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To: Finance

SENATE BILL NO. 3225  
(As Sent to Governor)

1 AN ACT TO AMEND CHAPTER 578, LAWS OF 1999, TO REVISE THE  
2 PURPOSES FOR WHICH THE PROCEEDS OF CERTAIN BONDS ISSUED FOR  
3 IMPROVEMENTS AT THE STENNIS SPACE CENTER MAY BE UTILIZED; TO  
4 PROVIDE FOR THE ISSUANCE OF \$21,700,000.00 IN STATE GENERAL  
5 OBLIGATION BONDS FOR CAPITAL IMPROVEMENTS AT THE STENNIS SPACE  
6 CENTER; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Chapter 578, Laws of 1999, is amended as follows:

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

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

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

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

21 Section 2. (1) A special fund, to be designated the "1999  
22 Hancock County Port and Harbor Commission and Stennis Space Center  
23 Improvement Fund," is created within the State Treasury. The fund  
24 shall be maintained by the State Treasurer as a separate and  
25 special fund, separate and apart from the General Fund of the  
26 state, and investment earnings on amounts in the fund shall be  
27 deposited into such fund.

28 (2) Monies deposited into the fund shall be expended for the

29 following projects:

30 (a) Construction of necessary utilities, roads,  
31 buildings, parking and wastewater treatment systems \* \* \* within  
32 the fee area of the Stennis Space Center \* \* \* provided such sites  
33 and any improvements thereon have been purchased by the State of  
34 Mississippi or the Hancock County Port and Harbor Commission or  
35 leased by the State of Mississippi or the Hancock County Port and  
36 Harbor Commission for a period of not less than forty-nine (49)  
37 years; and

38 (b) Modification of the Mississippi Army Ammunition  
39 Plant at the Stennis Space Center and the construction of a fifty  
40 thousand (50,000) square foot addition to such plant for the  
41 purpose of manufacturing rockets.

42 (3) Amounts deposited into such special fund shall be  
43 disbursed to pay the costs of the project described in subsection  
44 (2) of this section. If any monies in such special fund are not  
45 used within four (4) years after the date the proceeds of the  
46 bonds authorized under this act are deposited into the special  
47 fund, then the Department of Finance and Administration shall  
48 provide an accounting of such unused monies to the commission.  
49 Promptly after the commission has certified, by resolution duly  
50 adopted, that the project described in subsection (2) of this  
51 section shall have been completed, abandoned, or cannot be  
52 completed in a timely fashion, any amount remaining in such  
53 special fund shall be applied to pay debt service on the bonds  
54 issued under this act, in accordance with the proceedings  
55 authorizing the issuance of such bonds and as directed by the  
56 commission. Before monies in such special fund may be used for  
57 the project described in subsection (2)(a) of this section, the  
58 Department of Economic and Community Development shall require any  
59 enterprise for which such project is to be completed to enter into  
60 binding commitments regarding at least the following matters: (a)  
61 that the enterprise create a certain minimum number of jobs and

62 maintain such jobs for a certain minimum period of time, (b) that  
63 the enterprise remain in the project facility for a certain  
64 minimum period of time, and (c) that if the enterprise fails to  
65 satisfy any such commitment, the enterprise must repay all or a  
66 portion of the funds used to complete the project.

67 (4) The Department of Finance and Administration, acting  
68 through the Bureau of Building, Grounds and Real Property  
69 Management, is expressly authorized and empowered to receive and  
70 expend any local or other source funds in connection with the  
71 expenditure of funds provided for in this section. The  
72 expenditure of monies deposited into the special fund shall be  
73 under the direction of the Department of Finance and  
74 Administration, and such funds shall be paid by the State  
75 Treasurer upon warrants issued by such department, which warrants  
76 shall be issued upon requisitions signed by the Executive Director  
77 of the Department of Finance and Administration, or his designee.

78 Section 3. (1) (a) A special fund, to be designated as the  
79 "1999 General Building 1016 Capital Improvements Fund," is created  
80 within the State Treasury. The fund shall be maintained by the  
81 State Treasurer as a separate and special fund, separate and apart  
82 from the General Fund of the state. Unexpended amounts remaining  
83 in the fund at the end of a fiscal year shall not lapse into the  
84 State General Fund and any interest earned or investment earnings  
85 on amounts in the fund shall be deposited into such fund.

86 (b) Monies deposited into the fund shall be disbursed  
87 in the discretion of the Department of Finance and Administration  
88 to pay the costs of repairs, renovations and improvements to  
89 General Building 1016 at the Tri-State Commerce Park in Tishomingo  
90 County, Mississippi, that are necessary to utilize such building  
91 for the manufacture of rocket parts.

92 (2) Amounts deposited into such special fund shall be  
93 disbursed to pay the costs of the project described in subsection  
94 (1) of this section. Promptly after the commission has certified,

95 by resolution duly adopted, that the project described in  
96 subsection (1) of this section shall have been completed,  
97 abandoned, or cannot be completed in a timely fashion, any amount  
98 remaining in such special fund shall be applied to pay debt  
99 service on the bonds issued under this act, in accordance with the  
100 proceedings authorizing the issuance of such bonds and as directed  
101 by the commission.

