

By: Senator(s) Farris

To: Finance

SENATE BILL NO. 3084

1 AN ACT TO AMEND SECTIONS 1 THROUGH 14, CHAPTER 589, LAWS OF
2 1999, TO REDUCE THE AMOUNT OF BONDS THAT MAY BE ISSUED TO FUND
3 CERTAIN IMPROVEMENTS TO THE WALTHALL SCHOOL BUILDING IN
4 HATTIESBURG, MISSISSIPPI; TO CLARIFY CERTAIN PROVISIONS REGARDING
5 THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR
6 IMPROVEMENTS TO THE WALTHALL SCHOOL BUILDING; TO AUTHORIZE SUCH
7 BONDS TO BE ISSUED IN INCREMENTS OF NOT LESS THAN \$250,000.00
8 UNDER CERTAIN CIRCUMSTANCES; AND FOR RELATED PURPOSES.

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

10 SECTION 1. Sections 1 through 14, Chapter 589, Laws of 1999,
11 are amended as follows:

12 Section 1. (1) Upon the receipt of matching funds or
13 verification that the matching funds described in this subsection
14 are forthcoming, the Department of Finance and Administration, at
15 one time or from time to time, may declare by resolution the
16 necessity for issuance of general obligation bonds of the State of
17 Mississippi in an amount not to exceed Two Million Four Hundred
18 Thousand Dollars (\$2,400,000.00) to provide funds for necessary
19 improvements to convert the Walthall School Building in
20 Hattiesburg, Mississippi, into a regional children's discovery
21 center to be known as the "Interaction Factory." Such
22 improvements shall include the repair and renovation of the
23 Walthall School Building, improvement of parking facilities at the
24 Walthall School Building and other necessary improvements to such
25 facility and the grounds of such facility that are necessary to
26 convert such facility into a regional children's discovery center
27 including, but not limited to, the construction of additions, the
28 creation and installation of exhibits, and the purchase of
29 necessary furnishings, equipment and fixtures. The issuance of

30 the bonds described in this subsection and the allocation of such
31 funds are conditioned upon the private sector or local or federal
32 government providing matching funds as provided in this section.
33 The bonds authorized to be issued pursuant to this section may be
34 issued in increments of not less than Two Hundred Fifty Thousand
35 Dollars (\$250,000.00) upon matching funds being provided in the
36 amount of the bonds to be issued. The matching funds required
37 pursuant to this subsection may be provided in the form of cash or
38 in kind contributions or any combination of cash or in kind
39 contributions. Title to the Walthall School Building shall be
40 vested in the "Interaction Factory" and the fair market value of
41 the land and buildings, as determined by a "value in use" or other
42 appraisal, may be utilized as an in kind contribution.

43 (2) Upon the adoption of a resolution by the Department of
44 Finance and Administration, declaring the necessity for the
45 issuance of any part or all of the general obligation bonds
46 authorized by this section, the department shall deliver a
47 certified copy of its resolution or resolutions to the State Bond
48 Commission. Upon receipt of such resolution, the State Bond
49 Commission, in its discretion, may act as the issuing agent,
50 prescribe the form of the bonds, advertise for and accept bids,
51 issue and sell the bonds so authorized to be sold, and do any and
52 all other things necessary and advisable in connection with the
53 issuance and sale of such bonds.

54 (3) The amount of bonds issued under Sections 1 through 14
55 of this act shall not exceed Two Million Four Hundred Thousand
56 Dollars (\$2,400,000.00) for the project described in subsection
57 (1) of this section.

58 Section 2. The principal of and interest on the bonds
59 authorized under Sections 1 through 14 of this act shall be
60 payable in the manner provided in this section. Such bonds shall
61 bear such date or dates, be in such denomination or denominations,
62 bear interest at such rate or rates not exceeding the limits set

63 forth in Section 75-17-101, be payable at such place or places
64 within or without the State of Mississippi, shall mature
65 absolutely at such time or times not to exceed twenty (20) years
66 from date of issue, be redeemable before maturity at such time or
67 times and upon such terms, with or without premium, shall bear
68 such registration privileges, and shall be substantially in such
69 form, all as determined by resolution of the State Bond
70 Commission.

