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To: Ways and Means

HOUSE BILL NO. 1678

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; TO AUTHORIZE  
4 PREPLANNING FOR CONSTRUCTION OF A CLASSROOM FACILITY AT THE  
5 UNIVERSITY MEDICAL CENTER; AND FOR 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 "2000 IHL Capital Improvements Fund," is created within the State  
21 Treasury. The fund shall be maintained by the State Treasurer as  
22 a separate and special fund, separate and apart from the General  
23 Fund of the state. Unexpended amounts remaining in the fund at  
24 the end of a fiscal year shall not lapse into the State General  
25 Fund, and any interest earned or investment earnings on amounts in  
26 the fund shall be deposited into such fund.

27 (b) Monies deposited into the fund shall be disbursed,

28 in the discretion of the Department of Finance and Administration,  
 29 to pay the costs of the following projects for agencies or their  
 30 successors as hereinafter described:

31	NAME	AMOUNT ALLOCATED
32	<b>INSTITUTIONS OF HIGHER LEARNING</b>	
33	Alcorn State University.....	\$10,500,000.00
34		
35	Constructing, equipping and	
36	furnishing a business	
37	school building on the	
38	Natchez campus suitable	
39	to house an MBA program.....	\$10,500,000.00
40	Mississippi State University.....	\$ 3,500,000.00
41		
42	Continuation of Hand	
43	Chemical Laboratory	
44	repair and renovation.....	\$ 3,500,000.00
45	Mississippi Valley State University.....	\$ 850,000.00
46		
47	Waste water treatment system	
48	improvements.....	\$ 850,000.00
49	University of Southern Mississippi/ Gulf Park Campus.....	\$ 1,800,000.00
50		
51		
52	Repair, renovation, replacement,	
53	and improvement of	
54	campus infrastructure.....	\$ 1,800,000.00
55	University of Southern Mississippi/ Gulf Coast Research Laboratory at Cedar	
56	Point in Jackson County, Mississippi .....	\$ 900,000.00
57		
58		
59	Matching funds for federal	
60	infrastructure grant.....	\$ 900,000.00

61       **TOTAL**.....\$17,550,000.00

62           (2) Amounts deposited into such special fund shall be  
63 disbursed to pay the costs of projects described in subsection (1)  
64 of this section. If any monies in such special fund are not used  
65 within four (4) years after the date the proceeds of the bonds  
66 authorized under this act are deposited into the special fund,  
67 then the institution of higher learning to which any unused monies  
68 are allocated under subsection (1) of this act shall provide an  
69 accounting of such unused monies to the commission. Promptly  
70 after the commission has certified, by resolution duly adopted,  
71 that the projects described in subsection (1) of this section  
72 shall have been completed, abandoned, or cannot be completed in a  
73 timely fashion, any amounts remaining in such special fund shall  
74 be applied to pay debt service on the bonds issued under this act,  
75 in accordance with the proceedings authorizing the issuance of  
76 such bonds and as directed by the commission.

77           (3) The Department of Finance and Administration, acting  
78 through the Bureau of Building, Grounds and Real Property  
79 Management, is expressly authorized and empowered to receive and  
80 expend any local or other source funds in connection with the  
81 expenditure of funds provided for in this section. The  
82 expenditure of monies deposited into the special fund shall be  
83 under the direction of the Department of Finance and  
84 Administration, and such funds shall be paid by the State  
85 Treasurer upon warrants issued by such department, which warrants  
86 shall be issued upon requisitions signed by the Executive Director  
87 of the Department of Finance and Administration or his designee.

88           (4) Any amounts allocated to an institution of higher  
89 learning that are in excess of that needed to complete the  
90 projects at such institution of higher learning that are described  
91 in subsection (1) of this section may be used for general repairs  
92 and renovations of the institution of higher learning to which  
93 such amount is allocated.

94           (5) Monies allocated to the University of Southern  
95 Mississippi/Gulf Coast Research Laboratory at Cedar Point in  
96 Jackson County, Mississippi, shall not be used for any project at  
97 such institution of higher learning if the property conveyed to  
98 the Board of Trustees of State Institutions of Higher Learning,  
99 for the use and benefit of the University of Southern Mississippi  
100 and the Gulf Coast Research Laboratory, in the Warranty Deed  
101 recorded in Book 1075, Pages 545-546, in the office of the  
102 Chancery Clerk of Jackson County, Mississippi, reverts to Jackson  
103 County, Mississippi.

