

**\*\*\*Adopted\*\*\***

**AMENDMENT No. 1 PROPOSED TO**

**House Bill NO. 1745**

**By Senator(s) Committee**

**Amend by striking all after the enacting clause and inserting in lieu thereof the following:**

7           **SECTION 1.** Sections 3 through 18, Chapter 541, Laws of 2001,  
8 are amended as follows:

9           Section 3. As used in Sections 3 through 18 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; and

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

21           Section 4. (1) The Mississippi Arts Commission, at one  
22 time, or from time to time, may declare by resolution the  
23 necessity for issuance of general obligation bonds of the State of  
24 Mississippi to provide funds for the grant program authorized in  
25 Section 2 of this act. Upon the adoption of a resolution by the  
26 Mississippi Arts Commission, declaring the necessity for the

27 issuance of any part or all of the general obligation bonds  
28 authorized by this section, the Mississippi Arts Commission shall  
29 deliver a certified copy of its resolution or resolutions to the  
30 commission. Upon receipt of such resolution, the commission, in  
31 its discretion, may act as the issuing agent, prescribe the form  
32 of the bonds, advertise for and accept bids, issue and sell the  
33 bonds so authorized to be sold and do any and all other things  
34 necessary and advisable in connection with the issuance and sale  
35 of such bonds. The total amount of bonds issued under Sections 3  
36 through 18 of this act shall not exceed Nine Million Dollars  
37 (\$9,000,000.00).

38 (2) The proceeds of bonds issued pursuant to Sections 3  
39 through 18 of this act shall be deposited into the Building Fund  
40 for the Arts created pursuant to Section 2 of this act. Any  
41 investment earnings on bonds issued pursuant to Sections 3 through  
42 18 of this act shall be used to pay debt service on bonds issued  
43 under Sections 3 through 18 of this act, in accordance with the  
44 proceedings authorizing issuance of such bonds.

45 Section 5. The principal of and interest on the bonds  
46 authorized under Sections 3 through 18 of this act shall be  
47 payable in the manner provided in this section. Such bonds shall  
48 bear such date or dates, be in such denomination or denominations,  
49 bear interest at such rate or rates (not to exceed the limits set  
50 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
51 at such place or places within or without the State of  
52 Mississippi, shall mature absolutely at such time or times not to  
53 exceed twenty-five (25) years from date of issue, be redeemable  
54 before maturity at such time or times and upon such terms, with or  
55 without premium, shall bear such registration privileges, and  
56 shall be substantially in such form, all as shall be determined by  
57 resolution of the commission.

58 Section 6. The bonds authorized by Sections 3 through 18 of  
59 this act shall be signed by the chairman of the commission, or by  
60 his facsimile signature, and the official seal of the commission  
61 shall be affixed thereto, attested by the secretary of the

62 commission. The interest coupons, if any, to be attached to such  
63 bonds may be executed by the facsimile signatures of such  
64 officers. Whenever any such bonds shall have been signed by the  
65 officials designated to sign the bonds who were in office at the  
66 time of such signing but who may have ceased to be such officers  
67 before the sale and delivery of such bonds, or who may not have  
68 been in office on the date such bonds may bear, the signatures of  
69 such officers upon such bonds and coupons shall nevertheless be  
70 valid and sufficient for all purposes and have the same effect as  
71 if the person so officially signing such bonds had remained in  
72 office until their delivery to the purchaser, or had been in  
73 office on the date such bonds may bear. However, notwithstanding  
74 anything herein to the contrary, such bonds may be issued as  
75 provided in the Registered Bond Act of the State of Mississippi.

76 Section 7. All bonds and interest coupons issued under the  
77 provisions of Sections 3 through 18 of this act have all the  
78 qualities and incidents of negotiable instruments under the  
79 provisions of the Uniform Commercial Code, and in exercising the  
80 powers granted by Sections 3 through 18 of this act, the  
81 commission shall not be required to and need not comply with the  
82 provisions of the Uniform Commercial Code.

83 Section 8. The commission shall act as the issuing agent for  
84 the bonds authorized under Sections 3 through 18 of this act,  
85 prescribe the form of the bonds, advertise for and accept bids,  
86 issue and sell the bonds so authorized to be sold, pay all fees  
87 and costs incurred in such issuance and sale, and do any and all  
88 other things necessary and advisable in connection with the  
89 issuance and sale of such bonds. The commission is authorized and  
90 empowered to pay the costs that are incident to the sale, issuance  
91 and delivery of the bonds authorized under Sections 3 through 18  
92 of this act from the proceeds derived from the sale of such bonds.

