HOUSE BILL NO. 1339

AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR CONSTRUCTION OF THE OHR-O'KEEFE MUSEUM OF ART IN BILOXI, MISSISSIPPI, WHICH INCLUDES CONSTRUCTION OF THE AFRICAN-AMERICAN ART CENTER AT THE MUSEUM AND RESTORATION OF THE PLEASANT REED HOUSE; 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 in this section 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 the bond, plus (ii) the interest accrued on the bond 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) "Commission" means the State Bond Commission.

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

SECTION 2. (1) 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 in an amount not to exceed Two Million Dollars ($2,000,000.00) to provide funds to pay the costs of construction of the Ohr-O'Keefe Museum of Art in Biloxi, Mississippi, which includes construction of the African-American Art Center at the museum and restoration of the Pleasant Reed House.
(2) (a) A special fund, to be designated as the "Ohr-O'Keefe Museum of Art Fund," is created in the State Treasury. The fund shall be maintained by the State Treasurer separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into the fund.

(b) Monies deposited into the fund shall be disbursed, in the discretion of the Department of Finance and Administration, to pay all costs incurred or to be incurred in connection with the project described in subsection (1) of this section.

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

(d) After the commission has certified, by resolution duly adopted, that the project described in subsection (1) has been completed, abandoned, or cannot be completed in a timely fashion, any amounts remaining in the fund shall be applied to pay debt service on the bonds issued under this act, in accordance with the proceedings authorizing the issuance of the bonds and as directed by the commission.

SECTION 3. 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 act, the Department of Finance and Administration shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of the 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 the bonds. The total amount of bonds issued
under this act shall not exceed Two Million Dollars
($2,000,000.00).

SECTION 4. The principal of and interest on the bonds
authorized under this act shall be payable in the manner provided
in this section. The 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,
Mississippi Code of 1972), 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 (20) 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 commission.

SECTION 5. The bonds authorized by this act shall be signed
by the chairman of the commission, or by his facsimile signature,
and the official seal of the commission shall be affixed to the
bonds, attested by the secretary of the commission. The interest
coupons, if any, to be attached to the bonds may be executed by
the facsimile signatures of those officers. Whenever any of the
bonds have been signed by the officials designated to sign the
bonds who were in office at the time of the signing, but who may
have ceased to be those officers before the sale and delivery of
the bonds, or who may not have been in office on the date the
bonds may bear, the signatures of those officers upon the bonds
and coupons nevertheless shall be valid and sufficient for all
purposes and have the same effect as if the person so officially
signing the bonds had remained in office until their delivery to
the purchaser, or had been in office on the date the bonds may
bear. However, notwithstanding anything in this act to the
contrary, the 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 Mississippi 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 Mississippi Uniform Commercial Code.

SECTION 7. The commission shall act as the issuing agent for the bonds authorized under 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 the issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of the bonds. The commission may 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 the bonds. The commission shall sell the 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 the 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 bonds 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 of the bonds 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 the 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 the bonds shall be disbursed solely
upon the order of the Department of Finance and Administration
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 that 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 those 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 to the bonds 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 the 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 on the bonds.

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 the bonds shall be legal securities that 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 from the bonds 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 provided in this act, including the costs incident to the issuance and sale of the bonds.

SECTION 16. The State Treasurer may, without further process of law, certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration shall issue those 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 the bonds
in ample time to discharge the bonds, or the interest on the
bonds, on the due dates thereof.

**SECTION 17.** This act shall be deemed to be full and complete
authority for the exercise of the powers granted in this act, 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, 2003.