaring the necessity for the issuance of any part or all of the
71 general obligation bonds authorized by this section, the
72 Department of Finance and Administration shall deliver a certified
73 copy of its resolution or resolutions to the commission. Upon
74 receipt of such resolution, the commission, in its discretion, may
75 act as the issuing agent, prescribe the form of the bonds,
76 advertise for and accept bids, issue and sell the bonds so
77 authorized to be sold and do any and all other things necessary
78 and advisable in connection with the issuance and sale of such
79 bonds. The total amount of bonds issued under this act shall not
80 exceed Two Million Four Hundred Thirty-five Thousand Dollars
81 (\$2,435,000.00).

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

86 SECTION 4. The principal of and interest on the bonds
87 authorized under this act shall be payable in the manner provided
88 in this section. Such bonds shall bear such date or dates, be in
89 such denomination or denominations, bear interest at such rate or
90 rates (not to exceed the limits set forth in Section 75-17-101,
91 Mississippi Code of 1972), be payable at such place or places
92 within or without the State of Mississippi, shall mature
93 absolutely at such time or times not to exceed twenty-five (25)
94 years from date of issue, be redeemable before maturity at such
95 time or times and upon such terms, with or without premium, shall
96 bear such registration privileges, and shall be substantially in
97 such form, all as shall be determined by resolution of the

98 commission.

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

117 SECTION 6. All bonds and interest coupons issued under the
118 provisions of this act have all the qualities and incidents of
119 negotiable instruments under the provisions of the Uniform
120 Commercial Code, and in exercising the powers granted by this act,
121 the commission shall not be required to and need not comply with
122 the provisions of the Uniform Commercial Code.

123 SECTION 7. The commission shall act as the issuing agent for
124 the bonds authorized under this act, prescribe the form of the
125 bonds, advertise for and accept bids, issue and sell the bonds so
126 authorized to be sold, pay all fees and costs incurred in such
127 issuance and sale, and do any and all other things necessary and
128 advisable in connection with the issuance and sale of such bonds.
129 The commission is authorized and empowered to pay the costs that
130 are incident to the sale, issuance and delivery of the bonds

131 authorized under this act from the proceeds derived from the sale
132 of such bonds. The commission shall sell such bonds on sealed
133 bids at public sale, and for such price as it may determine to be
134 for the best interest of the State of Mississippi, but no such
135 sale shall be made at a price less than par plus accrued interest
136 to the date of delivery of the bonds to the purchaser. All
137 interest accruing on such bonds so issued shall be payable
138 semiannually or annually; however, the first interest payment may
139 be for any period of not more than one (1) year.

140 Notice of the sale of any such bond shall be published at
141 least one time, not less than ten (10) days before the date of
142 sale, and shall be so published in one or more newspapers
143 published or having a general circulation in the City of Jackson,
144 Mississippi, and in one or more other newspapers or financial
145 journals with a national circulation, to be selected by the
146 commission.

147 The commission, when issuing any bonds under the authority of
148 this act, may provide that bonds, at the option of the state, may
149 be called in for payment and redemption at the call price named
150 therein and accrued interest on such date or dates named therein.

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

161 SECTION 9. Upon the issuance and sale of bonds under the
162 provisions of this act, the commission shall transfer the proceeds
163 of any such sale or sales to the special fund created in Section 2

164 of this act. The proceeds of such bonds shall be disbursed solely
165 upon the order of the Department of Finance and Administration
166 under such restrictions, if any, as may be contained in the
167 resolution providing for the issuance of the bonds.

168 SECTION 10. The bonds authorized under this act may be
169 issued without any other proceedings or the happening of any other
170 conditions or things other than those proceedings, conditions and
171 things which are specified or required by this act. Any
172 resolution providing for the issuance of bonds under the
173 provisions of this act shall become effective immediately upon its
174 adoption by the commission, and any such resolution may be adopted
175 at any regular or special meeting of the commission by a majority
176 of its members.

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

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

193 SECTION 13. All bonds issued under the provisions of this
194 act shall be legal investments for trustees and other fiduciaries,
195 and for savings banks, trust companies and insurance companies
196 organized under the laws of the State of Mississippi, and such

197 bonds shall be legal securities which may be deposited with and
198 shall be received by all public officers and bodies of this state
199 and all municipalities and political subdivisions for the purpose
200 of securing the deposit of public funds.

201 SECTION 14. Bonds issued under the provisions of this act
202 and income therefrom shall be exempt from all taxation in the
203 State of Mississippi.

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

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

218 SECTION 17. This act shall be deemed to be full and complete
219 authority for the exercise of the powers therein granted, but this
220 act shall not be deemed to repeal or to be in derogation of any
221 existing law of this state.

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