

By: Senator(s) Farris, King

To: Finance

SENATE BILL NO. 2374

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS TO
3 ASSIST IN THE CONSTRUCTION OF THE HATTIESBURG - SOUTH MISSISSIPPI
4 VISITOR CENTER; 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 "2001 Hattiesburg - South Mississippi Visitor Center 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 into
26 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 construction of the Hattiesburg - South
30 Mississippi Visitor Center, in Hattiesburg, Mississippi, on the
31 condition that matching funds in the aggregate sum of at least
32 Four Hundred Thousand Dollars (\$400,000.00) are provided.

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

43 SECTION 3. (1) Upon receipt of one or more binding
44 agreements from any source or sources to provide matching funds in
45 the aggregate sum of at least Four Hundred Thousand Dollars
46 (\$400,000.00), the commission, at one time, or from time to time,
47 may declare by resolution the necessity for issuance of general
48 obligation bonds of the State of Mississippi to provide funds for
49 all costs incurred or to be incurred for the purposes described in
50 Section 2 of this act. Upon the adoption of a resolution by the
51 Department of Finance and Administration, declaring the necessity
52 for the issuance of any part or all of the general obligation
53 bonds authorized by this section, the Department of Finance and
54 Administration shall deliver a certified copy of its resolution or
55 resolutions to the commission. Upon receipt of such resolution,
56 the commission, in its discretion, may act as the issuing agent,
57 prescribe the form of the bonds, advertise for and accept bids,
58 issue and sell the bonds so authorized to be sold and do any and
59 all other things necessary and advisable in connection with the
60 issuance and sale of such bonds. The total amount of bonds issued



61 under this act shall not exceed Four Hundred Thousand Dollars
62 (\$400,000.00).

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

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

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



94 the purchaser, or had been in office on the date such bonds may
95 bear. However, notwithstanding anything herein to the contrary,
96 such bonds may be issued as provided in the Registered Bond Act of
97 the State of Mississippi.

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

104 SECTION 7. The commission shall act as the issuing agent for
105 the bonds authorized under this act, prescribe the form of the
106 bonds, advertise for and accept bids, issue and sell the bonds so
107 authorized to be sold, pay all fees and costs incurred in such
108 issuance and sale, and do any and all other things necessary and
109 advisable in connection with the issuance and sale of such bonds.
110 The commission is authorized and empowered to pay the costs that
111 are incident to the sale, issuance and delivery of the bonds
112 authorized under this act from the proceeds derived from the sale
113 of such bonds. The commission shall sell such bonds on sealed
114 bids at public sale, and for such price as it may determine to be
115 for the best interest of the State of Mississippi, but no such
116 sale shall be made at a price less than par plus accrued interest
117 to the date of delivery of the bonds to the purchaser. All
118 interest accruing on such bonds so issued shall be payable
119 semiannually or annually; however, the first interest payment may
120 be for any period of not more than one (1) year.

121 Notice of the sale of any such bonds shall be published at
122 least one (1) time, not less than ten (10) days before the date of
123 sale, and shall be so published in one or more newspapers
124 published or having a general circulation in the City of Jackson,
125 Mississippi, and in one or more other newspapers or financial



126 journals with a national circulation, to be selected by the
127 commission.

128 The commission, when issuing any bonds under the authority of
129 this act, may provide that bonds, at the option of the State of
130 Mississippi, may be called in for payment and redemption at the
131 call price named therein and accrued interest on such date or
132 dates named therein.

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

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

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



159 SECTION 11. The bonds authorized under the authority of this
160 act may be validated in the Chancery Court of the First Judicial
161 District of Hinds County, Mississippi, in the manner and with the
162 force and effect provided by Chapter 13, Title 31, Mississippi
163 Code of 1972, for the validation of county, municipal, school
164 district and other bonds. The notice to taxpayers required by
165 such statutes shall be published in a newspaper published or
166 having a general circulation in the City of Jackson, Mississippi.

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

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

183 SECTION 14. Bonds issued under the provisions of this act
184 and income therefrom shall be exempt from all taxation in the
185 State of Mississippi.

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

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



192 of Finance and Administration is authorized and directed to issue
193 such warrants, in such amounts as may be necessary to pay when due
194 the principal of, premium, if any, and interest on, or the
195 accreted value of, all bonds issued under this act; and the State
196 Treasurer shall forward the necessary amount to the designated
197 place or places of payment of such bonds in ample time to
198 discharge such bonds, or the interest thereon, on the due dates
199 thereof.

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

204 SECTION 18. This act shall take effect and be in force from
205 and after July 1, 2001.