93 The commission shall sell such bonds on sealed bids at public  
94 sale, and for such price as it may determine to be for the best  
95 interest of the State of Mississippi, but no such sale shall be  
96 made at a price less than par plus accrued interest to the date of

97 delivery of the bonds to the purchaser. All interest accruing on  
98 such bonds so issued shall be payable semiannually or annually;  
99 however, the first interest payment may be for any period of not  
100 more than one (1) year.

101 Notice of the sale of any such bonds shall be published at  
102 least one time, not less than ten (10) days before the date of  
103 sale, and shall be so published in one or more newspapers  
104 published or having a general circulation in the City of Jackson,  
105 Mississippi, and in one or more other newspapers or financial  
106 journals with a national circulation, to be selected by the  
107 commission.

108 The commission, when issuing any bonds under the authority of  
109 Sections 3 through 18 of this act, may provide that bonds, at the  
110 option of the State of Mississippi, may be called in for payment  
111 and redemption at the call price named therein and accrued  
112 interest on such date or dates named therein.

113 Section 9. The bonds issued under the provisions of Sections  
114 3 through 18 of this act are general obligations of the State of  
115 Mississippi, and for the payment thereof the full faith and credit  
116 of the State of Mississippi is irrevocably pledged. If the funds  
117 appropriated by the Legislature are insufficient to pay the  
118 principal of and the interest on such bonds as they become due,  
119 then the deficiency shall be paid by the State Treasurer from any  
120 funds in the State Treasury not otherwise appropriated. All such  
121 bonds shall contain recitals on their faces substantially covering  
122 the provisions of this section.

123 Section 10. Upon the issuance and sale of bonds under the  
124 provisions of Sections 3 through 18 of this act, the commission  
125 shall transfer the proceeds of any such sale or sales to the  
126 special fund created in Section 2 of this act. Except as  
127 otherwise provided in Section 2 of this act, the proceeds of such  
128 bonds shall be disbursed solely upon the order of the Department  
129 of Finance and Administration under such restrictions, if any, as  
130 may be contained in the resolution providing for the issuance of  
131 the bonds.

132           Section 11. The bonds authorized under Sections 3 through 18  
133 of this act may be issued without any other proceedings or the  
134 happening of any other conditions or things other than those  
135 proceedings, conditions and things which are specified or required  
136 by Sections 3 through 18 of this act. Any resolution providing  
137 for the issuance of bonds under the provisions of Sections 3  
138 through 18 of this act shall become effective immediately upon its  
139 adoption by the commission, and any such resolution may be adopted  
140 at any regular or special meeting of the commission by a majority  
141 of its members.

142           Section 12. The bonds authorized under the authority of  
143 Sections 3 through 18 of this act may be validated in the Chancery  
144 Court of the First Judicial District of Hinds County, Mississippi,  
145 in the manner and with the force and effect provided by Chapter  
146 13, Title 31, Mississippi Code of 1972, for the validation of  
147 county, municipal, school district and other bonds. The notice to  
148 taxpayers required by such statutes shall be published in a  
149 newspaper published or having a general circulation in the City of  
150 Jackson, Mississippi.

151           Section 13. Any holder of bonds issued under the provisions  
152 of Sections 3 through 18 of this act or of any of the interest  
153 coupons pertaining thereto may, either at law or in equity, by  
154 suit, action, mandamus or other proceeding, protect and enforce  
155 any and all rights granted under Sections 3 through 18 of this  
156 act, or under such resolution, and may enforce and compel  
157 performance of all duties required by Sections 3 through 18 of  
158 this act to be performed, in order to provide for the payment of  
159 bonds and interest thereon.

160           Section 14. All bonds issued under the provisions of  
161 Sections 3 through 18 of this act shall be legal investments for  
162 trustees and other fiduciaries, and for savings banks, trust  
163 companies and insurance companies organized under the laws of the  
164 State of Mississippi, and such bonds shall be legal securities  
165 which may be deposited with and shall be received by all public  
166 officers and bodies of this state and all municipalities and

167 political subdivisions for the purpose of securing the deposit of  
168 public funds.

169 Section 15. Bonds issued under the provisions of Sections 3  
170 through 18 of this act and income therefrom shall be exempt from  
171 all taxation in the State of Mississippi.

172 Section 16. The proceeds of the bonds issued under Sections  
173 3 through 18 of this act shall be used solely for the purposes  
174 therein provided, including the costs incident to the issuance and  
175 sale of such bonds.

176 Section 17. The State Treasurer is authorized, without  
177 further process of law, to certify to the Department of Finance  
178 and Administration the necessity for warrants, and the Department  
179 of Finance and Administration is authorized and directed to issue  
180 such warrants, in such amounts as may be necessary to pay when due  
181 the principal of, premium, if any, and interest on, or the  
182 accreted value of, all bonds issued under Sections 3 through 18 of  
183 this act; and the State Treasurer shall forward the necessary  
184 amount to the designated place or places of payment of such bonds  
185 in ample time to discharge such bonds, or the interest thereon, on  
186 the due dates thereof.

