

By: Senator(s) Jackson

To: Finance

SENATE BILL NO. 2572

1 AN ACT TO AMEND CHAPTER 595, LAWS OF 1998, TO DELETE
 2 PROVISIONS THAT REQUIRE STATE AGENCIES OCCUPYING FACILITIES FOR
 3 WHICH CAPITAL IMPROVEMENT WERE UNDERTAKEN USING THE PROCEEDS OF
 4 BONDS ISSUED PURSUANT TO CHAPTER 595, LAWS OF 1998, TO PAY RENT IN
 5 AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON BONDS
 6 ISSUED UNDER SUCH CHAPTER AND PROVIDE FOR THE AMOUNT OF RENT TO BE
 7 PAID BY SUCH AGENCIES AFTER SUCH BONDS ARE RETIRED; AND FOR
 8 RELATED PURPOSES.

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

10 **SECTION 1.** Chapter 595, Laws of 1998, is amended as follows:

11 Section 1. As used in this act, the following words shall
 12 have the meanings ascribed herein unless the context clearly
 13 requires otherwise:

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

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

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

23 Section 2. (1) (a) A special fund, to be designated as the
 24 "1998 Capitol Facilities Improvements Fund" is created within the
 25 State Treasury. The fund shall be maintained by the State
 26 Treasurer as a separate and special fund, separate and apart from
 27 the General Fund of the state and investment earnings on amounts
 28 in the fund shall be deposited into the fund.

29 (b) Monies deposited into the fund shall be disbursed,
 30 in the discretion of the Department of Finance and Administration,



31 to pay the cost of supplemental funding as needed for the Woolfolk
32 Building renovation, addition, mechanical plant and garages
33 authorized by Chapter 524, Laws of 1995; to pay the cost of
34 renovation and repair of the Sillers Office Building; to pay the
35 cost of constructing a new central mechanical and electrical
36 service plant to support the Capitol Complex to be located near
37 the Woolfolk Building; to pay the cost of constructing a
38 pedestrian mall on the Sillers/Gartin block that extends south
39 from the intersection of North Congress Street and George Street
40 to High Street, such mall to have a width of not less than that of
41 the right-of-way of North Congress Street; to pay the cost of
42 planning through construction and bidding documents of a new Court
43 Building to be located on state-owned property that is adjacent to
44 the Old Capitol Green; and during the course of the construction
45 and relocation of various state agencies, to pay the cost of
46 moving, reestablishment of computer networks communications,
47 partition construction and other necessary expenses associated
48 with the construction authorized by Chapter 524, Laws of 1995.

49 (c) All new buildings authorized by this act to be
50 constructed or planned shall be designed to be aesthetically
51 pleasing and compatible with state-owned buildings which are
52 located nearby. To the extent practicable, all new buildings
53 authorized by this act to be constructed or planned shall be of
54 sustainable design and shall be energy efficient.

55 (2) Amounts deposited into the special fund shall be
56 disbursed to pay the costs of projects described in subsection (1)
57 of this section. Promptly after the commission has certified, by
58 resolution duly adopted, that the projects described in subsection
59 (1) shall have been completed, abandoned, or cannot be completed
60 in a timely fashion, any amounts remaining in the special fund
61 shall be applied to pay debt service on the bonds issued under
62 this act, in accordance with the proceedings authorizing the
63 issuance of the bonds and as directed by the commission.



64 (3) The Department of Finance and Administration, acting
65 through the Bureau of Building, Grounds and Real Property
66 Management, may receive and expend any local or other source funds
67 in connection with the expenditure of funds provided for in this
68 section. The expenditure of monies deposited into the special
69 fund shall be under the direction of the Department of Finance and
70 Administration, and the funds shall be paid by the State Treasurer
71 upon warrants issued by the department, which warrants shall be
72 issued upon requisitions signed by the Executive Director of the
73 Department of Finance and Administration or his designee.

