

By: Senator(s) Minor, Dearing, Furniss

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2983

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS FOR THE PURPOSE OF PROVIDING ADDITIONAL FUNDS FOR THE  
3 MISSISSIPPI COMMUNITY HERITAGE PRESERVATION GRANT FUND; TO AMEND  
4 SECTION 39-5-145, MISSISSIPPI CODE OF 1972, TO AUTHORIZE FUNDS IN  
5 SUCH FUND TO BE USED TO ACQUIRE HISTORIC PROPERTIES; TO AMEND  
6 SECTIONS 39-5-143 AND 39-5-145, MISSISSIPPI CODE OF 1972, IN  
7 CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** As used in Sections 1 through 16 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.

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

21 **SECTION 2.** (1) The commission, at one time, or from time to  
22 time, may declare by resolution the necessity for issuance of  
23 general obligation bonds of the State of Mississippi to provide  
24 funds for the Mississippi Community Heritage Preservation Grant  
25 Fund created pursuant to Section 39-5-145. Upon the adoption of a  
26 resolution by the Department of Finance and Administration,  
27 declaring the necessity for the issuance of any part or all of the  
28 general obligation bonds authorized by this section, the  
29 Department of Finance and Administration shall deliver a certified



30 copy of its resolution or resolutions to the commission. Upon  
31 receipt of such resolution, the commission, in its discretion, may  
32 act as the issuing agent, prescribe the form of the bonds,  
33 advertise for and accept bids, issue and sell the bonds so  
34 authorized to be sold and do any and all other things necessary  
35 and advisable in connection with the issuance and sale of such  
36 bonds. The total amount of bonds issued under Sections 1 through  
37 16 of this act shall not exceed Five Million Dollars  
38 (\$5,000,000.00). No bonds authorized under Sections 1 through 16  
39 of this act shall be issued after July 1, 2007.

40 (2) The proceeds of bonds issued pursuant to Sections 1  
41 through 16 of this act shall be deposited into the Mississippi  
42 Community Heritage Preservation Grant Fund created pursuant to  
43 Section 39-5-145. Any investment earnings on bonds issued  
44 pursuant to Sections 1 through 16 of this act shall be used to pay  
45 debt service on bonds issued under Sections 1 through 16 of this  
46 act, in accordance with the proceedings authorizing issuance of  
47 such bonds.

48 (3) If any monies in the Mississippi Community Heritage  
49 Preservation Grant Fund are derived from proceeds of bonds issued  
50 under Sections 1 through 16 of this act and are not used within  
51 four (4) years after the date such bond proceeds are deposited  
52 into the special fund, then the Department of Finance and  
53 Administration shall provide an accounting of such unused monies  
54 to the State Bond Commission.

55 **SECTION 3.** The principal of and interest on the bonds  
56 authorized under Sections 1 through 16 of this act shall be  
57 payable in the manner provided in this section. Such bonds shall  
58 bear such date or dates, be in such denomination or denominations,  
59 bear interest at such rate or rates (not to exceed the limits set  
60 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
61 at such place or places within or without the State of  
62 Mississippi, shall mature absolutely at such time or times not to



63 exceed twenty-five (25) years from date of issue, be redeemable  
64 before maturity at such time or times and upon such terms, with or  
65 without premium, shall bear such registration privileges, and  
66 shall be substantially in such form, all as shall be determined by  
67 resolution of the commission.

68       **SECTION 4.** The bonds authorized by Sections 1 through 16 of  
69 this act shall be signed by the chairman of the commission, or by  
70 his facsimile signature, and the official seal of the commission  
71 shall be affixed thereto, attested by the secretary of the  
72 commission. The interest coupons, if any, to be attached to such  
73 bonds may be executed by the facsimile signatures of such  
74 officers. Whenever any such bonds shall have been signed by the  
75 officials designated to sign the bonds who were in office at the  
76 time of such signing but who may have ceased to be such officers  
77 before the sale and delivery of such bonds, or who may not have  
78 been in office on the date such bonds may bear, the signatures of  
79 such officers upon such bonds and coupons shall nevertheless be  
80 valid and sufficient for all purposes and have the same effect as  
81 if the person so officially signing such bonds had remained in  
82 office until their delivery to the purchaser, or had been in  
83 office on the date such bonds may bear. However, notwithstanding  
84 anything herein to the contrary, such bonds may be issued as  
85 provided in the Registered Bond Act of the State of Mississippi.

