

By: Senator(s) Frazier

To: Finance

SENATE BILL NO. 3108

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF MAKING CAPITAL  
3 IMPROVEMENTS ON THE CAMPUS OF JACKSON STATE UNIVERSITY; AND FOR  
4 RELATED PURPOSES.

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

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

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

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

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

18 **SECTION 2.** (1) (a) A special fund, to be designated the  
19 "Jackson State University 2002 Capital Improvements Fund," is  
20 created within the State Treasury. The fund shall be maintained  
21 by the State Treasurer as a separate and special fund, separate  
22 and apart from the General Fund of the state. Unexpended amounts  
23 remaining in the fund at the end of a fiscal year shall not lapse  
24 into the State General Fund, and any interest earned or investment  
25 earnings on amounts in the fund shall be deposited to the credit  
26 of the fund. Monies in the fund may not be used or expended for  
27 any purpose except as authorized under this act.



28 (b) Monies deposited into the fund shall be disbursed,  
29 in the discretion of the Department of Finance and Administration,  
30 to pay the costs of capital improvements, repairs and renovations  
31 on the campus of Jackson State University, as follows:

32 Transitional Dormitory - Phase II	\$ 7,500,000.00
33 ADA Compliance	3,000,000.00
34 TV23/radio digital equipment upgrades	3,000,000.00
35 Repairs & renovations	<u>3,000,000.00</u>
36	\$16,500,000.00

37 (2) Amounts deposited into such special fund shall be  
38 disbursed to pay the costs of the project described in subsection  
39 (1) of this section. Promptly after the commission has certified,  
40 by resolution duly adopted, that the projects described in  
41 subsection (1) of this section shall have been completed,  
42 abandoned, or cannot be completed in a timely fashion, any amounts  
43 remaining in such special fund shall be applied to pay debt  
44 service on the bonds issued under this act, in accordance with the  
45 proceedings authorizing the issuance of such bonds and as directed  
46 by the commission.

47 (3) The Department of Finance and Administration, acting  
48 through the Bureau of Building, Grounds and Real Property  
49 Management, is expressly authorized and empowered to receive and  
50 expend any local or other source funds in connection with the  
51 expenditure of funds provided for in this section. The  
52 expenditure of monies deposited into the special fund shall be  
53 under the direction of the Department of Finance and  
54 Administration, and such funds shall be paid by the State  
55 Treasurer upon warrants issued by such department, which warrants  
56 shall be issued upon requisitions signed by the Executive Director  
57 of the Department of Finance and Administration, or his designee.

58 (4) The Department of Finance and Administration is  
59 authorized to pay for the costs of capital improvements specified  
60 in subsection (1)(b) on the campus of Jackson State University.



61           **SECTION 3.** (1) The commission, at one time, or from time to  
62 time, may declare by resolution the necessity for issuance of  
63 general obligation bonds of the State of Mississippi to provide  
64 funds for all costs incurred or to be incurred for the purposes  
65 described in Section 2 of this act. Upon the adoption of a  
66 resolution by the Department of Finance and Administration,  
67 declaring the necessity for the issuance of any part or all of the  
68 general obligation bonds authorized by this section, the  
69 Department of Finance and Administration shall deliver a certified  
70 copy of its resolution or resolutions to the commission. Upon  
71 receipt of such resolution, the commission, in its discretion, may  
72 act as the issuing agent, prescribe the form of the bonds,  
73 advertise for and accept bids, issue and sell the bonds so  
74 authorized to be sold and do any and all other things necessary  
75 and advisable in connection with the issuance and sale of such  
76 bonds. The total amount of bonds issued under this act shall not  
77 exceed Sixteen Million Five Hundred Thousand Dollars  
78 (\$16,500,000.00).

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

83           **SECTION 4.** The principal of and interest on the bonds  
84 authorized under this act shall be payable in the manner provided  
85 in this section. Such bonds shall bear such date or dates, be in  
86 such denomination or denominations, bear interest at such rate or  
87 rates (not to exceed the limits set forth in Section 75-17-101,  
88 Mississippi Code of 1972), be payable at such place or places  
89 within or without the State of Mississippi, shall mature  
90 absolutely at such time or times not to exceed twenty-five (25)  
91 years from date of issue, be redeemable before maturity at such  
92 time or times and upon such terms, with or without premium, shall  
93 bear such registration privileges, and shall be substantially in



94 such form, all as shall be determined by resolution of the  
95 commission.

96       **SECTION 5.** The bonds authorized by this act shall be signed  
97 by the chairman of the commission, or by his facsimile signature,  
98 and the official seal of the commission shall be affixed thereto,  
99 attested by the secretary of the commission. The interest  
100 coupons, if any, to be attached to such bonds may be executed by  
101 the facsimile signatures of such officers. Whenever any such  
102 bonds shall have been signed by the officials designated to sign  
103 the bonds who were in office at the time of such signing but who  
104 may have ceased to be such officers before the sale and delivery  
105 of such bonds, or who may not have been in office on the date such  
106 bonds may bear, the signatures of such officers upon such bonds  
107 and coupons shall nevertheless be valid and sufficient for all  
108 purposes and have the same effect as if the person so officially  
109 signing such bonds had remained in office until their delivery to  
110 the purchaser, or had been in office on the date such bonds may  
111 bear. However, notwithstanding anything herein to the contrary,  
112 such bonds may be issued as provided in the Registered Bond Act of  
113 the State of Mississippi.

