

By: Representatives Fleming, Clarke,
Robinson (63rd)

To: Ways and Means

HOUSE BILL NO. 350

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS FOR
3 THE CONSTRUCTION OF A STADIUM ON THE CAMPUS OF JACKSON STATE
4 UNIVERSITY; AND FOR 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 as the
19 "Jackson State University Stadium Construction Fund" is created
20 within the State Treasury. The fund shall be maintained by the
21 State Treasurer as a separate and special fund, separate and apart
22 from the General Fund of the state. Unexpended amounts remaining
23 in the fund at the end of a fiscal year shall not lapse into the
24 State General Fund, and any interest earned or investment
25 earnings on amounts in the fund shall be deposited into such fund.

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

28 to pay the costs of constructing a stadium on the campus of
29 Jackson State University.

30 (2) Amounts deposited into such special fund shall be
31 disbursed to pay the costs of the project described in subsection
32 (1) of this section. Promptly after the commission has certified,
33 by resolution duly adopted, that the project described in
34 subsection (1) of this section shall have been completed,
35 abandoned, or cannot be completed in a timely fashion, any amounts
36 remaining in such special fund shall be applied to pay debt
37 service on the bonds issued under this act, in accordance with the
38 proceedings authorizing the issuance of such bonds and as directed
39 by the commission.

40 (3) The Department of Finance and Administration, acting
41 through the Bureau of Building, Grounds and Real Property
42 Management, is expressly authorized and empowered to receive and
43 expend any local or other source funds in connection with the
44 expenditure of funds provided for in this section. The
45 expenditure of monies deposited into the special fund shall be
46 under the direction of the Department of Finance and
47 Administration, and such funds shall be paid by the State
48 Treasurer upon warrants issued by such department, which warrants
49 shall be issued upon requisitions signed by the Executive Director
50 of the Department of Finance and Administration or his designee.

51 **SECTION 3.** (1) The commission, at one time, or from time to
52 time, may declare by resolution the necessity for issuance of
53 general obligation bonds of the State of Mississippi to provide
54 funds for all costs incurred or to be incurred for the purposes
55 described in Section 2 of this act. Upon the adoption of a
56 resolution by the Department of Finance and Administration,
57 declaring the necessity for the issuance of any part or all of the
58 general obligation bonds authorized by this section, the
59 Department of Finance and Administration shall deliver a certified
60 copy of its resolution or resolutions to the commission. Upon

61 receipt of such resolution, the commission, in its discretion, may
62 act as the issuing agent, prescribe the form of the bonds,
63 advertise for and accept bids, issue and sell the bonds so
64 authorized to be sold and do any and all other things necessary
65 and advisable in connection with the issuance and sale of such
66 bonds. The total amount of bonds issued under this act shall not
67 exceed Seventy Million Dollars (\$70,000,000.00).

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

72 **SECTION 4.** The principal of and interest on the bonds
73 authorized under this act shall be payable in the manner provided
74 in this section. Such bonds shall bear such date or dates, be in
75 such denomination or denominations, bear interest at such rate or
76 rates (not to exceed the limits set forth in Section 75-17-101,
77 Mississippi Code of 1972), be payable at such place or places
78 within or without the State of Mississippi, shall mature
79 absolutely at such time or times not to exceed twenty-five (25)
80 years from date of issue, be redeemable before maturity at such
81 time or times and upon such terms, with or without premium, shall
82 bear such registration privileges, and shall be substantially in
83 such form, all as shall be determined by resolution of the
84 commission.

85 **SECTION 5.** The bonds authorized by this act shall be signed
86 by the chairman of the commission, or by his facsimile signature,
87 and the official seal of the commission shall be affixed thereto,
88 attested by the secretary of the commission. The interest
89 coupons, if any, to be attached to such bonds may be executed by
90 the facsimile signatures of such officers. Whenever any such
91 bonds shall have been signed by the officials designated to sign
92 the bonds who were in office at the time of such signing but who
93 may have ceased to be such officers before the sale and delivery

94 of such bonds, or who may not have been in office on the date such
95 bonds may bear, the signatures of such officers upon such bonds
96 and coupons shall nevertheless be valid and sufficient for all
97 purposes and have the same effect as if the person so officially
98 signing such bonds had remained in office until their delivery to
99 the purchaser, or had been in office on the date such bonds may
100 bear. However, notwithstanding anything herein to the contrary,
101 such bonds may be issued as provided in the Registered Bond Act of
102 the State of Mississippi.