86       **SECTION 5.** All bonds and interest coupons issued under the  
87 provisions of Sections 1 through 16 of this act have all the  
88 qualities and incidents of negotiable instruments under the  
89 provisions of the Uniform Commercial Code, and in exercising the  
90 powers granted by Sections 1 through 16 of this act, the  
91 commission shall not be required to and need not comply with the  
92 provisions of the Uniform Commercial Code.

93       **SECTION 6.** The commission shall act as the issuing agent for  
94 the bonds authorized under Sections 1 through 16 of this act,  
95 prescribe the form of the bonds, advertise for and accept bids,



96 issue and sell the bonds so authorized to be sold, pay all fees  
97 and costs incurred in such issuance and sale, and do any and all  
98 other things necessary and advisable in connection with the  
99 issuance and sale of such bonds. The commission is authorized and  
100 empowered to pay the costs that are incident to the sale, issuance  
101 and delivery of the bonds authorized under Sections 1 through 16  
102 of this act from the proceeds derived from the sale of such bonds.  
103 The commission shall sell such bonds on sealed bids at public  
104 sale, and for such price as it may determine to be for the best  
105 interest of the State of Mississippi, but no such sale shall be  
106 made at a price less than par plus accrued interest to the date of  
107 delivery of the bonds to the purchaser. All interest accruing on  
108 such bonds so issued shall be payable semiannually or annually;  
109 however, the first interest payment may be for any period of not  
110 more than one (1) year.

111 Notice of the sale of any such bonds shall be published at  
112 least one time, not less than ten (10) days before the date of  
113 sale, and shall be so published in one or more newspapers  
114 published or having a general circulation in the City of Jackson,  
115 Mississippi, and in one or more other newspapers or financial  
116 journals with a national circulation, to be selected by the  
117 commission.

118 The commission, when issuing any bonds under the authority of  
119 Sections 1 through 16 of this act, may provide that bonds, at the  
120 option of the State of Mississippi, may be called in for payment  
121 and redemption at the call price named therein and accrued  
122 interest on such date or dates named therein.

123 **SECTION 7.** The bonds issued under the provisions of Sections  
124 1 through 16 of this act are general obligations of the State of  
125 Mississippi, and for the payment thereof the full faith and credit  
126 of the State of Mississippi is irrevocably pledged. If the funds  
127 appropriated by the Legislature are insufficient to pay the  
128 principal of and the interest on such bonds as they become due,



129 then the deficiency shall be paid by the State Treasurer from any  
130 funds in the State Treasury not otherwise appropriated. All such  
131 bonds shall contain recitals on their faces substantially covering  
132 the provisions of this section.

133         **SECTION 8.** Upon the issuance and sale of bonds under the  
134 provisions of Sections 1 through 16 of this act, the commission  
135 shall transfer the proceeds of any such sale or sales to the  
136 Mississippi Community Heritage Preservation Grant Fund created in  
137 Section 39-5-145, and the proceeds of such bonds shall be  
138 disbursed for the purposes provided in Section 39-5-145.

139         **SECTION 9.** The bonds authorized under Sections 1 through 16  
140 of this act may be issued without any other proceedings or the  
141 happening of any other conditions or things other than those  
142 proceedings, conditions and things which are specified or required  
143 by Sections 1 through 16 of this act. Any resolution providing  
144 for the issuance of bonds under the provisions of Sections 1  
145 through 16 of this act shall become effective immediately upon its  
146 adoption by the commission, and any such resolution may be adopted  
147 at any regular or special meeting of the commission by a majority  
148 of its members.