114       **SECTION 6.** All bonds and interest coupons issued under the  
115 provisions of this act have all the qualities and incidents of  
116 negotiable instruments under the provisions of the Uniform  
117 Commercial Code, and in exercising the powers granted by this act,  
118 the commission shall not be required to and need not comply with  
119 the provisions of the Uniform Commercial Code.

120       **SECTION 7.** The commission shall act as the issuing agent for  
121 the bonds authorized under this act, prescribe the form of the  
122 bonds, advertise for and accept bids, issue and sell the bonds so  
123 authorized to be sold, pay all fees and costs incurred in such  
124 issuance and sale, and do any and all other things necessary and  
125 advisable in connection with the issuance and sale of such bonds.  
126 The commission is authorized and empowered to pay the costs that



127 are incident to the sale, issuance and delivery of the bonds  
128 authorized under this act from the proceeds derived from the sale  
129 of such bonds. The commission shall sell such bonds on sealed  
130 bids at public sale, and for such price as it may determine to be  
131 for the best interest of the State of Mississippi, but no such  
132 sale shall be made at a price less than par plus accrued interest  
133 to the date of delivery of the bonds to the purchaser. All  
134 interest accruing on such bonds so issued shall be payable  
135 semiannually or annually; however, the first interest payment may  
136 be for any period of not more than one (1) year.

137 Notice of the sale of any such bond shall be published at  
138 least one (1) time, not less than ten (10) days before the date of  
139 sale, and shall be so published in one or more newspapers  
140 published or having a general circulation in the City of Jackson,  
141 Mississippi, and in one or more other newspapers or financial  
142 journals with a national circulation, to be selected by the  
143 commission.

144 The commission, when issuing any bonds under the authority of  
145 this act, may provide that bonds, at the option of the State of  
146 Mississippi, may be called in for payment and redemption at the  
147 call price named therein and accrued interest on such date or  
148 dates named therein.

149 **SECTION 8.** The bonds issued under the provisions of this act  
150 are general obligations of the State of Mississippi, and for the  
151 payment thereof the full faith and credit of the State of  
152 Mississippi is irrevocably pledged. If the funds appropriated by  
153 the Legislature are insufficient to pay the principal of and the  
154 interest on such bonds as they become due, then the deficiency  
155 shall be paid by the State Treasurer from any funds in the State  
156 Treasury not otherwise appropriated. All such bonds shall contain  
157 recitals on their faces substantially covering the provisions of  
158 this section.



159           **SECTION 9.** Upon the issuance and sale of bonds under the  
160 provisions of this act, the commission shall transfer the proceeds  
161 of any such sale or sales to the special fund created in Section 2  
162 of this act. The proceeds of such bonds shall be disbursed solely  
163 upon the order of the Department of Finance and Administration  
164 under such restrictions, if any, as may be contained in the  
165 resolution providing for the issuance of the bonds.

166           **SECTION 10.** The bonds authorized under this act may be  
167 issued without any other proceedings or the happening of any other  
168 conditions or things other than those proceedings, conditions and  
169 things which are specified or required by this act. Any  
170 resolution providing for the issuance of bonds under the  
171 provisions of this act shall become effective immediately upon its  
172 adoption by the commission, and any such resolution may be adopted  
173 at any regular or special meeting of the commission by a majority  
174 of its members.

175           **SECTION 11.** The bonds authorized under the authority of this  
176 act may be validated in the Chancery Court of the First Judicial  
177 District of Hinds County, Mississippi, in the manner and with the  
178 force and effect provided by Chapter 13, Title 31, Mississippi  
179 Code of 1972, for the validation of county, municipal, school  
180 district and other bonds. The notice to taxpayers required by  
181 such statutes shall be published in a newspaper published or  
182 having a general circulation in the City of Jackson, Mississippi.

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



191           **SECTION 13.** All bonds issued under the provisions of this  
192 act shall be legal investments for trustees and other fiduciaries,  
193 and for savings banks, trust companies and insurance companies  
194 organized under the laws of the State of Mississippi, and such  
195 bonds shall be legal securities which may be deposited with and  
196 shall be received by all public officers and bodies of this state  
197 and all municipalities and political subdivisions for the purpose  
198 of securing the deposit of public funds.

199           **SECTION 14.** Bonds issued under the provisions of this act  
200 and income therefrom shall be exempt from all taxation in the  
201 State of Mississippi.

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

205           **SECTION 16.** The State Treasurer is authorized, without  
206 further process of law, to certify to the Department of Finance  
207 and Administration the necessity for warrants, and the Department  
208 of Finance and Administration is authorized and directed to issue  
209 such warrants, in such amounts as may be necessary to pay when due  
210 the principal of, premium, if any, and interest on, or the  
211 accreted value of, all bonds issued under this act; and the State  
212 Treasurer shall forward the necessary amount to the designated  
213 place or places of payment of such bonds in ample time to  
214 discharge such bonds, or the interest thereon, on the due dates  
215 thereof.

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

220           **SECTION 18.** This act shall take effect and be in force from  
221 and after its passage.

