

By: Representatives Smith (39th), Morris,
McCoy

To: Ways and Means

HOUSE BILL NO. 1837
(As Sent to Governor)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF PROVIDING ADDITIONAL FUNDS FOR THE
3 MISSISSIPPI COMMUNITY HERITAGE PRESERVATION GRANT FUND AND THE
4 ACCOUNT ESTABLISHED FOR THE MISSISSIPPI LANDMARK GRANT PROGRAM
5 WITHIN THE HISTORIC PROPERTIES TRUST FUND; TO AMEND SECTIONS
6 39-5-145 AND 39-5-23, MISSISSIPPI CODE OF 1972, IN CONFORMITY
7 THERETO; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** As used in Sections 1 through 16 of this act, the
10 following words shall have the meanings ascribed herein unless the
11 context clearly requires otherwise:

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

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

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

21 **SECTION 2.** (1) The commission, at one time, or from time to
22 time, may declare by resolution the necessity for issuance of
23 general obligation bonds of the State of Mississippi to provide
24 funds for the Mississippi Community Heritage Preservation Grant
25 Fund created pursuant to Section 39-5-145 and the account for the
26 Mississippi Landmark Grant Program within the Historic Properties
27 Trust Fund created pursuant to Section 39-5-23. Upon the adoption
28 of a resolution by the Department of Finance and Administration,
29 declaring the necessity for the issuance of any part or all of the



30 general obligation bonds authorized by this section, the
31 Department of Finance and Administration shall deliver a certified
32 copy of its resolution or resolutions to the commission. Upon
33 receipt of such resolution, the commission, in its discretion, may
34 act as the issuing agent, prescribe the form of the bonds,
35 advertise for and accept bids, issue and sell the bonds so
36 authorized to be sold and do any and all other things necessary
37 and advisable in connection with the issuance and sale of such
38 bonds. The total amount of bonds issued under Sections 1 through
39 16 of this act shall not exceed Six Million Two Hundred Thousand
40 Dollars (\$6,200,000.00). No bonds authorized under Sections 1
41 through 16 of this act shall be issued after July 1, 2006.

42 (2) Five Million Five Hundred Thousand Dollars
43 (\$5,500,000.00) of the proceeds of bonds issued pursuant to
44 Sections 1 through 16 of this act shall be deposited into the
45 Mississippi Community Heritage Preservation Grant Fund created
46 pursuant to Section 39-5-145, and Seven Hundred Thousand Dollars
47 (\$700,000.00) of the proceeds of bonds issued pursuant to Sections
48 1 through 16 of this act shall be deposited into the account for
49 the Mississippi Landmark Grant Program within the Historic
50 Properties Trust Fund created pursuant to Section 39-5-23. Any
51 investment earnings on bonds issued pursuant to Sections 1 through
52 16 of this act shall be used to pay debt service on bonds issued
53 under Sections 1 through 16 of this act, in accordance with the
54 proceedings authorizing issuance of such bonds.

55 **SECTION 3.** The principal of and interest on the bonds
56 authorized under Sections 1 through 16 of this act shall be
57 payable in the manner provided in this section. Such bonds shall
58 bear such date or dates, be in such denomination or denominations,
59 bear interest at such rate or rates (not to exceed the limits set
60 forth in Section 75-17-101, Mississippi Code of 1972), be payable
61 at such place or places within or without the State of
62 Mississippi, shall mature absolutely at such time or times not to



63 exceed twenty-five (25) years from date of issue, be redeemable
64 before maturity at such time or times and upon such terms, with or
65 without premium, shall bear such registration privileges, and
66 shall be substantially in such form, all as shall be determined by
67 resolution of the commission.