149         **SECTION 10.** The bonds authorized under the authority of  
150 Sections 1 through 16 of this act may be validated in the Chancery  
151 Court of the First Judicial District of Hinds County, Mississippi,  
152 in the manner and with the force and effect provided by Chapter  
153 13, Title 31, Mississippi Code of 1972, for the validation of  
154 county, municipal, school district and other bonds. The notice to  
155 taxpayers required by such statutes shall be published in a  
156 newspaper published or having a general circulation in the City of  
157 Jackson, Mississippi.

158         **SECTION 11.** Any holder of bonds issued under the provisions  
159 of Sections 1 through 16 of this act or of any of the interest  
160 coupons pertaining thereto may, either at law or in equity, by  
161 suit, action, mandamus or other proceeding, protect and enforce



162 any and all rights granted under Sections 1 through 16 of this  
163 act, or under such resolution, and may enforce and compel  
164 performance of all duties required by Sections 1 through 16 of  
165 this act to be performed, in order to provide for the payment of  
166 bonds and interest thereon.

167       **SECTION 12.** All bonds issued under the provisions of  
168 Sections 1 through 16 of this act shall be legal investments for  
169 trustees and other fiduciaries, and for savings banks, trust  
170 companies and insurance companies organized under the laws of the  
171 State of Mississippi, and such bonds shall be legal securities  
172 which may be deposited with and shall be received by all public  
173 officers and bodies of this state and all municipalities and  
174 political subdivisions for the purpose of securing the deposit of  
175 public funds.

176       **SECTION 13.** Bonds issued under the provisions of Sections 1  
177 through 16 of this act and income therefrom shall be exempt from  
178 all taxation in the State of Mississippi.

179       **SECTION 14.** The proceeds of the bonds issued under Sections  
180 1 through 16 of this act shall be used solely for the purposes  
181 therein provided, including the costs incident to the issuance and  
182 sale of such bonds.

183       **SECTION 15.** The State Treasurer is authorized, without  
184 further process of law, to certify to the Department of Finance  
185 and Administration the necessity for warrants, and the Department  
186 of Finance and Administration is authorized and directed to issue  
187 such warrants, in such amounts as may be necessary to pay when due  
188 the principal of, premium, if any, and interest on, or the  
189 accreted value of, all bonds issued under Sections 1 through 16 of  
190 this act; and the State Treasurer shall forward the necessary  
191 amount to the designated place or places of payment of such bonds  
192 in ample time to discharge such bonds, or the interest thereon, on  
193 the due dates thereof.



194           **SECTION 16.** Sections 1 through 16 of this act shall be  
195 deemed to be full and complete authority for the exercise of the  
196 powers therein granted, but Sections 1 through 16 of this act  
197 shall not be deemed to repeal or to be in derogation of any  
198 existing law of this state.

199           **SECTION 17.** Section 39-5-143, Mississippi Code of 1972, is  
200 amended as follows:

201           39-5-143. As used in Sections 39-5-143 and 39-5-145 \* \* \*,  
202 the following words shall have the meanings ascribed herein unless  
203 the context clearly requires otherwise:

204           (a) "Board" means the Board of Trustees of the  
205 Department of Archives and History.

206           (b) "Certified local government" means a county or  
207 municipality in the State of Mississippi that has established its  
208 own historic preservation commission and program meeting federal  
209 and state standards and has obtained certification of such action  
210 from the Department of Archives and History and the National Park  
211 Service.

212           \* \* \*

213           (c) "Historic property" means a building, site,  
214 structure or monument of historical significance as defined by the  
215 Department of Archives and History.

216           (d) "Interpretation" means an historical exhibit  
217 design, interpretive or commemorative marker or monument,  
218 publication, program, or other instructional techniques that  
219 present and interpret history from broad cultural and ethnic  
220 perspectives.

