

By: Harden

To: Finance

SENATE BILL NO. 3320

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$4,000,000.00 FOR THE  
3 PURPOSE OF PROVIDING FUNDS FOR THE CITY OF JACKSON TO PURCHASE  
4 EQUIPMENT NECESSARY TO PROTECT STATE-OWNED PROPERTY; 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 "City of Jackson Fire Equipment Purchase Fund," is created within  
21 the State Treasury. The fund shall be maintained by the State  
22 Treasurer as a separate and special fund, separate and apart from  
23 the General Fund of the state. Unexpended amounts remaining in  
24 the fund at the end of a fiscal year shall not lapse into the  
25 State General Fund, and any interest earned or investment earnings  
26 on amounts in the fund shall be deposited to the credit of the  
27 fund. Monies in the fund may not be used or expended for any

28 purpose except as authorized under this act.

29 (b) Monies deposited into the fund shall be disbursed,  
30 in the discretion of the Department of Finance and Administration,  
31 to pay the costs of fire equipment for the Jackson Fire Department  
32 that is necessary to protect state-owned buildings. Such  
33 equipment shall include the following:

- 34 (i) A Bronto Lift Aerial Ladder;
- 35 (ii) Two (2) specialized rescue units;
- 36 (iii) Two (2) 1500-gallon-per-minute fire trucks;
- 37 (iv) Two (2) mini fire pumpers;
- 38 (v) Specialized emergency radio communication  
39 equipment;
- 40 (vi) Other necessary emergency equipment.

41 (2) Amounts deposited into such special fund shall be  
42 disbursed to pay the costs of the equipment described in  
43 subsection (1) of this section.

44 (3) The expenditure of monies deposited into the special  
45 fund shall be under the direction of the Department of Finance and  
46 Administration, and such funds shall be paid by the State  
47 Treasurer upon warrants issued by such department, which warrants  
48 shall be issued upon requisitions signed by the Executive Director  
49 of the Department of Finance and Administration, or his designee.

50 SECTION 3. (1) The commission, at one time, or from time to  
51 time, may declare by resolution the necessity for issuance of  
52 general obligation bonds of the State of Mississippi to provide  
53 funds for all costs incurred or to be incurred for the purposes  
54 described in Section 2 of this act. Upon the adoption of a  
55 resolution by the Department of Finance and Administration,  
56 declaring the necessity for the issuance of any part or all of the  
57 general obligation bonds authorized by this section, the  
58 Department of Finance and Administration shall deliver a certified  
59 copy of its resolution or resolutions to the commission. Upon  
60 receipt of such resolution, the commission, in its discretion, may  
61 act as the issuing agent, prescribe the form of the bonds,  
62 advertise for and accept bids, issue and sell the bonds so  
63 authorized to be sold and do any and all other things necessary  
64 and advisable in connection with the issuance and sale of such

65 bonds. The total amount of bonds issued under this act shall not  
66 exceed Four Million Dollars (\$4,000,000.00).

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

71 SECTION 4. The principal of and interest on the bonds  
72 authorized under this act shall be payable in the manner provided  
73 in this section. Such bonds shall bear such date or dates, be in  
74 such denomination or denominations, bear interest at such rate or  
75 rates (not to exceed the limits set forth in Section 75-17-101,  
76 Mississippi Code of 1972), be payable at such place or places  
77 within or without the State of Mississippi, shall mature  
78 absolutely at such time or times not to exceed twenty-five (25)  
79 years from date of issue, be redeemable before maturity at such  
80 time or times and upon such terms, with or without premium, shall  
81 bear such registration privileges, and shall be substantially in  
82 such form, all as shall be determined by resolution of the  
83 commission.

84 SECTION 5. The bonds authorized by this act shall be signed  
85 by the chairman of the commission, or by his facsimile signature,  
86 and the official seal of the commission shall be affixed thereto,  
87 attested by the secretary of the commission. The interest  
88 coupons, if any, to be attached to such bonds may be executed by  
89 the facsimile signatures of such officers. Whenever any such  
90 bonds shall have been signed by the officials designated to sign  
91 the bonds who were in office at the time of such signing but who  
92 may have ceased to be such officers before the sale and delivery  
93 of such bonds, or who may not have been in office on the date such  
94 bonds may bear, the signatures of such officers upon such bonds  
95 and coupons shall nevertheless be valid and sufficient for all  
96 purposes and have the same effect as if the person so officially  
97 signing such bonds had remained in office until their delivery to

98 the purchaser, or had been in office on the date such bonds may  
99 bear. However, notwithstanding anything herein to the contrary,  
100 such bonds may be issued as provided in the Registered Bond Act of  
101 the State of Mississippi.