103 **SECTION 6.** All bonds and interest coupons issued under the
104 provisions of this act have all the qualities and incidents of
105 negotiable instruments under the provisions of the Uniform
106 Commercial Code, and in exercising the powers granted by this act,
107 the commission shall not be required to and need not comply with
108 the provisions of the Uniform Commercial Code.

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

126 Notice of the sale of any such bonds shall be published at
127 least one time, not less than ten (10) days before the date of
128 sale, and shall be so published in one or more newspapers
129 published or having a general circulation in the City of Jackson,
130 Mississippi, and in one or more other newspapers or financial
131 journals with a national circulation, to be selected by the
132 commission.

133 The commission, when issuing any bonds under the authority of
134 this act, may provide that bonds, at the option of the State of
135 Mississippi, may be called in for payment and redemption at the
136 call price named therein and accrued interest on such date or
137 dates named therein.

138 **SECTION 8.** The bonds issued under the provisions of this act
139 are general obligations of the State of Mississippi, and for the
140 payment thereof the full faith and credit of the State of
141 Mississippi is irrevocably pledged. If the funds appropriated by
142 the Legislature are insufficient to pay the principal of and the
143 interest on such bonds as they become due, then the deficiency
144 shall be paid by the State Treasurer from any funds in the State
145 Treasury not otherwise appropriated. All such bonds shall contain
146 recitals on their faces substantially covering the provisions of
147 this section.

148 **SECTION 9.** Upon the issuance and sale of bonds under the
149 provisions of this act, the commission shall transfer the proceeds
150 of any such sale or sales to the special fund created in Section 2
151 of this act. The proceeds of such bonds shall be disbursed solely
152 upon the order of the Department of Finance and Administration
153 under such restrictions, if any, as may be contained in the
154 resolution providing for the issuance of the bonds.

155 **SECTION 10.** The bonds authorized under this act may be
156 issued without any other proceedings or the happening of any other
157 conditions or things other than those proceedings, conditions and
158 things which are specified or required by this act. Any

159 resolution providing for the issuance of bonds under the
160 provisions of this act shall become effective immediately upon its
161 adoption by the commission, and any such resolution may be adopted
162 at any regular or special meeting of the commission by a majority
163 of its members.

164 **SECTION 11.** The bonds authorized under the authority of this
165 act may be validated in the Chancery Court of the First Judicial
166 District of Hinds County, Mississippi, in the manner and with the
167 force and effect provided by Chapter 13, Title 31, Mississippi
168 Code of 1972, for the validation of county, municipal, school
169 district and other bonds. The notice to taxpayers required by
170 such statutes shall be published in a newspaper published or
171 having a general circulation in the City of Jackson, Mississippi.

172 **SECTION 12.** Any holder of bonds issued under the provisions
173 of this act or of any of the interest coupons pertaining thereto
174 may, either at law or in equity, by suit, action, mandamus or
175 other proceeding, protect and enforce any and all rights granted
176 under this act, or under such resolution, and may enforce and
177 compel performance of all duties required by this act to be
178 performed, in order to provide for the payment of bonds and
179 interest thereon.

180 **SECTION 13.** All bonds issued under the provisions of this
181 act shall be legal investments for trustees and other fiduciaries,
182 and for savings banks, trust companies and insurance companies
183 organized under the laws of the State of Mississippi, and such
184 bonds shall be legal securities which may be deposited with and
185 shall be received by all public officers and bodies of this state
186 and all municipalities and political subdivisions for the purpose
187 of securing the deposit of public funds.

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

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

194 **SECTION 16.** The State Treasurer is authorized, without
195 further process of law, to certify to the Department of Finance
196 and Administration the necessity for warrants, and the Department
197 of Finance and Administration is authorized and directed to issue
198 such warrants, in such amounts as may be necessary to pay when due
199 the principal of, premium, if any, and interest on, or the
200 accreted value of, all bonds issued under this act; and the State
201 Treasurer shall forward the necessary amount to the designated
202 place or places of payment of such bonds in ample time to
203 discharge such bonds, or the interest thereon, on the due dates
204 thereof.

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

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