

By: Senator(s) Frazier, Burton

To: Finance

SENATE BILL NO. 2978

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 2003 Capital Improvements and Land
20 Acquisition Fund," is created within the State Treasury. The fund
21 shall be maintained by the State Treasurer as a separate and
22 special fund, separate and apart from the General Fund of the
23 state. Unexpended amounts remaining in the fund at the end of a
24 fiscal year shall not lapse into the State General Fund, and any
25 interest earned or investment earnings on amounts in the fund
26 shall be deposited to the credit of the fund. Monies in the fund
27 may not be used or expended for any purpose except as authorized
28 under this act.



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 costs of capital improvements, repairs and renovations
32 on the campus of Jackson State University, as follows:

33	Relocation of Baseball Field	\$ 1,500,000.00
34	Lynch Street Canal Enclosure	400,000.00
35	Dansby Hall Renovation	1,500,000.00
36	Land Acquisition	500,000.00
37	ADA Compliance	3,000,000.00
38	Phase II of TV23/radio digital equipment	
39	upgrades	1,000,000.00
40	Repairs & renovations	<u>3,000,000.00</u>
41		\$10,900,000.00

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

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



61 shall be issued upon requisitions signed by the Executive Director
62 of the Department of Finance and Administration, or his designee.

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

66 **SECTION 3.** (1) The commission, at one time, or from time to
67 time, may declare by resolution the necessity for issuance of
68 general obligation bonds of the State of Mississippi to provide
69 funds for all costs incurred or to be incurred for the purposes
70 described in Section 2 of this act. Upon the adoption of a
71 resolution by the Department of Finance and Administration,
72 declaring the necessity for the issuance of any part or all of the
73 general obligation bonds authorized by this section, the
74 Department of Finance and Administration shall deliver a certified
75 copy of its resolution or resolutions to the commission. Upon
76 receipt of such resolution, the commission, in its discretion, may
77 act as the issuing agent, prescribe the form of the bonds,
78 advertise for and accept bids, issue and sell the bonds so
79 authorized to be sold and do any and all other things necessary
80 and advisable in connection with the issuance and sale of such
81 bonds. The total amount of bonds issued under this act shall not
82 exceed Ten Million Nine Hundred Thousand Dollars (\$10,900,000.00).

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

87 **SECTION 4.** The principal of and interest on the bonds
88 authorized under this act shall be payable in the manner provided
89 in this section. Such bonds shall bear such date or dates, be in
90 such denomination or denominations, bear interest at such rate or
91 rates (not to exceed the limits set forth in Section 75-17-101,
92 Mississippi Code of 1972), be payable at such place or places
93 within or without the State of Mississippi, shall mature



94 absolutely at such time or times not to exceed twenty-five (25)
95 years from date of issue, be redeemable before maturity at such
96 time or times and upon such terms, with or without premium, shall
97 bear such registration privileges, and shall be substantially in
98 such form, all as shall be determined by resolution of the
99 commission.

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

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

124 **SECTION 7.** The commission shall act as the issuing agent for
125 the bonds authorized under this act, prescribe the form of the
126 bonds, advertise for and accept bids, issue and sell the bonds so



127 authorized to be sold, pay all fees and costs incurred in such
128 issuance and sale, and do any and all other things necessary and
129 advisable in connection with the issuance and sale of such bonds.
130 The commission is authorized and empowered to pay the costs that
131 are incident to the sale, issuance and delivery of the bonds
132 authorized under this act from the proceeds derived from the sale
133 of such bonds. The commission shall sell such bonds on sealed
134 bids at public sale, and for such price as it may determine to be
135 for the best interest of the State of Mississippi, but no such
136 sale shall be made at a price less than par plus accrued interest
137 to the date of delivery of the bonds to the purchaser. All
138 interest accruing on such bonds so issued shall be payable
139 semiannually or annually; however, the first interest payment may
140 be for any period of not more than one (1) year.

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

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

153 **SECTION 8.** The bonds issued under the provisions of this act
154 are general obligations of the State of Mississippi, and for the
155 payment thereof the full faith and credit of the State of
156 Mississippi is irrevocably pledged. If the funds appropriated by
157 the Legislature are insufficient to pay the principal of and the
158 interest on such bonds as they become due, then the deficiency
159 shall be paid by the State Treasurer from any funds in the State



160 Treasury not otherwise appropriated. All such bonds shall contain
161 recitals on their faces substantially covering the provisions of
162 this section.

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

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

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

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



193 performed, in order to provide for the payment of bonds and
194 interest thereon.

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

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

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

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

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

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

