

By: Dearing

To: Finance

SENATE BILL NO. 2151

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$26,500,000.00 FOR
3 THE PURPOSE OF CONSTRUCTING THE MISSISSIPPI DEPARTMENT OF
4 ENVIRONMENTAL QUALITY; AND FOR RELATED 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 "Mississippi Department of Environmental Quality Construction
20 Fund," is created within the State Treasury. The fund shall be
21 maintained by the State Treasurer as a separate and special fund,
22 separate and apart from the General Fund of the state. Unexpended

23 amounts remaining in the fund at the end of a fiscal year shall
24 not lapse into the State General Fund, and any interest earned or
25 investment earnings on amounts in the fund shall be deposited to
26 the credit of the fund. Monies in the fund may not be used or
27 expended for any purpose except as authorized under this act.

28 (b) Monies deposited into the fund shall be disbursed,
29 in the discretion of the Department of Finance and Administration,
30 to pay the costs of constructing a building to house the
31 Mississippi Department of Environmental Quality.

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

42 (3) The Department of Finance and Administration, acting
43 through the Bureau of Building, Grounds and Real Property
44 Management, is expressly authorized and empowered to receive and
45 expend any local or other source funds in connection with the
46 expenditure of funds provided for in this section. The
47 expenditure of monies deposited into the special fund shall be
48 under the direction of the Department of Finance and
49 Administration, and such funds shall be paid by the State
50 Treasurer upon warrants issued by such department, which warrants
51 shall be issued upon requisitions signed by the Executive Director
52 of the Department of Finance and Administration, or his designee.

53 (4) The Department of Finance and Administration is

54 authorized to pay for constructing, furnishing and equipping a
55 building to house the Mississippi Department of Environmental
56 Quality and for the purchase of real property for such building.

57 SECTION 3. (1) The commission, at one (1) time, or from
58 time to time, may declare by resolution the necessity for issuance
59 of general obligation bonds of the State of Mississippi to provide
60 funds for all costs incurred or to be incurred for the purposes
61 described in Section 2 of this act. Upon the adoption of a
62 resolution by the Department of Finance and Administration,
63 declaring the necessity for the issuance of any part or all of the
64 general obligation bonds authorized by this section, the
65 Department of Finance and Administration shall deliver a certified
66 copy of its resolution or resolutions to the commission. Upon
67 receipt of such resolution, the commission, in its discretion, may
68 act as the issuing agent, prescribe the form of the bonds,
69 advertise for and accept bids, issue and sell the bonds so
70 authorized to be sold and do any and all other things necessary
71 and advisable in connection with the issuance and sale of such
72 bonds. The total amount of bonds issued under this act shall not
73 exceed Twenty-six Million Five Hundred Thousand Dollars
74 (\$26,500,000.00).

75 (2) 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-five (25)
87 years from date of issue, be redeemable before maturity at such
88 time or times and upon such terms, with or without premium, shall
89 bear such registration privileges, and shall be substantially in
90 such form, all as shall be determined by resolution of the
91 commission.

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

110 SECTION 6. All bonds and interest coupons issued under the
111 provisions of this act have all the qualities and incidents of
112 negotiable instruments under the provisions of the Uniform
113 Commercial Code, and in exercising the powers granted by this act,
114 the commission shall not be required to and need not comply with
115 the provisions of the Uniform Commercial 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 bond shall be published at
134 least one (1) 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, may
142 be called in for payment and redemption at the call price named
143 therein and accrued interest on such date or dates named therein.

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

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

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

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

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

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

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

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

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

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

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

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