187 Section 18. Sections 3 through 18 of this act shall be  
188 deemed to be full and complete authority for the exercise of the  
189 powers therein granted, but Sections 3 through 18 of this act  
190 shall not be deemed to repeal or to be in derogation of any  
191 existing law of this state.

192 **SECTION 2.** Section 39-11-13, Mississippi Code of 1972, is  
193 amended as follows:

194 39-11-13. (1) (a) A special fund, to be designated as the  
195 "Building Fund for the Arts" is created within the State Treasury.  
196 The fund shall be maintained by the State Treasurer as a separate  
197 and special fund, separate and apart from the General Fund of the  
198 state. The fund shall consist of any money designated for deposit  
199 therein from any source, including, but not limited to, any state  
200 general obligation bonds issued for the purposes described in this  
201 section. Unexpended amounts remaining in the fund at the end of a

202 fiscal year shall not lapse into the State General Fund, and  
203 investment earnings on amounts in the fund shall be deposited into  
204 such fund.

205 (b) Money deposited into the fund shall be disbursed,  
206 in the discretion of the Mississippi Arts Commission, to provide  
207 grants to nonprofit organizations that are qualified as tax exempt  
208 under Section 501(c)(3) of the Internal Revenue Code and units of  
209 local government to pay the costs of:

210 (i) Repair, upgrading, expansion, renovation or  
211 enhancement of existing buildings and facilities for the  
212 presentation, teaching or exhibition of the arts in any and all of  
213 its forms and furniture, equipment and/or technology for such  
214 buildings or facilities; or

215 (ii) The development, construction, equipping and  
216 furnishing of an entertainment and film center and museum and  
217 completion of a sound stage project.

218 (c) The entity to which such grants are made shall  
219 provide matching funds from local, federal or private sources  
220 equal to forty percent (40%) of the proposed project cost in order  
221 to be eligible for a grant under this section.

222 (d) The maximum aggregate amount of monies in the  
223 special fund that may be used to provide grant funds to an entity  
224 or combination of entities under paragraph (b)(ii) of this  
225 subsection shall not exceed One Million Dollars (\$1,000,000.00),  
226 and no monies in the special fund may be used to provide grant  
227 funds under paragraph (b)(ii) of this subsection after July 1,  
228 2003. The maximum aggregate amount of grant funds that may be  
229 provided to an entity or combination of entities under paragraph  
230 (b)(ii) of this subsection during a fiscal year shall not exceed  
231 Five Hundred Thousand Dollars (\$500,000.00).

232 (2) Amounts deposited into such special fund shall be  
233 disbursed to pay the costs of projects described in subsection (1)  
234 of this section. If any monies in the special fund are derived  
235 from proceeds of bonds issued under Sections 3 through 18 of Laws,  
236 2001, Chapter 541, as amended by House Bill No. 1745, 2002 Regular

237 Session, and are not used within four (4) years after the date  
238 such bond proceeds are deposited into the special fund, then the  
239 Mississippi Arts Commission shall provide an accounting of such  
240 unused monies to the State Bond Commission.

241 (3) The Mississippi Arts Commission is expressly authorized  
242 and empowered to receive and expend any local or other source  
243 funds in connection with the expenditure of funds provided for in  
244 this section. The expenditure of money deposited into the special  
245 fund shall be under the direction of the Mississippi Arts  
246 Commission, and such funds shall be paid by the State Treasurer  
247 upon warrants issued by the Department of Finance and  
248 Administration upon request of the Mississippi Arts Commission,  
249 which warrants shall be issued upon requisitions signed by the  
250 Executive Director of the Mississippi Arts Commission or his or  
251 her designee.

252 (4) The Mississippi Arts Commission shall adopt necessary  
253 rules and regulations to govern the administration of the program  
254 described in subsection (1) of this section, including, but not  
255 limited to, rules and regulations governing applications for  
256 grants and rules and regulations providing for the distribution of  
257 grant funds. The Mississippi Arts Commission shall comply with  
258 the provisions of the Mississippi Administrative Procedures Law.

259 **SECTION 3.** This act shall take effect and be in force from  
260 and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTIONS 3 THROUGH 18, CHAPTER 541, LAWS OF  
2 2001, TO INCREASE THE AMOUNT OF STATE GENERAL OBLIGATION BONDS  
3 THAT MAY BE ISSUED FOR THE PURPOSE OF PROVIDING FUNDS FOR THE  
4 BUILDING FUND FOR THE ARTS; TO AMEND SECTION 39-11-13, MISSISSIPPI  
5 CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.