104           (6) The Department of Finance and Administration, acting  
105 through the Bureau of Building, Grounds and Real Property  
106 Management, is authorized to preplan the construction of a  
107 classroom facility at the University Medical Center. The project  
108 authorized in this subsection (6) shall be in addition to the  
109 projects authorized in subsection (1) of this section.

110           SECTION 3. (1) The commission, at one time, or from time to  
111 time, may declare by resolution the necessity for issuance of  
112 general obligation bonds of the State of Mississippi to provide  
113 funds for all costs incurred or to be incurred for the purposes  
114 described in Section 2 of this act. Upon the adoption of a  
115 resolution by the Department of Finance and Administration,  
116 declaring the necessity for the issuance of any part or all of the  
117 general obligation bonds authorized by this section, the  
118 Department of Finance and Administration shall deliver a certified  
119 copy of its resolution or resolutions to the commission. Upon  
120 receipt of such resolution, the commission, in its discretion, may  
121 act as the issuing agent, prescribe the form of the bonds,  
122 advertise for and accept bids, issue and sell the bonds so  
123 authorized to be sold and do any and all other things necessary  
124 and advisable in connection with the issuance and sale of such  
125 bonds. The total amount of bonds issued under this act shall not  
126 exceed Seventeen Million Five Hundred Fifty Thousand Dollars

127 (\$17,550,000.00). The bonds authorized under this act may not be  
128 issued after July 1, 2003.

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

133 SECTION 4. The principal of and interest on the bonds  
134 authorized under this act shall be payable in the manner provided  
135 in this section. Such bonds shall bear such date or dates, be in  
136 such denomination or denominations, bear interest at such rate or  
137 rates (not to exceed the limits set forth in Section 75-17-101,  
138 Mississippi Code of 1972), be payable at such place or places  
139 within or without the State of Mississippi, shall mature  
140 absolutely at such time or times not to exceed twenty-five (25)  
141 years from date of issue, be redeemable before maturity at such  
142 time or times and upon such terms, with or without premium, shall  
143 bear such registration privileges, and shall be substantially in  
144 such form, all as shall be determined by resolution of the  
145 commission.

146 SECTION 5. The bonds authorized by this act shall be signed  
147 by the chairman of the commission, or by his facsimile signature,  
148 and the official seal of the commission shall be affixed thereto,  
149 attested by the secretary of the commission. The interest  
150 coupons, if any, to be attached to such bonds may be executed by  
151 the facsimile signatures of such officers. Whenever any such  
152 bonds shall have been signed by the officials designated to sign  
153 the bonds who were in office at the time of such signing but who  
154 may have ceased to be such officers before the sale and delivery  
155 of such bonds, or who may not have been in office on the date such  
156 bonds may bear, the signatures of such officers upon such bonds  
157 and coupons shall nevertheless be valid and sufficient for all  
158 purposes and have the same effect as if the person so officially  
159 signing such bonds had remained in office until their delivery to

160 the purchaser, or had been in office on the date such bonds may  
161 bear. However, notwithstanding anything herein to the contrary,  
162 such bonds may be issued as provided in the Registered Bond Act of  
163 the State of Mississippi.

164 SECTION 6. All bonds and interest coupons issued under the  
165 provisions of this act have all the qualities and incidents of  
166 negotiable instruments under the provisions of the Mississippi  
167 Uniform Commercial Code, and in exercising the powers granted by  
168 this act, the commission shall not be required to and need not  
169 comply with the provisions of the Mississippi Uniform Commercial  
170 Code.

171 SECTION 7. The commission shall act as the issuing agent for  
172 the bonds authorized under this act, prescribe the form of the  
173 bonds, advertise for and accept bids, issue and sell the bonds so  
174 authorized to be sold, pay all fees and costs incurred in such  
175 issuance and sale, and do any and all other things necessary and  
176 advisable in connection with the issuance and sale of such bonds.

177 The commission is authorized and empowered to pay the costs that  
178 are incident to the sale, issuance and delivery of the bonds  
179 authorized under this act from the proceeds derived from the sale  
180 of such bonds. The commission shall sell such bonds on sealed  
181 bids at public sale, and for such price as it may determine to be  
182 for the best interest of the State of Mississippi, but no such  
183 sale shall be made at a price less than par plus accrued interest  
184 to the date of delivery of the bonds to the purchaser. All  
185 interest accruing on such bonds so issued shall be payable  
186 semiannually or annually; however, the first interest payment may  
187 be for any period of not more than one (1) year.