221           \* \* \*

222           **SECTION 18.** Section 39-5-145, Mississippi Code of 1972, is  
223 amended as follows:

224           39-5-145. (1) A special fund, to be designated the  
225 "Mississippi Community Heritage Preservation Grant Fund," is  
226 created within the State Treasury. The fund shall be maintained



227 by the State Treasurer as a separate and special fund, separate  
228 and apart from the General Fund of the state. The fund shall  
229 consist of any monies designated for deposit therein from any  
230 source, including proceeds of any state general obligation  
231 bonds \* \* \*. Unexpended amounts remaining in the fund at the end  
232 of a fiscal year shall not lapse into the State General Fund and  
233 any interest earned or investment earnings on amounts in the fund  
234 shall be deposited into the fund. The expenditure of monies  
235 deposited into the fund shall be under the direction of the  
236 Department of Finance and Administration, based upon  
237 recommendations of the Board of Trustees of the Department of  
238 Archives and History, and such funds shall be paid by the State  
239 Treasurer upon warrants issued by the Department of Finance and  
240 Administration. Monies deposited into such fund shall be  
241 allocated and disbursed according to the provisions of this  
242 section. If any monies in the special fund are derived from  
243 proceeds of bonds issued under this chapter or Sections 1 through  
244 16 of Laws, 2002, Chapter 543, or both, and are not used within  
245 four (4) years after the date such bond proceeds are deposited  
246 into the special fund, then the Department of Finance and  
247 Administration shall provide an accounting of such unused monies  
248 to the State Bond Commission.

249 (2) (a) Monies deposited into the fund prior to the  
250 effective date of Senate Bill No. 2983, 2003 Regular Session,  
251 shall be allocated and disbursed as follows:

252 (i) Eleven Million Five Hundred Thousand Dollars  
253 (\$11,500,000.00) shall be allocated and disbursed as grants on a  
254 reimbursable basis through the Department of Finance and  
255 Administration, based upon the recommendations of the Board of  
256 Trustees of the Department of Archives and History, to assist  
257 county governments, municipal governments, school districts and  
258 nonprofit organizations that have obtained Section 501(c)(3)  
259 tax-exempt status from the United States Internal Revenue Service





260 in helping pay the costs incurred in preserving, restoring,  
261 rehabilitating, repairing or interpreting \* \* \* historic county  
262 courthouses, \* \* \* historic school buildings, and/or \* \* \* other  
263 historic properties identified by certified local governments.  
264 Where possible, expenditures from the fund shall be used to match  
265 federal grants or other grants that may be accessed by the  
266 Department of Archives and History, other state agencies, county  
267 governments or municipal governments, school districts or  
268 nonprofit organizations that have obtained Section 501(c)(3)  
269 tax-exempt status from the United States Internal Revenue Service.  
270 Any properties, except that described in subparagraph (ii) of this  
271 paragraph, receiving monies pursuant to this paragraph must be  
272 designated as "Mississippi Landmark" properties prior to selection  
273 as projects for funding under the provisions of this section.

274 (ii) Two Hundred Fifty Thousand Dollars  
275 (\$250,000.00) shall be allocated and disbursed as grant funds to  
276 the Amory Regional Museum in Amory, Mississippi, to pay the costs  
277 of capital improvements, repair, renovation, furnishing and/or  
278 equipping of the museum. The disbursement of grant funds shall be  
279 contingent upon such museum providing matching funds from any  
280 source, other than the state, equal to at least Two Hundred Fifty  
281 Thousand Dollars (\$250,000.00).

