

By: Furniss, Simmons, Horhn, Harden, Jordan, To: Finance
Dearing, Jackson, Walls, Carlton

SENATE BILL NO. 2870

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 renovation and/or repair and furnishing the
33 following facilities for Delta State University as hereinafter
34 described:

FACILITY	AMOUNT ALLOCATED
Repair, renovation, restoration, equipping and furnishing of the Cutrer House.....	\$1,150,000.00
Repair, renovation, equipping and furnishing of classrooms and laboratories for the Education Building.....	<u>1,285,000.00</u>
TOTAL.....	\$2,435,000.00

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

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

65 (4) The Department of Finance and Administration is
66 authorized to pay for repair, renovation, restoration, furnishing
67 and equipping the facilities described in subsection (1) of this
68 section.

69 SECTION 3. (1) The commission, at one (1) time, or from
70 time to time, may declare by resolution the necessity for issuance
71 of general obligation bonds of the State of Mississippi to provide
72 funds for all costs incurred or to be incurred for the purposes
73 described in Section 2 of this act. Upon the adoption of a
74 resolution by the Department of Finance and Administration,
75 declaring the necessity for the issuance of any part or all of the
76 general obligation bonds authorized by this section, the
77 Department of Finance and Administration shall deliver a certified
78 copy of its resolution or resolutions to the commission. Upon
79 receipt of such resolution, the commission, in its discretion, may
80 act as the issuing agent, prescribe the form of the bonds,
81 advertise for and accept bids, issue and sell the bonds so
82 authorized to be sold and do any and all other things necessary
83 and advisable in connection with the issuance and sale of such
84 bonds. The total amount of bonds issued under this act shall not
85 exceed Two Million Four Hundred Thirty-five Thousand Dollars
86 (\$2,435,000.00).

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

91 SECTION 4. The principal of and interest on the bonds
92 authorized under this act shall be payable in the manner provided
93 in this section. Such bonds shall bear such date or dates, be in
94 such denomination or denominations, bear interest at such rate or
95 rates (not to exceed the limits set forth in Section 75-17-101,
96 Mississippi Code of 1972), be payable at such place or places
97 within or without the State of Mississippi, shall mature

98 absolutely at such time or times not to exceed twenty-five (25)
99 years from date of issue, be redeemable before maturity at such
100 time or times and upon such terms, with or without premium, shall
101 bear such registration privileges, and shall be substantially in
102 such form, all as shall be determined by resolution of the
103 commission.

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

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

128 SECTION 7. The commission shall act as the issuing agent for
129 the bonds authorized under this act, prescribe the form of the
130 bonds, advertise for and accept bids, issue and sell the bonds so

131 authorized to be sold, pay all fees and costs incurred in such
132 issuance and sale, and do any and all other things necessary and
133 advisable in connection with the issuance and sale of such bonds.

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

145 Notice of the sale of any such bond shall be published at
146 least one (1) time, not less than ten (10) days before the date of
147 sale, and shall be so published in one or more newspapers
148 published or having a general circulation in the City of Jackson,
149 Mississippi, and in one or more other newspapers or financial
150 journals with a national circulation, to be selected by the
151 commission.

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

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

164 recitals on their faces substantially covering the provisions of
165 this section.

166 SECTION 9. Upon the issuance and sale of bonds under the
167 provisions of this act, the commission shall transfer the proceeds
168 of any such sale or sales to the special fund created in Section 2
169 of this act. The proceeds of such bonds shall be disbursed solely
170 upon the order of the Department of Finance and Administration
171 under such restrictions, if any, as may be contained in the
172 resolution providing for the issuance of the bonds.

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

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

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

197 interest thereon.

198 SECTION 13. All bonds issued under the provisions of this
199 act shall be legal investments for trustees and other fiduciaries,
200 and for savings banks, trust companies and insurance companies
201 organized under the laws of the State of Mississippi, and such
202 bonds shall be legal securities which may be deposited with and
203 shall be received by all public officers and bodies of this state
204 and all municipalities and political subdivisions for the purpose
205 of securing the deposit of public funds.

206 SECTION 14. Bonds issued under the provisions of this act
207 and income therefrom shall be exempt from all taxation in the
208 State of Mississippi.

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

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

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

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