

By: Representatives Janus, Barnett (116th),  
Creel, Fredericks

To: Ways and Means

HOUSE BILL NO. 1339

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR CONSTRUCTION OF THE OHR-O'KEEFE MUSEUM  
3 OF ART IN BILOXI, MISSISSIPPI, WHICH INCLUDES CONSTRUCTION OF THE  
4 AFRICAN-AMERICAN ART CENTER AT THE MUSEUM AND RESTORATION OF THE  
5 PLEASANT REED HOUSE; AND FOR RELATED PURPOSES.

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

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

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

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

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

19 **SECTION 2.** (1) The Department of Finance and  
20 Administration, at one time or from time to time, may declare by  
21 resolution the necessity for issuance of general obligation bonds  
22 of the State of Mississippi in an amount not to exceed Two Million  
23 Dollars (\$2,000,000.00) to provide funds to pay the costs of  
24 construction of the Ohr-O'Keefe Museum of Art in Biloxi,  
25 Mississippi, which includes construction of the African-American  
26 Art Center at the museum and restoration of the Pleasant Reed  
27 House.



28           (2) (a) A special fund, to be designated as the  
29 "Ohr-O'Keefe Museum of Art Fund," is created in the State  
30 Treasury. The fund shall be maintained by the State Treasurer  
31 separate and apart from the General Fund of the state. Unexpended  
32 amounts remaining in the fund at the end of a fiscal year shall  
33 not lapse into the State General Fund, and any interest earned or  
34 investment earnings on amounts in the fund shall be deposited into  
35 the fund.

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

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

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

51           **SECTION 3.** Upon the adoption of a resolution by the  
52 Department of Finance and Administration, declaring the necessity  
53 for the issuance of any part or all of the general obligation  
54 bonds authorized by this act, the Department of Finance and  
55 Administration shall deliver a certified copy of its resolution or  
56 resolutions to the commission. Upon receipt of the resolution,  
57 the commission, in its discretion, may act as the issuing agent,  
58 prescribe the form of the bonds, advertise for and accept bids,  
59 issue and sell the bonds so authorized to be sold and do any and  
60 all other things necessary and advisable in connection with the



61 issuance and sale of the bonds. The total amount of bonds issued  
62 under this act shall not exceed Two Million Dollars  
63 (\$2,000,000.00).

64 **SECTION 4.** The principal of and interest on the bonds  
65 authorized under this act shall be payable in the manner provided  
66 in this section. The bonds shall bear such date or dates, be in  
67 such denomination or denominations, bear interest at such rate or  
68 rates (not to exceed the limits set forth in Section 75-17-101,  
69 Mississippi Code of 1972), be payable at such place or places  
70 within or without the State of Mississippi, shall mature  
71 absolutely at such time or times not to exceed twenty (20) years  
72 from date of issue, be redeemable before maturity at such time or  
73 times and upon such terms, with or without premium, shall bear  
74 such registration privileges, and shall be substantially in such  
75 form, all as shall be determined by resolution of the commission.

76 **SECTION 5.** The bonds authorized by this act shall be signed  
77 by the chairman of the commission, or by his facsimile signature,  
78 and the official seal of the commission shall be affixed to the  
79 bonds, attested by the secretary of the commission. The interest  
80 coupons, if any, to be attached to the bonds may be executed by  
81 the facsimile signatures of those officers. Whenever any of the  
82 bonds have been signed by the officials designated to sign the  
83 bonds who were in office at the time of the signing, but who may  
84 have ceased to be those officers before the sale and delivery of  
85 the bonds, or who may not have been in office on the date the  
86 bonds may bear, the signatures of those officers upon the bonds  
87 and coupons nevertheless shall be valid and sufficient for all  
88 purposes and have the same effect as if the person so officially  
89 signing the bonds had remained in office until their delivery to  
90 the purchaser, or had been in office on the date the bonds may  
91 bear. However, notwithstanding anything in this act to the  
92 contrary, the bonds may be issued as provided in the Registered  
93 Bond Act of the State of Mississippi.



94           **SECTION 6.** All bonds and interest coupons issued under the  
95 provisions of this act have all the qualities and incidents of  
96 negotiable instruments under the provisions of the Mississippi  
97 Uniform Commercial Code, and in exercising the powers granted by  
98 this act, the commission shall not be required to and need not  
99 comply with the provisions of the Mississippi Uniform Commercial  
100 Code.

