

By: Senator(s) Harden

To: Finance

SENATE BILL NO. 2232

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 "2002
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 2002 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 2002 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, 2002.