102 SECTION 6. All bonds and interest coupons issued under the  
103 provisions of this act have all the qualities and incidents of  
104 negotiable instruments under the provisions of the Uniform  
105 Commercial Code, and in exercising the powers granted by this act,  
106 the commission shall not be required to and need not comply with  
107 the provisions of the Uniform Commercial Code.

108 SECTION 7. The commission shall act as the issuing agent for  
109 the bonds authorized under this act, prescribe the form of the  
110 bonds, advertise for and accept bids, issue and sell the bonds so  
111 authorized to be sold, pay all fees and costs incurred in such  
112 issuance and sale, and do any and all other things necessary and  
113 advisable in connection with the issuance and sale of such bonds.

114 The commission is authorized and empowered to pay the costs that  
115 are incident to the sale, issuance and delivery of the bonds  
116 authorized under this act from the proceeds derived from the sale  
117 of such bonds. The commission shall sell such bonds on sealed  
118 bids at public sale, and for such price as it may determine to be  
119 for the best interest of the State of Mississippi, but no such  
120 sale shall be made at a price less than par plus accrued interest  
121 to the date of delivery of the bonds to the purchaser. All  
122 interest accruing on such bonds so issued shall be payable  
123 semiannually or annually; however, the first interest payment may  
124 be for any period of not more than one (1) year.

125 Notice of the sale of any such bond shall be published at  
126 least one (1) time, not less than ten (10) days before the date of  
127 sale, and shall be so published in one or more newspapers  
128 published or having a general circulation in the City of Jackson,  
129 Mississippi, and in one or more other newspapers or financial  
130 journals with a national circulation, to be selected by the

131 commission.

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

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

146         SECTION 9. Upon the issuance and sale of bonds under the  
147 provisions of this act, the commission shall transfer the proceeds  
148 of any such sale or sales to the special fund created in Section 2  
149 of this act. The proceeds of such bonds shall be disbursed solely  
150 upon the order of the Department of Finance and Administration  
151 under such restrictions, if any, as may be contained in the  
152 resolution providing for the issuance of the bonds.

153         SECTION 10. The bonds authorized under this act may be  
154 issued without any other proceedings or the happening of any other  
155 conditions or things other than those proceedings, conditions and  
156 things which are specified or required by this act. Any  
157 resolution providing for the issuance of bonds under the  
158 provisions of this act shall become effective immediately upon its  
159 adoption by the commission, and any such resolution may be adopted  
160 at any regular or special meeting of the commission by a majority  
161 of its members.

162         SECTION 11. The bonds authorized under the authority of this  
163 act may be validated in the Chancery Court of the First Judicial

164 District of Hinds County, Mississippi, in the manner and with the  
165 force and effect provided by Chapter 13, Title 31, Mississippi  
166 Code of 1972, for the validation of county, municipal, school  
167 district and other bonds. The notice to taxpayers required by  
168 such statutes shall be published in a newspaper published or  
169 having a general circulation in the City of Jackson, Mississippi.

170 SECTION 12. Any holder of bonds issued under the provisions  
171 of this act or of any of the interest coupons pertaining thereto  
172 may, either at law or in equity, by suit, action, mandamus or  
173 other proceeding, protect and enforce any and all rights granted  
174 under this act, or under such resolution, and may enforce and  
175 compel performance of all duties required by this act to be  
176 performed, in order to provide for the payment of bonds and  
177 interest thereon.

178 SECTION 13. All bonds issued under the provisions of this  
179 act shall be legal investments for trustees and other fiduciaries,  
180 and for savings banks, trust companies and insurance companies  
181 organized under the laws of the State of Mississippi, and such  
182 bonds shall be legal securities which may be deposited with and  
183 shall be received by all public officers and bodies of this state  
184 and all municipalities and political subdivisions for the purpose  
185 of securing the deposit of public funds.

186 SECTION 14. Bonds issued under the provisions of this act  
187 and income therefrom shall be exempt from all taxation in the  
188 State of Mississippi.

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

192 SECTION 16. The State Treasurer is authorized, without  
193 further process of law, to certify to the Department of Finance  
194 and Administration the necessity for warrants, and the Department  
195 of Finance and Administration is authorized and directed to issue  
196 such warrants, in such amounts as may be necessary to pay when due

197 the principal of, premium, if any, and interest on, or the  
198 accreted value of, all bonds issued under this act; and the State  
199 Treasurer shall forward the necessary amount to the designated  
200 place or places of payment of such bonds in ample time to  
201 discharge such bonds, or the interest thereon, on the due dates  
202 thereof.

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

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