68 **SECTION 4.** The bonds authorized by Sections 1 through 16 of
69 this act shall be signed by the chairman of the commission, or by
70 his facsimile signature, and the official seal of the commission
71 shall be affixed thereto, attested by the secretary of the
72 commission. The interest coupons, if any, to be attached to such
73 bonds may be executed by the facsimile signatures of such
74 officers. Whenever any such bonds shall have been signed by the
75 officials designated to sign the bonds who were in office at the
76 time of such signing but who may have ceased to be such officers
77 before the sale and delivery of such bonds, or who may not have
78 been in office on the date such bonds may bear, the signatures of
79 such officers upon such bonds and coupons shall nevertheless be
80 valid and sufficient for all purposes and have the same effect as
81 if the person so officially signing such bonds had remained in
82 office until their delivery to the purchaser, or had been in
83 office on the date such bonds may bear. However, notwithstanding
84 anything herein to the contrary, such bonds may be issued as
85 provided in the Registered Bond Act of the State of Mississippi.

86 **SECTION 5.** All bonds and interest coupons issued under the
87 provisions of Sections 1 through 16 of this act have all the
88 qualities and incidents of negotiable instruments under the
89 provisions of the Uniform Commercial Code, and in exercising the
90 powers granted by Sections 1 through 16 of this act, the
91 commission shall not be required to and need not comply with the
92 provisions of the Uniform Commercial Code.

93 **SECTION 6.** The commission shall act as the issuing agent for
94 the bonds authorized under Sections 1 through 16 of this act,
95 prescribe the form of the bonds, advertise for and accept bids,



96 issue and sell the bonds so authorized to be sold, pay all fees
97 and costs incurred in such issuance and sale, and do any and all
98 other things necessary and advisable in connection with the
99 issuance and sale of such bonds. The commission is authorized and
100 empowered to pay the costs that are incident to the sale, issuance
101 and delivery of the bonds authorized under Sections 1 through 16
102 of this act from the proceeds derived from the sale of such bonds.
103 The commission shall sell such bonds on sealed bids at public
104 sale, and for such price as it may determine to be for the best
105 interest of the State of Mississippi, but no such sale shall be
106 made at a price less than par plus accrued interest to the date of
107 delivery of the bonds to the purchaser. All interest accruing on
108 such bonds so issued shall be payable semiannually or annually;
109 however, the first interest payment may be for any period of not
110 more than one (1) year.

111 Notice of the sale of any such bonds shall be published at
112 least one time, not less than ten (10) days before the date of
113 sale, and shall be so published in one or more newspapers
114 published or having a general circulation in the City of Jackson,
115 Mississippi, and in one or more other newspapers or financial
116 journals with a national circulation, to be selected by the
117 commission.

118 The commission, when issuing any bonds under the authority of
119 Sections 1 through 16 of this act, may provide that bonds, at the
120 option of the State of Mississippi, may be called in for payment
121 and redemption at the call price named therein and accrued
122 interest on such date or dates named therein.

123 **SECTION 7.** The bonds issued under the provisions of Sections
124 1 through 16 of this act are general obligations of the State of
125 Mississippi, and for the payment thereof the full faith and credit
126 of the State of Mississippi is irrevocably pledged. If the funds
127 appropriated by the Legislature are insufficient to pay the
128 principal of and the interest on such bonds as they become due,



129 then the deficiency shall be paid by the State Treasurer from any
130 funds in the State Treasury not otherwise appropriated. All such
131 bonds shall contain recitals on their faces substantially covering
132 the provisions of this section.

133 **SECTION 8.** Upon the issuance and sale of bonds under the
134 provisions of Sections 1 through 16 of this act, the commission
135 shall transfer the proceeds of any such sale or sales to the
136 Mississippi Community Heritage Preservation Grant Fund created in
137 Section 39-5-145 and the account for the Mississippi Landmark
138 Grant Program within the Historic Properties Trust Fund created in
139 Section 39-5-23, in the amounts provided for in Section 2(2) of
140 this act, and the proceeds of such bonds shall be disbursed for
141 the purposes provided in Section 39-5-145 and Section 39-5-23(3),
142 respectively.

143 **SECTION 9.** The bonds authorized under Sections 1 through 16
144 of this act may be issued without any other proceedings or the
145 happening of any other conditions or things other than those
146 proceedings, conditions and things which are specified or required
147 by Sections 1 through 16 of this act. Any resolution providing
148 for the issuance of bonds under the provisions of Sections 1
149 through 16 of this act shall become effective immediately upon its
150 adoption by the commission, and any such resolution may be adopted
151 at any regular or special meeting of the commission by a majority
152 of its members.

