

By: Senator(s) Harden

To: Finance

SENATE BILL NO. 3086

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
 2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$5,000,000.00 FOR THE  
 3 PURPOSE OF PROVIDING FUNDS TO THE WEST JACKSON COMMUNITY  
 4 DEVELOPMENT AUTHORITY TO BE UTILIZED FOR THE PURPOSE OF ENHANCING  
 5 THE COMMUNITY SURROUNDING JACKSON STATE UNIVERSITY; AND FOR  
 6 RELATED PURPOSES.

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

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

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

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

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

20 SECTION 2. (1) A special fund, to be designated the "2001  
 21 Jackson State University Community Enhancement Fund" is created  
 22 within the State Treasury. The fund shall be maintained by the  
 23 State Treasurer as a separate and special fund, separate and apart  
 24 from the General Fund of the state, and investment earnings on  
 25 amounts in the fund shall be deposited into such fund. The  
 26 expenditure of monies deposited into the fund shall be under the  
 27 direction of the Mississippi Development Authority, and such funds  
 28 shall be paid by the State Treasurer upon warrants issued by the

29 Department of Finance and Administration. Monies deposited into  
30 such fund shall be allocated and disbursed according to the  
31 provisions of this act.

32 (2) Monies deposited into the fund shall be disbursed by the  
33 Mississippi Development Authority to the West Jackson Community  
34 Development Corporation to be utilized to enhance the community  
35 surrounding Jackson State University.

36 (3) The Mississippi Development Authority is expressly  
37 authorized and empowered to receive and expend any local or other  
38 source funds in connection with the expenditure of funds from the  
39 2001 Jackson State University Community Enhancement Fund under  
40 this section.

41 SECTION 3. (1) Upon the recommendation of the Mississippi  
42 Development Authority, the Department of Finance and  
43 Administration, at one time or from time to time, may declare by  
44 resolution the necessity for issuance of general obligation bonds  
45 of the State of Mississippi to provide funds for all costs  
46 incurred or to be incurred for the purposes described in Section 2  
47 of this act. Upon the adoption of a resolution by the Department  
48 of Finance and Administration, declaring the necessity for the  
49 issuance of any part or all of the general obligation bonds  
50 authorized by this section, the Department of Finance and  
51 Administration shall deliver a certified copy of its resolution or  
52 resolutions to the State Bond Commission. Upon receipt of such  
53 resolution, the commission, in its discretion, may act as the  
54 issuing agent, prescribe the form of the bonds, advertise for and  
55 accept bids, issue and sell the bonds so authorized to be sold and  
56 do any and all other things necessary and advisable in connection  
57 with the issuance and sale of such bonds. The amount of bonds  
58 issued under this act shall not exceed Five Million Dollars  
59 (\$5,000,000.00).

60 (2) Any investment earnings on amounts deposited into the  
61 special fund created in Section 2 of this act shall be used to pay

62 debt service on bonds issued under this act, in accordance with  
63 the proceedings authorizing issuance of such bonds.

64 (3) Upon the completion or abandonment of all projects  
65 described in Section 2 of this act, as evidenced by a resolution  
66 adopted by the Department of Finance and Administration certifying  
67 that all such projects have been completed or abandoned, the  
68 balance, if any, remaining in the 2001 Jackson State University  
69 Community Enhancement Fund shall be promptly applied to pay debt  
70 service on bonds issued under this act, in accordance with the  
71 proceedings authorizing the issuance of such bonds.

72 SECTION 4. The principal of and interest on the bonds  
73 authorized under Section 3 of this act shall be payable in the  
74 manner provided in this section. Such bonds shall bear such date  
75 or dates, be in such denomination or denominations, bear interest  
76 at such rate or rates (not to exceed the limits set forth in  
77 Section 75-17-101), be payable at such place or places within or  
78 without the State of Mississippi, shall mature absolutely at such  
79 time or times not to exceed twenty-five (25) years from date of  
80 issue, be redeemable before maturity at such time or times and  
81 upon such terms, with or without premium, shall bear such  
82 registration privileges, and shall be substantially in such form,  
83 all as shall be determined by resolution of the State Bond  
84 Commission.

85 SECTION 5. The bonds authorized by Section 3 of this act  
86 shall be signed by the Chairman of the State Bond Commission, or  
87 by his facsimile signature, and the official seal of the  
88 commission shall be affixed thereto, attested by the secretary of  
89 the commission. The interest coupons, if any, to be attached to  
90 such bonds may be executed by the facsimile signatures of such  
91 officers. Whenever any such bonds shall have been signed by the  
92 officials designated to sign the bonds who were in office at the  
93 time of such signing but who may have ceased to be such officers  
94 before the sale and delivery of such bonds, or who may not have

95 been in office on the date such bonds may bear, the signatures of  
96 such officers upon such bonds and coupons shall nevertheless be  
97 valid and sufficient for all purposes and have the same effect as  
98 if the person so officially signing such bonds had remained in  
99 office until their delivery to the purchaser, or had been in  
100 office on the date such bonds may bear. However, notwithstanding  
101 anything herein to the contrary, such bonds may be issued as  
102 provided in the Registered Bond Act of the State of Mississippi.

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

109 SECTION 7. The commission shall act as the issuing agent for  
110 the bonds authorized under Section 3 of this act, prescribe the  
111 form of the bonds, advertise for and accept bids, issue and sell  
112 the bonds so authorized to be sold, pay all fees and costs  
113 incurred in such issuance and sale, and do any and all other  
114 things necessary and advisable in connection with the issuance and  
115 sale of such bonds. The commission is authorized and empowered to  
116 pay the costs that are incident to the sale, issuance and delivery  
117 of the bonds authorized under this act from the proceeds derived  
118 from the sale of such bonds. The commission shall sell such bonds  
119 on sealed bids at public sale, and for such price as it may  
120 determine to be for the best interest of the State of Mississippi,  
121 but no such sale shall be made at a price less than par plus  
122 accrued interest to the date of delivery of the bonds to the  
123 purchaser. All interest accruing on such bonds so issued shall be  
124 payable semiannually or annually; however, the first interest  
125 payment may be for any period of not more than one (1) year.

126 Notice of the sale of any such bond shall be published at  
127 least one (1) time, not less than ten (10) days before the date of

128 sale, and shall be so published in one or more newspapers  
129 published or having a general circulation in the City of Jackson,  
130 Mississippi, and in one or more other newspapers or financial  
131 journals with a national circulation, to be selected by the  
132 commission.

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

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

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

155 SECTION 10. The bonds authorized under this act may be  
156 issued without any other proceedings or the happening of any other  
157 conditions or things other than those proceedings, conditions and  
158 things which are specified or required by this act. Any  
159 resolution providing for the issuance of bonds under the  
160 provisions of this act shall become effective immediately upon its

161 adoption by the commission, and any such resolution may be adopted  
162 at any regular or special meeting of the commission by a majority  
163 of its members.

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

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

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

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

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

194 SECTION 16. The State Treasurer is authorized, without  
195 further process of law, to certify to the Department of Finance  
196 and Administration the necessity for warrants, and the Department  
197 of Finance and Administration is authorized and directed to issue  
198 such warrants, in such amounts as may be necessary to pay when due  
199 the principal of, premium, if any, and interest on, or the  
200 accreted value of, all bonds issued under this act; and the State  
201 Treasurer shall forward the necessary amount to the designated  
202 place or places of payment of such bonds in ample time to  
203 discharge such bonds, or the interest thereon, on the due dates  
204 thereof.

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

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