To: Finance

MISSISSIPPI LEGISLATURE                        REGULAR SESSION 2001
By: Senator(s) Farris

SENATE BILL NO. 3084
(As Sent to Governor)

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

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

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

Section 1. (1) Upon the receipt of matching funds or
verification that the matching funds described in this subsection
are forthcoming, the Department of Finance and Administration, at
one time or from time to time, may declare by resolution the
necessity for issuance of general obligation bonds of the State of
Mississippi in an amount not to exceed Two Million Four Hundred
Thousand Dollars ($2,400,000.00) to provide funds for necessary
improvements to convert the Walthall School Building in
Hattiesburg, Mississippi, into a regional children's discovery
center to be known as the "Interaction Factory." Such
improvements shall include the repair and renovation of the
Walthall School Building, improvement of parking facilities at the
Walthall School Building and other necessary improvements to such
facility and the grounds of such facility that are necessary to
convert such facility into a regional children's discovery center
including, but not limited to, the construction of additions, the
creation and installation of exhibits, and the purchase of
necessary furnishings, equipment and fixtures. The issuance of
the bonds described in this subsection and the allocation of such funds are conditioned upon the private sector or local or federal government providing matching funds as provided in this section. The bonds authorized to be issued pursuant to this section may be issued in increments of not less than Two Hundred Fifty Thousand Dollars ($250,000.00) upon matching funds being provided in the amount of the bonds to be issued. The matching funds required pursuant to this subsection may be provided in the form of cash or in kind contributions or any combination of cash or in kind contributions. Title to the Walthall School Building shall be vested in "The Interaction Factory, Inc.," or any successor corporation or legal entity thereto, and the value of the land and buildings, as determined by a "use value appraisal" or other appraisal, may be utilized as an in kind contribution.

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

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

Section 2. The principal of and interest on the bonds authorized under Sections 1 through 14 of this act shall be payable in the manner provided in this section. Such bonds shall bear such date or dates, be in such denomination or denominations,
bear interest at such rate or rates not exceeding the limits set forth in Section 75-17-101, be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty (20) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as determined by resolution of the State Bond Commission.

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

Section 4. All bonds and interest coupons issued under the provisions of Sections 1 through 14 of this act have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by Sections 1 through 14 of this act, the State
Bond Commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

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

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

The State Bond Commission, when issuing any bonds under the authority of Sections 1 through 14 of this act, may provide that the bonds, at the option of the State of Mississippi, may be called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.
Section 6. The bonds issued under the provisions of Sections 1 through 14 of this act are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this section.

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

Section 8. Upon the issuance and sale of bonds under Sections 1 through 14 of this act, the State Bond Commission shall deposit the proceeds of any such sale or sales in a special fund created in the State Treasury to be known as the "Regional Children's Discovery Center Fund." Such fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund. The proceeds of such bonds shall be used solely for the purposes provided in Sections 1 through 14 of this act,
including the costs incident to the issuance and sale of such
bonds. The costs incident to the issuance and sale of such bonds
shall be disbursed by warrant upon requisition of the State Bond
Commission, signed by the chairman of the commission. The
remaining monies in the fund shall be expended solely under the
direction of the Department of Finance and Administration under
such restrictions, if any, as may be contained in the resolution
providing for the issuance of the bonds, and such funds shall be
paid by the State Treasurer upon warrants issued by the Executive
Director of the Department of Finance and Administration.

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

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

Section 11. Any holder of bonds issued under Sections 1
through 14 of this act or of any of the interest coupons
pertaining to the bonds may, either at law or in equity, by suit,
action, mandamus or other proceeding, protect and enforce all
rights granted under Sections 1 through 14 of this act, or under such resolution, and may enforce and compel performance of all duties required by Sections 1 through 14 of this act to be performed, in order to provide for the payment of bonds and interest on the bonds.

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

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

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

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