153 **SECTION 10.** The bonds authorized under the authority of
154 Sections 1 through 16 of this act may be validated in the Chancery
155 Court of the First Judicial District of Hinds County, Mississippi,
156 in the manner and with the force and effect provided by Chapter
157 13, Title 31, Mississippi Code of 1972, for the validation of
158 county, municipal, school district and other bonds. The notice to
159 taxpayers required by such statutes shall be published in a
160 newspaper published or having a general circulation in the City of
161 Jackson, Mississippi.



162 **SECTION 11.** Any holder of bonds issued under the provisions
163 of Sections 1 through 16 of this act or of any of the interest
164 coupons pertaining thereto may, either at law or in equity, by
165 suit, action, mandamus or other proceeding, protect and enforce
166 any and all rights granted under Sections 1 through 16 of this
167 act, or under such resolution, and may enforce and compel
168 performance of all duties required by Sections 1 through 16 of
169 this act to be performed, in order to provide for the payment of
170 bonds and interest thereon.

171 **SECTION 12.** All bonds issued under the provisions of
172 Sections 1 through 16 of this act shall be legal investments for
173 trustees and other fiduciaries, and for savings banks, trust
174 companies and insurance companies organized under the laws of the
175 State of Mississippi, and such bonds shall be legal securities
176 which may be deposited with and shall be received by all public
177 officers and bodies of this state and all municipalities and
178 political subdivisions for the purpose of securing the deposit of
179 public funds.

180 **SECTION 13.** Bonds issued under the provisions of Sections 1
181 through 16 of this act and income therefrom shall be exempt from
182 all taxation in the State of Mississippi.

183 **SECTION 14.** The proceeds of the bonds issued under Sections
184 1 through 16 of this act shall be used solely for the purposes
185 therein provided, including the costs incident to the issuance and
186 sale of such bonds.

187 **SECTION 15.** The State Treasurer is authorized, without
188 further process of law, to certify to the Department of Finance
189 and Administration the necessity for warrants, and the Department
190 of Finance and Administration is authorized and directed to issue
191 such warrants, in such amounts as may be necessary to pay when due
192 the principal of, premium, if any, and interest on, or the
193 accreted value of, all bonds issued under Sections 1 through 16 of
194 this act; and the State Treasurer shall forward the necessary



195 amount to the designated place or places of payment of such bonds
196 in ample time to discharge such bonds, or the interest thereon, on
197 the due dates thereof.

198 **SECTION 16.** Sections 1 through 16 of this act shall be
199 deemed to be full and complete authority for the exercise of the
200 powers therein granted, but Sections 1 through 16 of this act
201 shall not be deemed to repeal or to be in derogation of any
202 existing law of this state.

203 **SECTION 17.** Section 39-5-145, Mississippi Code of 1972, is
204 amended as follows:

205 39-5-145. (1) A special fund, to be designated the
206 "Mississippi Community Heritage Preservation Grant Fund," is
207 created within the State Treasury. The fund shall be maintained
208 by the State Treasurer as a separate and special fund, separate
209 and apart from the General Fund of the state. The fund shall
210 consist of any monies designated for deposit therein from any
211 source, including proceeds of any state general obligation bonds
212 issued under Sections 39-5-143 and 39-5-145 and Sections 22
213 through 36 of Laws, 2001, Chapter 541, and Sections 1 through 16
214 of House Bill No. 1837, 2002 Regular Session. Unexpended amounts
215 remaining in the fund at the end of a fiscal year shall not lapse
216 into the State General Fund and any interest earned or investment
217 earnings on amounts in the fund shall be deposited into the fund.
218 The expenditure of monies deposited into the fund shall be under
219 the direction of the Department of Finance and Administration,
220 based upon recommendations of the Board of Trustees of the
221 Department of Archives and History, and such funds shall be paid
222 by the State Treasurer upon warrants issued by the Department of
223 Finance and Administration. Monies deposited into such fund shall
224 be allocated and disbursed according to the provisions of this
225 section. If any monies in the special fund are derived from
226 proceeds of bonds issued under this chapter or Sections 1 through
227 16 of House Bill No. 1837, 2002 Regular Session, or both, and are



228 not used within four (4) years after the date such bond proceeds
229 are deposited into the special fund, then the Department of
230 Finance and Administration shall provide an accounting of such
231 unused monies to the State Bond Commission.