102 (3) The Department of Finance and Administration, acting  
103 through the Bureau of Building, Grounds and Real Property  
104 Management, is expressly authorized and empowered to receive and  
105 expend any local or other source funds in connection with the  
106 expenditure of funds provided for in this section. The  
107 expenditure of monies deposited into the special fund shall be  
108 under the direction of the Department of Finance and  
109 Administration, and such funds shall be paid by the State  
110 Treasurer upon warrants issued by such department, which warrants  
111 shall be issued upon requisitions signed by the Executive Director  
112 of the Department of Finance and Administration, or his designee.

113 Section 4. (1) The commission, at one time, or from time to  
114 time, may declare by resolution the necessity for issuance of  
115 general obligation bonds of the State of Mississippi to provide  
116 funds for all costs incurred or to be incurred for the purposes  
117 described in Sections 2 and 3 of this act. Upon the adoption of a  
118 resolution by the Department of Finance and Administration,  
119 declaring the necessity for the issuance of any part or all of the  
120 general obligation bonds authorized by this section, the  
121 Department of Finance and Administration shall deliver a certified  
122 copy of its resolution or resolutions to the commission. Upon  
123 receipt of such resolution, the commission, in its discretion, may  
124 act as the issuing agent, prescribe the form of the bonds,  
125 advertise for and accept bids, issue and sell the bonds so  
126 authorized to be sold and do any and all other things necessary  
127 and advisable in connection with the issuance and sale of such

128 bonds. The total amount of bonds issued under this act shall not  
129 exceed Thirty-eight Million Seven Hundred Thousand Dollars  
130 (\$38,700,000.00). The bonds authorized under this act may not be  
131 issued after July 1, 2003.

132 (2) The proceeds of the bonds issued pursuant to this act  
133 shall be deposited into the following special funds in not more  
134 than the following amounts:

135 (a) The 1999 Hancock County Port and Harbor Commission  
136 and Stennis Space Center Improvement Fund created pursuant to  
137 Section 2 of this act.....\$30,700,000.00.

138 (b) The 1999 General Building 1016 Capital Improvements  
139 Fund created pursuant to Section 3 of this act.....\$8,000,000.00.

140 (3) Any investment earnings on amounts deposited into the  
141 special funds created in Sections 2 and 3 of this act shall be  
142 used to pay debt service on bonds issued under this act, in  
143 accordance with the proceedings authorizing issuance of such  
144 bonds.

145 (4) The proceeds of the bonds issued pursuant to this act  
146 shall be used to provide funds for all costs incurred or to be  
147 incurred for the purposes described in Sections 2 and 3 of this  
148 act as such sections may be amended from time to time.

149 Section 5. The principal of and interest on the bonds  
150 authorized under this act shall be payable in the manner provided  
151 in this section. Such bonds shall bear such date or dates, be in  
152 such denomination or denominations, bear interest at such rate or  
153 rates (not to exceed the limits set forth in Section 75-17-101,  
154 Mississippi Code of 1972), be payable at such place or places  
155 within or without the State of Mississippi, shall mature  
156 absolutely at such time or times not to exceed twenty-five (25)  
157 years from date of issue, be redeemable before maturity at such  
158 time or times and upon such terms, with or without premium, shall  
159 bear such registration privileges, and shall be substantially in  
160 such form, all as shall be determined by resolution of the

161 commission.

162       Section 6. The bonds authorized by this act shall be signed  
163 by the chairman of the commission, or by his facsimile signature,  
164 and the official seal of the commission shall be affixed thereto,  
165 attested by the secretary of the commission. The interest  
166 coupons, if any, to be attached to such bonds may be executed by  
167 the facsimile signatures of such officers. Whenever any such  
168 bonds shall have been signed by the officials designated to sign  
169 the bonds who were in office at the time of such signing but who  
170 may have ceased to be such officers before the sale and delivery  
171 of such bonds, or who may not have been in office on the date such  
172 bonds may bear, the signatures of such officers upon such bonds  
173 and coupons shall nevertheless be valid and sufficient for all  
174 purposes and have the same effect as if the person so officially  
175 signing such bonds had remained in office until their delivery to  
176 the purchaser, or had been in office on the date such bonds may  
177 bear. However, notwithstanding anything herein to the contrary,  
178 such bonds may be issued as provided in the Registered Bond Act of  
179 the State of Mississippi.

180       Section 7. All bonds and interest coupons issued under the  
181 provisions of this act have all the qualities and incidents of  
182 negotiable instruments under the provisions of the Uniform  
183 Commercial Code, and in exercising the powers granted by this act,  
184 the commission shall not be required to and need not comply with  
185 the provisions of the Uniform Commercial Code.

186       Section 8. The commission shall act as the issuing agent for  
187 the bonds authorized under this act, prescribe the form of the  
188 bonds, advertise for and accept bids, issue and sell the bonds so  
189 authorized to be sold, pay all fees and costs incurred in such  
190 issuance and sale, and do any and all other things necessary and  
191 advisable in connection with the issuance and sale of such bonds.