188 Notice of the sale of any such bonds shall be published at  
189 least one time, not less than ten (10) days before the date of  
190 sale, and shall be so published in one or more newspapers  
191 published or having a general circulation in the City of Jackson,  
192 Mississippi, and in one or more other newspapers or financial

193 journals with a national circulation, to be selected by the  
194 commission.

195 The commission, when issuing any bonds under the authority of  
196 this act, may provide that bonds, at the option of the State of  
197 Mississippi, may be called in for payment and redemption at the  
198 call price named therein and accrued interest on such date or  
199 dates named therein.

200 SECTION 8. The bonds issued under the provisions of this act  
201 are general obligations of the State of Mississippi, and for the  
202 payment thereof the full faith and credit of the State of  
203 Mississippi is irrevocably pledged. If the funds appropriated by  
204 the Legislature are insufficient to pay the principal of and the  
205 interest on such bonds as they become due, then the deficiency  
206 shall be paid by the State Treasurer from any funds in the State  
207 Treasury not otherwise appropriated. All such bonds shall contain  
208 recitals on their faces substantially covering the provisions of  
209 this section.

210 SECTION 9. Upon the issuance and sale of bonds under the  
211 provisions of this act, the commission shall transfer the proceeds  
212 of any such sale or sales to the special fund created in Section 2  
213 of this act. The proceeds of such bonds shall be disbursed solely  
214 upon the order of the Department of Finance and Administration  
215 under such restrictions, if any, as may be contained in the  
216 resolution providing for the issuance of the bonds.

217 SECTION 10. The bonds authorized under this act may be  
218 issued without any other proceedings or the happening of any other  
219 conditions or things other than those proceedings, conditions and  
220 things which are specified or required by this act. Any  
221 resolution providing for the issuance of bonds under the  
222 provisions of this act shall become effective immediately upon its  
223 adoption by the commission, and any such resolution may be adopted  
224 at any regular or special meeting of the commission by a majority  
225 of its members.

226 SECTION 11. The bonds authorized under the authority of this  
227 act may be validated in the Chancery Court of the First Judicial  
228 District of Hinds County, Mississippi, in the manner and with the  
229 force and effect provided by Chapter 13, Title 31, Mississippi  
230 Code of 1972, for the validation of county, municipal, school  
231 district and other bonds. The notice to taxpayers required by  
232 such statutes shall be published in a newspaper published or  
233 having a general circulation in the City of Jackson, Mississippi.

234 SECTION 12. Any holder of bonds issued under the provisions  
235 of this act or of any of the interest coupons pertaining thereto  
236 may, either at law or in equity, by suit, action, mandamus or  
237 other proceeding, protect and enforce any and all rights granted  
238 under this act, or under such resolution, and may enforce and  
239 compel performance of all duties required by this act to be  
240 performed, in order to provide for the payment of bonds and  
241 interest thereon.

242 SECTION 13. All bonds issued under the provisions of this  
243 act shall be legal investments for trustees and other fiduciaries,  
244 and for savings banks, trust companies and insurance companies  
245 organized under the laws of the State of Mississippi, and such  
246 bonds shall be legal securities which may be deposited with and  
247 shall be received by all public officers and bodies of this state  
248 and all municipalities and political subdivisions for the purpose  
249 of securing the deposit of public funds.

250 SECTION 14. Bonds issued under the provisions of this act  
251 and income therefrom shall be exempt from all taxation in the  
252 State of Mississippi.

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

256 SECTION 16. The State Treasurer is authorized, without  
257 further process of law, to certify to the Department of Finance  
258 and Administration the necessity for warrants, and the Department



259 of Finance and Administration is authorized and directed to issue  
260 such warrants, in such amounts as may be necessary to pay when due  
261 the principal of, premium, if any, and interest on, or the  
262 accreted value of, all bonds issued under this act; and the State  
263 Treasurer shall forward the necessary amount to the designated  
264 place or places of payment of such bonds in ample time to  
265 discharge such bonds, or the interest thereon, on the due dates  
266 thereof.

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

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