232 (2) Monies deposited into the fund shall be allocated and
233 disbursed as follows:

234 (a) Eleven Million Five Hundred Thousand Dollars
235 (\$11,500,000.00) shall be allocated and disbursed as grants on a
236 reimbursable basis through the Department of Finance and
237 Administration, based upon the recommendations of the Board of
238 Trustees of the Department of Archives and History, to assist
239 county governments, municipal governments, school districts and
240 nonprofit organizations that have obtained Section 501(c)(3)
241 tax-exempt status from the United States Internal Revenue Service
242 in helping pay the costs incurred in preserving, restoring,
243 rehabilitating, repairing or interpreting (i) historic county
244 courthouses, (ii) historic school buildings, and/or (iii) other
245 historic properties identified by certified local governments.
246 Where possible, expenditures from the fund shall be used to match
247 federal grants or other grants that may be accessed by the
248 Department of Archives and History, other state agencies, county
249 governments or municipal governments, school districts or
250 nonprofit organizations that have obtained Section 501(c)(3)
251 tax-exempt status from the United States Internal Revenue Service.
252 Any properties, except that described in paragraph (b) of this
253 subsection, receiving monies pursuant to this section must be
254 designated as "Mississippi Landmark" properties prior to selection
255 as projects for funding under the provisions of this section.

256 (b) Two Hundred Fifty Thousand Dollars (\$250,000.00)
257 shall be allocated and disbursed as grant funds to the Amory
258 Regional Museum in Amory, Mississippi, to pay the costs of capital
259 improvements, repair, renovation, furnishing and/or equipping of
260 the museum. The disbursement of grant funds shall be contingent



261 upon such museum providing matching funds from any source, other
262 than the state, equal to at least Two Hundred Fifty Thousand
263 Dollars (\$250,000.00).

264 (c) Monies in the Mississippi Community Heritage
265 Preservation Grant Fund which are derived from proceeds of bonds
266 issued under Sections 1 through 16 of House Bill No. 1837, 2002
267 Regular Session, may be used to reimburse reasonable actual and
268 necessary costs incurred by the Mississippi Department of Archives
269 and History in providing assistance directly related to a project
270 described in paragraph (a) of this subsection for which funding is
271 provided under this section. Reimbursement may be made only until
272 such time as the project is completed. An accounting of actual
273 costs incurred for which reimbursement is sought shall be
274 maintained for each project by the Mississippi Department of
275 Archives and History. Reimbursement of reasonable actual and
276 necessary costs for a project shall not exceed three percent (3%)
277 of the proceeds of bonds issued for such project. Monies
278 authorized for a particular project may not be used to reimburse
279 administrative costs for unrelated projects.

280 (3) The Board of Trustees of the Department of Archives and
281 History shall receive and consider proposals from county
282 governments, municipal governments, school districts and nonprofit
283 organizations that have obtained Section 501(c)(3) tax-exempt
284 status from the United States Internal Revenue Service for
285 projects associated with the preservation, restoration,
286 rehabilitation, repair or interpretation of (a) historic
287 courthouses, (b) historic school buildings and/or (c) other
288 historic properties identified by certified local governments.
289 Proposals shall be submitted in accordance with the provisions of
290 procedures, criteria and standards developed by the board. The
291 board shall determine those projects to be funded and may require
292 matching funds from any applicant seeking assistance under this



293 section. This subsection shall not apply to any project described
294 in subsection (2)(b) of this section.

295 (4) The Department of Archives and History shall publicize
296 the Community Heritage Preservation Grant program described in
297 this section on a statewide basis, including the publication of
298 the criteria and standards used by the department in selecting
299 projects for funding. The selection of a project for funding
300 under the provisions of this section shall be made solely upon the
301 deliberate consideration of each proposed project on its merits.
302 The board shall make every effort to award the grants in a manner
303 that will fairly distribute the funds in regard to the geography
304 and cultural diversity of the state. This subsection shall not
305 apply to any project described in subsection (2)(b) of this
306 section.