71 Section 3. The bonds authorized under Sections 1 through 14
72 of this act shall be signed by the Chairman of the State Bond
73 Commission, or by his facsimile signature, and the official seal
74 of the State Bond Commission shall be affixed thereto, attested by
75 the Secretary of the State Bond Commission. The interest coupons,
76 if any, to be attached to such bonds may be executed by the
77 facsimile signatures of such officers. Whenever any such bonds
78 shall have been signed by the officials designated to sign the
79 bonds who were in office at the time of such signing but who may
80 have ceased to be such officers before the sale and delivery of
81 such bonds, or who may not have been in office on the date such
82 bonds may bear, the signatures of such officers upon such bonds
83 and coupons shall nevertheless be valid and sufficient for all
84 purposes and have the same effect as if the person so officially
85 signing such bonds had remained in office until their delivery to
86 the purchaser, or had been in office on the date such bonds may
87 bear. However, notwithstanding anything in Sections 1 through 14
88 of this act to the contrary, such bonds may be issued as provided
89 in the Registered Bond Act of the State of Mississippi.

90 Section 4. All bonds and interest coupons issued under the
91 provisions of Sections 1 through 14 of this act have all the
92 qualities and incidents of negotiable instruments under the
93 provisions of the Uniform Commercial Code, and in exercising the
94 powers granted by Sections 1 through 14 of this act, the State

95 Bond Commission shall not be required to and need not comply with
96 the provisions of the Uniform Commercial Code.

97 Section 5. The State Bond Commission shall act as the
98 issuing agent for the bonds authorized under Sections 1 through 14
99 of this act, prescribe the form of the bonds, advertise for and
100 accept bids, issue and sell the bonds so authorized to be sold,
101 pay all fees and costs incurred in such issuance and sale, and do
102 all other things necessary and advisable in connection with the
103 issuance and sale of the bonds. The State Bond Commission may pay
104 the costs that are incident to the sale, issuance and delivery of
105 the bonds authorized under Sections 1 through 14 of this act from
106 the proceeds derived from the sale of the bonds. The State Bond
107 Commission shall sell such bonds on sealed bids at public sale,
108 and for such price as it may determine to be for the best interest
109 of the State of Mississippi, but no such sale may be made at a
110 price less than par plus accrued interest to the date of delivery
111 of the bonds to the purchaser. All interest accruing on such
112 bonds so issued shall be payable semiannually or annually;
113 however, the first interest payment may be for any period of not
114 more than one (1) year.

115 Notice of the sale of any such bond shall be published at
116 least one (1) time, not less than ten (10) days before the date of
117 sale, and shall be so published in one or more newspapers
118 published or having a general circulation in the City of Jackson,
119 Mississippi, and in one or more other newspapers or financial
120 journals with a national circulation, to be selected by the State
121 Bond Commission.

122 The State Bond Commission, when issuing any bonds under the
123 authority of Sections 1 through 14 of this act, may provide that
124 the bonds, at the option of the State of Mississippi, may be
125 called in for payment and redemption at the call price named
126 therein and accrued interest on such date or dates named therein.

127 Section 6. The bonds issued under the provisions of Sections
128 1 through 14 of this act are general obligations of the State of
129 Mississippi, and for the payment thereof the full faith and credit
130 of the State of Mississippi is irrevocably pledged. If the funds
131 appropriated by the Legislature are insufficient to pay the
132 principal of and the interest on such bonds as they become due,
133 then the deficiency shall be paid by the State Treasurer from any
134 funds in the State Treasury not otherwise appropriated. All such
135 bonds shall contain recitals on their faces substantially covering
136 the provisions of this section.