282 (b) Monies deposited into the fund after the effective  
283 date of Senate Bill No. 2983, 2003 Regular Session, shall be  
284 allocated and disbursed as grants on a reimbursable basis through  
285 the Department of Finance and Administration, based upon the  
286 recommendations of the Board of Trustees of the Department of  
287 Archives and History, to assist county governments, municipal  
288 governments, school districts and nonprofit organizations that  
289 have obtained Section 501(c)(3) tax-exempt status from the United  
290 States Internal Revenue Service in helping pay the costs incurred  
291 in preserving, restoring, rehabilitating, repairing, acquiring or  
292 interpreting historic county courthouses, historic school



293 buildings, and/or other historic properties identified by  
294 certified local governments. Where possible, expenditures from  
295 the fund shall be used to match federal grants or other grants  
296 that may be accessed by the Department of Archives and History,  
297 other state agencies, county governments or municipal governments,  
298 school districts or nonprofit organizations that have obtained  
299 Section 501(c)(3) tax-exempt status from the United States  
300 Internal Revenue Service. Any properties receiving monies  
301 pursuant to this paragraph must be designated as "Mississippi  
302 Landmark" properties prior to selection as projects for funding  
303 under the provisions of this section.

304 (c) Monies in the Mississippi Community Heritage  
305 Preservation Grant Fund which are derived from proceeds of bonds  
306 issued after April 9, 2002, may be used to reimburse reasonable  
307 actual and necessary costs incurred by the Mississippi Department  
308 of Archives and History in providing assistance directly related  
309 to a project described in paragraphs (a) (i) and (b) of this  
310 subsection for which funding is provided under this section.  
311 Reimbursement may be made only until such time as the project is  
312 completed. An accounting of actual costs incurred for which  
313 reimbursement is sought shall be maintained for each project by  
314 the Mississippi Department of Archives and History. Reimbursement  
315 of reasonable, actual and necessary costs for a project shall not  
316 exceed three percent (3%) of the proceeds of bonds issued for such  
317 project. Monies authorized for a particular project may not be  
318 used to reimburse administrative costs for unrelated projects.

319 (3) The Board of Trustees of the Department of Archives and  
320 History shall receive and consider proposals from county  
321 governments, municipal governments, school districts and nonprofit  
322 organizations that have obtained Section 501(c)(3) tax-exempt  
323 status from the United States Internal Revenue Service for  
324 projects associated with the preservation, restoration,  
325 rehabilitation, repair or interpretation of (a) historic



326 courthouses, (b) historic school buildings and/or (c) other  
327 historic properties identified by certified local governments.  
328 Proposals shall be submitted in accordance with the provisions of  
329 procedures, criteria and standards developed by the board. The  
330 board shall determine those projects to be funded and may require  
331 matching funds from any applicant seeking assistance under this  
332 section. This subsection shall not apply to any project described  
333 in subsection (2) (a) (ii) of this section.

334 (4) The Department of Archives and History shall publicize  
335 the Community Heritage Preservation Grant program described in  
336 this section on a statewide basis, including the publication of  
337 the criteria and standards used by the department in selecting  
338 projects for funding. The selection of a project for funding  
339 under the provisions of this section shall be made solely upon the  
340 deliberate consideration of each proposed project on its merits.  
341 The board shall make every effort to award the grants in a manner  
342 that will fairly distribute the funds in regard to the geography  
343 and cultural diversity of the state. This subsection shall not  
344 apply to any project described in subsection (2) (a) (ii) of this  
345 section.

346 (5) With regard to any project awarded funding under this  
347 section, any consultant, planner, architect, engineer, exhibit  
348 contracting firm, historic preservation specialist or other  
349 professional hired by a grant recipient to work on any such  
350 project shall be approved by the board before their employment by  
351 the grant recipient.

352 (6) Plans and specifications for all projects initiated  
353 under the provisions of this section shall be approved by the  
354 board before the awarding of any contracts. The plans and  
355 specifications for any work involving "Mississippi Landmark"  
356 properties shall be developed in accordance with "The Secretary of  
357 the Interior's Standards for the Treatment of Historic  
358 Properties."



359           **SECTION 19.** This act shall take effect and be in force from  
360 and after its passage.

