To: Finance

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

SENATE BILL NO. 3086

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

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

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

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

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

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

SECTION 2. (1) A special fund, to be designated the "2001
Jackson State University Community Enhancement Fund" is created
within the State Treasury. The fund shall be maintained by the
State Treasurer as a separate and special fund, separate and apart
from the General Fund of the state, and investment earnings on
amounts in the fund shall be deposited into such fund. The
expenditure of monies deposited into the fund shall be under the
direction of the Mississippi Development Authority, and such funds
shall be paid by the State Treasurer upon warrants issued by the
Department of Finance and Administration. Monies deposited into such fund shall be allocated and disbursed according to the provisions of this act.

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

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

SECTION 3. (1) Upon the recommendation of the Mississippi Development Authority, 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 to provide funds for all costs incurred or to be incurred for the purposes described in Section 2 of this act. 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 of Finance and Administration shall deliver a certified copy of its resolution or resolutions to the State Bond Commission. Upon receipt of such resolution, the 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. The amount of bonds issued under this act shall not exceed Five Million Dollars ($5,000,000.00).

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

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

SECTION 4. The principal of and interest on the bonds
authorized under Section 3 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 to exceed 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-five (25) 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 shall be determined by resolution of the State Bond
Commission.

SECTION 5. The bonds authorized by Section 3 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
commission shall be affixed thereto, attested by the secretary of
the 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 herein to the contrary, such bonds may be issued as
provided in the Registered Bond Act of the State of Mississippi.

SECTION 6. All bonds and interest coupons issued under the
provisions 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 this act,
the commission shall not be required to and need not comply with
the provisions of the Uniform Commercial Code.

SECTION 7. The commission shall act as the issuing agent for
the bonds authorized under Section 3 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 any and all other
things necessary and advisable in connection with the issuance and
sale of such bonds. The commission is authorized and empowered to
pay the costs that are incident to the sale, issuance and delivery
of the bonds authorized under this act from the proceeds derived
from the sale of such bonds. The 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 shall 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 semiannually 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 (1) 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
commission.

The commission, when issuing any bonds under the authority of
this act, may provide that 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 8. The bonds issued under the provisions 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 9. Upon the issuance and sale of bonds under the
provisions of this act, the commission shall transfer the proceeds
of any such sale or sales to the special fund created in Section 2
of this act. The proceeds of such bonds shall be disbursed solely
upon the order of the Mississippi Development Authority under such
restrictions, if any, as may be contained in the resolution
providing for the issuance of the bonds.

SECTION 10. The bonds authorized under 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 which are specified or required by this act. Any
resolution providing for the issuance of bonds under the
provisions of this act shall become effective immediately upon its
adoption by the commission, and any such resolution may be adopted
at any regular or special meeting of the commission by a majority
of its members.

SECTION 11. The bonds authorized under the authority 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 12. Any holder of bonds issued under the provisions
of this act or of any of the interest coupons pertaining thereto
may, either at law or in equity, by suit, action, mandamus or
other proceeding, protect and enforce any and all rights granted
under this act, or under such resolution, and may enforce and
compel performance of all duties required by this act to be
performed, in order to provide for the payment of bonds and
interest thereon.

SECTION 13. All bonds issued under the provisions 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 which 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 14. Bonds issued under the provisions of this act
and income therefrom shall be exempt from all taxation in the
State of Mississippi.

SECTION 15. The proceeds of the bonds issued under this act
shall be used solely for the purposes herein provided, including
the costs incident to the issuance and sale of such bonds.
SECTION 16. The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and 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 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 thereon, on the due dates thereof.

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

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