307 (5) With regard to any project awarded funding under this
308 section, any consultant, planner, architect, engineer, exhibit
309 contracting firm, historic preservation specialist or other
310 professional hired by a grant recipient to work on any such
311 project shall be approved by the board before their employment by
312 the grant recipient.

313 (6) Plans and specifications for all projects initiated
314 under the provisions of this section shall be approved by the
315 board before the awarding of any contracts. The plans and
316 specifications for any work involving "Mississippi Landmark"
317 properties shall be developed in accordance with "The Secretary of
318 the Interior's Standards for the Treatment of Historic
319 Properties."

320 **SECTION 18.** Section 39-5-23, Mississippi Code of 1972, is
321 amended as follows:

322 39-5-23. (1) The Mississippi Department of Archives and
323 History is hereby authorized and empowered to solicit and accept
324 donations, bequests, devises, gifts and grants of money from
325 individuals, organizations and federal, state and local



326 governmental bodies, to be deposited in the Historic Properties
327 Trust Fund which is hereby created in the State Treasury.
328 Contributions to the Historic Properties Trust Fund may be
329 undesignated or earmarked for the purpose of acquiring,
330 preserving, restoring, supporting, operating and administering
331 Mississippi Landmark properties or for use on specific historical
332 projects that have been authorized by the Department of Archives
333 and History. The Mississippi Department of Archives and History
334 may deposit federal funds received under Section 2 of Laws, 2000,
335 Chapter 487, into the Historic Properties Trust Fund and may use
336 such funds for the purposes provided in subsection (2) of Section
337 2 of Laws, 2000, Chapter 487. The State Treasurer shall invest
338 all monies in the Historic Properties Trust Fund as other state
339 funds are authorized to be invested, and any interest earned shall
340 be deposited into the fund.

341 (2) The Mississippi Department of Archives and History is
342 hereby authorized and empowered to solicit and accept donations,
343 bequests, devises, gifts and grants of money and real and personal
344 property. The Board of Trustees of the Department of Archives and
345 History may, in its discretion, sell such real and personal
346 property by public or private sale and shall deposit proceeds
347 derived from such sale into the Historic Properties Trust Fund.

348 (3) (a) The Board of Trustees of the Mississippi Department
349 of Archives and History is authorized to establish the Mississippi
350 Landmark Grant Program within the Historic Properties Trust Fund
351 to help ensure the preservation of Mississippi Landmark
352 properties.

353 (b) The Board of Trustees of the Mississippi Department
354 of Archives and History may deposit funds appropriated by the
355 Legislature, or funds transferred from the Historic Properties
356 Financing Fund as specified in Section 89-12-37(2), into the
357 account established for the Mississippi Landmark Grant Program
358 within the Historic Properties Trust Fund. That portion of the



359 proceeds of bonds issued under Sections 1 through 16 of House Bill
360 No. 1837, 2002 Regular Session, shall be deposited, in the manner
361 provided in Sections 1 through 16 of House Bill No. 1837, 2002
362 Regular Session, into the account established for the Mississippi
363 Landmark Grant Program within the Historic Properties Trust Fund.

364 All funds deposited in the account for the Mississippi Landmark
365 Grant Program shall be used exclusively for the purpose of
366 acquiring, preserving, restoring, supporting, operating and
367 administering Mississippi Landmark properties or those properties
368 to be designated as Mississippi Landmarks.

369 (c) The board of supervisors of every county and the
370 governing authorities of every municipality in the state may make
371 contributions to the Mississippi Department of Archives and
372 History, to be deposited into the account for the Mississippi
373 Landmark Grant Program. Such contributions may be undesignated or
374 earmarked for use on specific Mississippi Landmark properties.

375 (d) The Board of Trustees of the Mississippi Department
376 of Archives and History shall have all powers necessary to
377 implement and administer the Mississippi Landmark Grant Program,
378 and the board of trustees shall promulgate all rules and
379 regulations necessary for the implementation and administration of
380 the program.

381 **SECTION 19.** This act shall take effect and be in force from
382 and after its passage.