192       The commission is authorized and empowered to pay the costs that  
193 are incident to the sale, issuance and delivery of the bonds

194 authorized under this act from the proceeds derived from the sale  
195 of such bonds. The commission shall sell such bonds on sealed  
196 bids at public sale, and for such price as it may determine to be  
197 for the best interest of the State of Mississippi, but no such  
198 sale shall be made at a price less than par plus accrued interest  
199 to the date of delivery of the bonds to the purchaser. All  
200 interest accruing on such bonds so issued shall be payable  
201 semiannually or annually; however, the first interest payment may  
202 be for any period of not more than one (1) year.

203 Notice of the sale of any such bonds shall be published at  
204 least one (1) time, not less than ten (10) days before the date of  
205 sale, and shall be so published in one or more newspapers  
206 published or having a general circulation in the City of Jackson,  
207 Mississippi, and in one or more other newspapers or financial  
208 journals with a national circulation, to be selected by the  
209 commission.

210 The commission, when issuing any bonds under the authority of  
211 this act, may provide that bonds, at the option of the State of  
212 Mississippi, may be called in for payment and redemption at the  
213 call price named therein and accrued interest on such date or  
214 dates named therein.

215 Section 9. The bonds issued under the provisions of this act  
216 are general obligations of the State of Mississippi, and for the  
217 payment thereof the full faith and credit of the State of  
218 Mississippi is irrevocably pledged. If the funds appropriated by  
219 the Legislature are insufficient to pay the principal of and the  
220 interest on such bonds as they become due, then the deficiency  
221 shall be paid by the State Treasurer from any funds in the State  
222 Treasury not otherwise appropriated. All such bonds shall contain  
223 recitals on their faces substantially covering the provisions of  
224 this section.

225 Section 10. Upon the issuance and sale of bonds under the  
226 provisions of this act, the commission shall transfer the proceeds

227 of any such sale or sales to the special funds created in Sections  
228 2 and 3 of this act in the amounts provided for in Section 4(2) of  
229 this act. The proceeds of such bonds shall be disbursed solely  
230 upon the order of the Department of Finance and Administration  
231 under such restrictions, if any, as may be contained in the  
232 resolution providing for the issuance of the bonds.

233 Section 11. The bonds authorized under this act may be  
234 issued without any other proceedings or the happening of any other  
235 conditions or things other than those proceedings, conditions and  
236 things which are specified or required by this act. Any  
237 resolution providing for the issuance of bonds under the  
238 provisions of this act shall become effective immediately upon its  
239 adoption by the commission, and any such resolution may be adopted  
240 at any regular or special meeting of the commission by a majority  
241 of its members.

242 Section 12. The bonds authorized under the authority of this  
243 act may be validated in the Chancery Court of the First Judicial  
244 District of Hinds County, Mississippi, in the manner and with the  
245 force and effect provided by Chapter 13, Title 31, Mississippi  
246 Code of 1972, for the validation of county, municipal, school  
247 district and other bonds. The notice to taxpayers required by  
248 such statutes shall be published in a newspaper published or  
249 having a general circulation in the City of Jackson, Mississippi.

250 Section 13. Any holder of bonds issued under the provisions  
251 of this act or of any of the interest coupons pertaining thereto  
252 may, either at law or in equity, by suit, action, mandamus or  
253 other proceeding, protect and enforce any and all rights granted  
254 under this act, or under such resolution, and may enforce and  
255 compel performance of all duties required by this act to be  
256 performed, in order to provide for the payment of bonds and  
257 interest thereon.

258 Section 14. All bonds issued under the provisions of this  
259 act shall be legal investments for trustees and other fiduciaries,

260 and for savings banks, trust companies and insurance companies  
261 organized under the laws of the State of Mississippi, and such  
262 bonds shall be legal securities which may be deposited with and  
263 shall be received by all public officers and bodies of this state  
264 and all municipalities and political subdivisions for the purpose  
265 of securing the deposit of public funds.

266 Section 15. Bonds issued under the provisions of this act  
267 and income therefrom shall be exempt from all taxation in the  
268 State of Mississippi.

269 Section 16. The proceeds of the bonds issued under this act  
270 shall be used solely for the purposes herein provided, including  
271 the costs incident to the issuance and sale of such bonds.

272 Section 17. The State Treasurer is authorized, without  
273 further process of law, to certify to the Department of Finance  
274 and Administration the necessity for warrants, and the Department  
275 of Finance and Administration is authorized and directed to issue  
276 such warrants, in such amounts as may be necessary to pay when due  
277 the principal of, premium, if any, and interest on, or the  
278 accreted value of, all bonds issued under this act; and the State  
279 Treasurer shall forward the necessary amount to the designated  
280 place or places of payment of such bonds in ample time to  
281 discharge such bonds, or the interest thereon, on the due dates  
282 thereof.

283 Section 18. This act shall be deemed to be full and complete  
284 authority for the exercise of the powers herein granted, but this  
285 act shall not be deemed to repeal or to be in derogation of any  
286 existing law of this state.

287 SECTION 2. This act shall take effect and be in force from  
288 and after its passage.