74 Section 3. (1) The commission, at one time, or from time to
75 time, may declare by resolution the necessity for issuance of
76 general obligation bonds of the State of Mississippi to provide
77 funds for all costs incurred or to be incurred for the purposes
78 described in Section 2 of this act. Upon the adoption of a
79 resolution by the Department of Finance and Administration,
80 declaring the necessity for the issuance of any part or all of the
81 general obligation bonds authorized by this section, the
82 Department of Finance and Administration shall deliver a certified
83 copy of its resolution or resolutions to the commission. Upon
84 receipt of the resolution, the commission may act as the issuing
85 agent, prescribe the form of the bonds, advertise for and accept
86 bids, issue and sell the bonds authorized to be sold and do any
87 and all other things necessary and advisable in connection with
88 the issuance and sale of the bonds. The total amount of bonds
89 issued under this act shall not exceed Forty-three Million Dollars
90 (\$43,000,000.00).

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

95 Section 4. The principal of and interest on the bonds
96 authorized under Section 3 of this act shall be payable in the



97 manner provided in this section. The bonds shall bear a date or
98 dates, be in a denomination or denominations, bear interest at a
99 rate or rates (not to exceed the limits set forth in Section
100 75-17-101, Mississippi Code of 1972), be payable at a place or
101 places within or without the State of Mississippi, shall mature
102 absolutely at a time or times not to exceed twenty-five (25) years
103 from date of issue, be redeemable before maturity at a time or
104 times and upon terms, with or without premium, shall bear
105 registration privileges, and shall be substantially in a form, all
106 as determined by resolution of the commission.

107 Section 5. The bonds authorized by Section 3 of this act
108 shall be signed by the chairman of the commission, or by his
109 facsimile signature, and the official seal of the commission shall
110 be affixed to the bonds and attested by the secretary of the
111 commission. The interest coupons, if any, to be attached to the
112 bonds may be executed by the facsimile signatures of the officers.
113 Whenever any such bonds have been signed by the officials
114 designated to sign the bonds who were in office at the time of the
115 signing, but who may have ceased to be officers before the sale
116 and delivery of the bonds, or who may not have been in office on
117 the date the bonds may bear, the signatures of the officers upon
118 the bonds and coupons shall nevertheless be valid and sufficient
119 for all purposes and have the same effect as if the person
120 officially signing the bonds had remained in office until their
121 delivery to the purchaser, or had been in office on the date the
122 bonds may bear. However, notwithstanding anything herein to the
123 contrary, the bonds may be issued as provided in the Registered
124 Bond Act of the State of Mississippi.

125 Section 6. All bonds and interest coupons issued under the
126 provisions of this act have all the qualities and incidents of
127 negotiable instruments under the provisions of the Uniform
128 Commercial Code, and in exercising the powers granted by this act,



129 the commission shall not be required to and need not comply with
130 the provisions of the Uniform Commercial Code.

131 Section 7. The commission shall act as the issuing agent for
132 the bonds authorized under Section 3 of this act, prescribe the
133 form of the bonds, advertise for and accept bids, issue and sell
134 the bonds authorized to be sold, pay all fees and costs incurred
135 in the issuance and sale, and do any and all other things
136 necessary and advisable in connection with the issuance and sale
137 of the bonds. The commission may pay the costs that are incident
138 to the sale, issuance and delivery of the bonds authorized under
139 this act from the proceeds derived from the sale of the bonds.
140 The commission shall sell the bonds on sealed bids at public sale,
141 and for a price as it may determine to be for the best interest of
142 the State of Mississippi, but no sale shall be made at a price
143 less than par plus accrued interest to the date of delivery of the
144 bonds to the purchaser. All interest accruing on the bonds issued
145 shall be payable semiannually or annually; however, the first
146 interest payment may be for any period of not more than one (1)
147 year.

148 Notice of the sale of any such bonds shall be published at
149 least one (1) time, not less than ten (10) days before the date of
150 sale, and shall be published in one or more newspapers published
151 or having a general circulation in the City of Jackson,
152 Mississippi, and in one or more other newspapers or financial
153 journals with a national circulation, to be selected by the
154 commission.

155 The commission, when issuing any bonds under the authority of
156 this act, may provide that bonds, at the option of the State of
157 Mississippi, may be called in for payment and redemption at the
158 call price named therein and accrued interest on the date or dates
159 named therein.