101           **SECTION 7.** The commission shall act as the issuing agent for  
102 the bonds authorized under this act, prescribe the form of the  
103 bonds, advertise for and accept bids, issue and sell the bonds so  
104 authorized to be sold, pay all fees and costs incurred in the  
105 issuance and sale, and do any and all other things necessary and  
106 advisable in connection with the issuance and sale of the bonds.  
107 The commission may pay the costs that are incident to the sale,  
108 issuance and delivery of the bonds authorized under this act from  
109 the proceeds derived from the sale of the bonds. The commission  
110 shall sell the bonds on sealed bids at public sale, and for such  
111 price as it may determine to be for the best interest of the State  
112 of Mississippi, but no such sale shall be made at a price less  
113 than par plus accrued interest to the date of delivery of the  
114 bonds to the purchaser. All interest accruing on the bonds so  
115 issued shall be payable semiannually or annually; however, the  
116 first interest payment may be for any period of not more than one  
117 (1) year.

118           Notice of the sale of any such bonds shall be published at  
119 least one (1) time, not less than ten (10) days before the date of  
120 sale, and shall be so published in one or more newspapers  
121 published or having a general circulation in the City of Jackson,  
122 Mississippi, and in one or more other newspapers or financial  
123 journals with a national circulation, to be selected by the  
124 commission.

125           The commission, when issuing any bonds under the authority of  
126 this act, may provide that bonds, at the option of the State of



127 Mississippi, may be called in for payment and redemption at the  
128 call price named therein and accrued interest on such date or  
129 dates named therein.

130       **SECTION 8.** The bonds issued under the provisions of this act  
131 are general obligations of the State of Mississippi, and for the  
132 payment of the bonds the full faith and credit of the State of  
133 Mississippi is irrevocably pledged. If the funds appropriated by  
134 the Legislature are insufficient to pay the principal of and the  
135 interest on the bonds as they become due, then the deficiency  
136 shall be paid by the State Treasurer from any funds in the State  
137 Treasury not otherwise appropriated. All such bonds shall contain  
138 recitals on their faces substantially covering the provisions of  
139 this section.

140       **SECTION 9.** Upon the issuance and sale of bonds under the  
141 provisions of this act, the commission shall transfer the proceeds  
142 of any such sale or sales to the special fund created in Section 2  
143 of this act. The proceeds of the bonds shall be disbursed solely  
144 upon the order of the Department of Finance and Administration  
145 under such restrictions, if any, as may be contained in the  
146 resolution providing for the issuance of the bonds.

147       **SECTION 10.** The bonds authorized under this act may be  
148 issued without any other proceedings or the happening of any other  
149 conditions or things other than those proceedings, conditions and  
150 things that are specified or required by this act. Any resolution  
151 providing for the issuance of bonds under the provisions of this  
152 act shall become effective immediately upon its adoption by the  
153 commission, and any such resolution may be adopted at any regular  
154 or special meeting of the commission by a majority of its members.

155       **SECTION 11.** The bonds authorized under the authority of this  
156 act may be validated in the Chancery Court of the First Judicial  
157 District of Hinds County, Mississippi, in the manner and with the  
158 force and effect provided by Chapter 13, Title 31, Mississippi  
159 Code of 1972, for the validation of county, municipal, school



160 district and other bonds. The notice to taxpayers required by  
161 those statutes shall be published in a newspaper published or  
162 having a general circulation in the City of Jackson, Mississippi.

163 **SECTION 12.** Any holder of bonds issued under the provisions  
164 of this act or of any of the interest coupons pertaining to the  
165 bonds may, either at law or in equity, by suit, action, mandamus  
166 or other proceeding, protect and enforce any and all rights  
167 granted under this act, or under the resolution, and may enforce  
168 and compel performance of all duties required by this act to be  
169 performed, in order to provide for the payment of bonds and  
170 interest on the bonds.

171 **SECTION 13.** All bonds issued under the provisions of this  
172 act shall be legal investments for trustees and other fiduciaries,  
173 and for savings banks, trust companies and insurance companies  
174 organized under the laws of the State of Mississippi, and the  
175 bonds shall be legal securities that may be deposited with and  
176 shall be received by all public officers and bodies of this state  
177 and all municipalities and political subdivisions for the purpose  
178 of securing the deposit of public funds.

179 **SECTION 14.** Bonds issued under the provisions of this act  
180 and income from the bonds shall be exempt from all taxation in the  
181 State of Mississippi.

182 **SECTION 15.** The proceeds of the bonds issued under this act  
183 shall be used solely for the purposes provided in this act,  
184 including the costs incident to the issuance and sale of the  
185 bonds.

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



193 amount to the designated place or places of payment of the bonds  
194 in ample time to discharge the bonds, or the interest on the  
195 bonds, on the due dates thereof.

196         **SECTION 17.** This act shall be deemed to be full and complete  
197 authority for the exercise of the powers granted in this act, but  
198 this act shall not be deemed to repeal or to be in derogation of  
199 any existing law of this state.

200         **SECTION 18.** This act shall take effect and be in force from  
201 and after July 1, 2003.