137 Section 7. The State Treasurer is authorized to certify to
138 the Executive Director of the Department of Finance and
139 Administration the necessity for warrants, and the Executive
140 Director of the Department of Finance and Administration is
141 authorized and directed to issue such warrants, in such amounts as
142 may be necessary to pay when due the principal of, premium, if
143 any, and interest on, or the accreted value of, all bonds issued
144 under Sections 1 through 14 of this act; and the State Treasurer
145 shall forward the necessary amount to the designated place or
146 places of payment of such bonds in ample time to discharge such
147 bonds, or the interest on the bonds, on their due dates.

148 Section 8. Upon the issuance and sale of bonds under
149 Sections 1 through 14 of this act, the State Bond Commission shall
150 deposit the proceeds of any such sale or sales in a special fund
151 created in the State Treasury to be known as the "Regional
152 Children's Discovery Center Fund." Such fund shall be maintained
153 by the State Treasurer as a separate and special fund, separate
154 and apart from the General Fund of the state, and investment
155 earnings on amounts in the fund shall be deposited into such fund.
156 The proceeds of such bonds shall be used solely for the purposes
157 provided in Sections 1 through 14 of this act, including the costs
158 incident to the issuance and sale of such bonds. The costs
159 incident to the issuance and sale of such bonds shall be disbursed

160 by warrant upon requisition of the State Bond Commission, signed
161 by the chairman of the commission. The remaining monies in the
162 fund shall be expended solely under the direction of the
163 Department of Finance and Administration under such restrictions,
164 if any, as may be contained in the resolution providing for the
165 issuance of the bonds, and such funds shall be paid by the State
166 Treasurer upon warrants issued by the Executive Director of the
167 Department of Finance and Administration.

168 Section 9. The bonds authorized under Sections 1 through 14
169 of this act may be issued without any other proceedings or the
170 happening of any other conditions or things other than those
171 proceedings, conditions and things that are specified or required
172 by Sections 1 through 14 of this act. Any resolution providing
173 for the issuance of bonds under Sections 1 through 14 of this act
174 shall become effective immediately upon its adoption by the State
175 Bond Commission, and any such resolution may be adopted at any
176 regular or special meeting of the State Bond Commission by a
177 majority of its members.

178 Section 10. The bonds authorized under the authority of
179 Sections 1 through 14 of this act may be validated in the Chancery
180 Court of the First Judicial District of Hinds County, Mississippi,
181 in the manner and with the force and effect provided by Chapter
182 13, Title 31, Mississippi Code of 1972, for the validation of
183 county, municipal, school district and other bonds. The notice to
184 taxpayers required by such statutes shall be published in a
185 newspaper published or having a general circulation in the City of
186 Jackson, Mississippi.

187 Section 11. Any holder of bonds issued under Sections 1
188 through 14 of this act or of any of the interest coupons
189 pertaining to the bonds may, either at law or in equity, by suit,
190 action, mandamus or other proceeding, protect and enforce all
191 rights granted under Sections 1 through 14 of this act, or under
192 such resolution, and may enforce and compel performance of all

193 duties required by Sections 1 through 14 of this act to be
194 performed, in order to provide for the payment of bonds and
195 interest on the bonds.

196 Section 12. All bonds issued under Sections 1 through 14 of
197 this act shall be legal investments for trustees and other
198 fiduciaries, and for savings banks, trust companies and insurance
199 companies organized under the laws of the State of Mississippi,
200 and such bonds shall be legal securities that may be deposited
201 with and shall be received by all public officers and bodies of
202 this state and all municipalities and political subdivisions for
203 the purpose of securing the deposit of public funds.

204 Section 13. Bonds issued under Sections 1 through 14 of this
205 act and income from the bonds shall be exempt from all taxation in
206 the State of Mississippi.

207 Section 14. Sections 1 through 14 of this act shall be
208 deemed to be full and complete authority for the exercise of the
209 powers granted, but Sections 1 through 14 of this act shall not be
210 deemed to repeal or to be in derogation of any existing law of
211 this state.

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