160 Section 8. The bonds issued under the provisions of this act
161 are general obligations of the State of Mississippi, and for the



162 payment of the bonds the full faith and credit of the State of
163 Mississippi is irrevocably pledged. If the funds appropriated by
164 the Legislature are insufficient to pay the principal of and the
165 interest on the bonds as they become due, then the deficiency
166 shall be paid by the State Treasurer from any funds in the State
167 Treasury not otherwise appropriated. All such bonds shall contain
168 recitals on their faces substantially covering the provisions of
169 this section.

170 Section 9. Upon the issuance and sale of bonds under the
171 provisions of this act, the commission shall transfer the proceeds
172 of any sale or sales to the special fund created in Section 2 of
173 this act. The proceeds of the bonds shall be disbursed solely
174 upon the order of the Department of Finance and Administration
175 under the restrictions, if any, as may be contained in the
176 resolution providing for the issuance of the bonds.

177 Section 10. The bonds authorized under this act may be
178 issued without any other proceedings or the happening of any other
179 conditions or things other than those proceedings, conditions and
180 things which are specified or required by this act. Any
181 resolution providing for the issuance of bonds under the
182 provisions of this act shall become effective immediately upon its
183 adoption by the commission, and any such resolution may be adopted
184 at any regular or special meeting of the commission by a majority
185 of its members.

186 Section 11. The bonds authorized under the authority of this
187 act may be validated in the Chancery Court of the First Judicial
188 District of Hinds County, Mississippi, in the manner and with the
189 force and effect provided by Chapter 13, Title 31, Mississippi
190 Code of 1972, for the validation of county, municipal, school
191 district and other bonds. The notice to taxpayers required by
192 these statutes shall be published in a newspaper published or
193 having a general circulation in the City of Jackson, Mississippi.



194 Section 12. Any holder of bonds issued under the provisions
195 of this act or of any of the interest coupons pertaining to the
196 bonds may, either at law or in equity, by suit, action, mandamus
197 or other proceeding, protect and enforce any and all rights
198 granted under this act, or under the resolution adopted by the
199 commission pursuant to Section 3 of this act, and may enforce and
200 compel performance of all duties required by this act to be
201 performed, in order to provide for the payment of bonds and
202 interest thereon.

203 Section 13. All bonds issued under the provisions of this
204 act shall be legal investments for trustees and other fiduciaries,
205 and for savings banks, trust companies and insurance companies
206 organized under the laws of the State of Mississippi, and the
207 bonds shall be legal securities which may be deposited with and
208 shall be received by all public officers and bodies of this state
209 and all municipalities and political subdivisions for the purpose
210 of securing the deposit of public funds.

211 Section 14. Bonds issued under the provisions of this act
212 and income derived from the bonds shall be exempt from all
213 taxation in the State of Mississippi.

214 Section 15. The proceeds of the bonds issued under this act
215 shall be used solely for the purposes therein provided, including
216 the costs incident to the issuance and sale of the bonds.

217 Section 16. The State Treasurer may, without further process
218 of law, certify to the Department of Finance and Administration
219 the necessity for warrants, and the Department of Finance and
220 Administration shall issue the warrants, in amounts as may be
221 necessary to pay when due the principal of, premium, if any, and
222 interest on, or the accreted value of, all bonds issued under this
223 act; and the State Treasurer shall forward the necessary amount to
224 the designated place or places of payment of the bonds in ample
225 time to discharge the bonds, or the interest thereon, on the due
226 dates thereof.



227 Section 17. This act shall be deemed to be full and complete
228 authority for the exercise of the powers herein granted, but this
229 act shall not be deemed to repeal or to be in derogation of any
230 existing law of this state.

231 Section 18. * * *

232 Section 19. * * *

233 Section 20. The office space occupied by the Secretary of
234 State on the first floor of the New Capitol on January 1, 1998,
235 shall continue to be occupied and used by the Secretary of State.

236 **SECTION 2.** This act shall take effect and be in force from
237 and after its passage.

