

By: Representatives Reynolds, Clarke

To: Ways and Means

HOUSE BILL NO. 849

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS IN THE AMOUNT OF \$28,000,000.00 TO PROVIDE FUNDS FOR A
3 PROGRAM ADMINISTERED BY THE MISSISSIPPI LIBRARY COMMISSION TO
4 PROVIDE GRANTS TO PUBLIC LIBRARIES TO PAY THE COSTS OF CAPITAL
5 IMPROVEMENTS, RENOVATION AND REPAIR OF EXISTING FACILITIES,
6 FURNITURE, EQUIPMENT AND TECHNOLOGY FOR LIBRARY FACILITIES; AND
7 FOR RELATED PURPOSES.

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

9 **SECTION 1.** As used in this act, the following words shall
10 have the meanings ascribed herein unless the context clearly
11 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) (a) A special fund, to be designated as the
22 "Public Libraries Capital Improvements Fund" is created within the
23 State Treasury. The fund shall be maintained by the State
24 Treasurer as a separate and special fund, separate and apart from
25 the General Fund of the state. Unexpended amounts remaining in
26 the fund at the end of a fiscal year shall not lapse into the
27 State General Fund, and interest earned or investment earnings on
28 amounts in the fund shall be deposited into such fund.

29 (b) Monies deposited into the fund shall be disbursed,
30 in the discretion of the Mississippi Library Commission, to
31 provide grants to public libraries to pay the costs of capital
32 improvements, renovation and/or repair of existing facilities,
33 furniture, equipment and/or technology for facilities.

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

43 (3) The Mississippi Library Commission is expressly
44 authorized and empowered to receive and expend any local or other
45 source funds in connection with the expenditure of funds provided
46 for in this section. The expenditure of monies deposited into the
47 special fund shall be under the direction of the Mississippi
48 Library Commission, and such funds shall be paid by the State
49 Treasurer upon warrants issued by the Mississippi Library
50 Commission, which warrants shall be issued upon requisitions
51 signed by the Executive Director of the Mississippi Library
52 Commission or his designee.

53 (4) (a) The Mississippi Library Commission shall adopt
54 necessary rules and regulations to govern the administration of
55 the program described in subsection (1) of this section,
56 including, but not limited to, rules and regulations governing
57 applications for grants and rules and regulations providing for
58 the distribution of grant funds. The Mississippi Library
59 Commission shall comply with the provisions of the Mississippi
60 Administrative Procedures Law.

61 (b) Libraries eligible for grant funds under the
62 program described in subsection (1) of this section shall include,
63 but not be limited to, the following: Benton County Library
64 System, Blackmur Public Library (Yalobusha County), Bolivar County
65 Library System, Carnegie Public Library of Clarksdale and Coahoma
66 County, Carroll County Library System, Central Mississippi
67 Regional Library System (Rankin, Scott, Simpson, and Smith
68 Counties), Columbus-Lowndes Public Library, Copiah-Jefferson
69 Regional Library, Dixie Regional Library System (Calhoun,
70 Chickasaw, and Pontotoc Counties), East Mississippi Regional
71 Library System (Clarke and Jasper Counties), Elizabeth Jones
72 Library (Grenada County), First Regional Library System (DeSoto,
73 Lafayette, Panola, Tate, and Tunica Counties), Greenwood-Leflore
74 Public Library, Hancock County Library System, Harriette Person
75 Memorial Library (Claiborne County), Harrison County Library
76 System, The Library of Hattiesburg, Petal and Forrest County,
77 Homochitto Valley Library Service (Adams and Wilkinson Counties),
78 Humphreys County Library, Jackson-George Regional Library System,
79 Jackson/Hinds Library System, Kemper-Newton Regional Library
80 System, Lamar County Library System, Laurel-Jones County Library
81 System, Lee-Itawamba County Library System,
82 Lincoln-Lawrence-Franklin Regional Library System, Long Beach
83 Public Library (Harrison County), Madison County Library System,
84 Marks-Quitman County Library, Marshall County Library,
85 Meridian-Lauderdale County Public Library, Mid-Mississippi
86 Regional Library System (Attala, Holmes, Leake, Montgomery and
87 Winston Counties), Neshoba County Public Library, Northeast
88 Regional Library System (Alcorn, Prentiss, Tippah, and Tishomingo
89 Counties), Noxubee County Library, Pearl River County Library
90 System, Pike-Amite-Walthall Library System, Pine Forest Regional
91 Library System (Covington, Greene, Perry, and Stone Counties),
92 South Delta Library Services (Issaquena, Sharkey, and Yazoo
93 Counties), South Mississippi Regional Library System (Jefferson

94 Davis and Marion Counties), Starkville-Oktibbeha County Library,
95 Sunflower County Library, Tallahatchie County Library, Tombigbee
96 Regional Library System (Choctaw, Clay, Monroe, and Webster
97 Counties), Union County Library System, Warren County-Vicksburg
98 Public Library, Washington County Library, Wayne County Library,
99 and Yalobusha County Public Library. The Mississippi Library
100 Commission may designate other public libraries as eligible for
101 grant funds under the program described in subsection (1) of this
102 section.

103 **SECTION 3.** (1) The Mississippi Library Commission, at one
104 time, or from time to time, may declare by resolution the
105 necessity for issuance of general obligation bonds of the State of
106 Mississippi to provide funds for the grant program authorized in
107 Section 2 of this act. Upon the adoption of a resolution by the
108 Mississippi Library Commission, declaring the necessity for the
109 issuance of any part or all of the general obligation bonds
110 authorized by this section, the Mississippi Library Commission
111 shall deliver a certified copy of its resolution or resolutions to
112 the commission. Upon receipt of such resolution, the commission,
113 in its discretion, may act as the issuing agent, prescribe the
114 form of the bonds, advertise for and accept bids, issue and sell
115 the bonds so authorized to be sold and do any and all other things
116 necessary and advisable in connection with the issuance and sale
117 of such bonds. The total amount of bonds issued under this act
118 shall not exceed Twenty-eight Million Dollars (\$28,000,000.00).
119 The bonds authorized under this act shall be issued annually in
120 increments of Seven Million Dollars (\$7,000,000.00) for the 2005,
121 2006, 2007 and 2008 state fiscal years.

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

126 **SECTION 4.** The principal of and interest on the bonds
127 authorized under this act shall be payable in the manner provided
128 in this section. Such bonds shall bear such date or dates, be in
129 such denomination or denominations, bear interest at such rate or
130 rates (not to exceed the limits set forth in Section 75-17-101,
131 Mississippi Code of 1972), be payable at such place or places
132 within or without the State of Mississippi, shall mature
133 absolutely at such time or times not to exceed twenty-five (25)
134 years from date of issue, be redeemable before maturity at such
135 time or times and upon such terms, with or without premium, shall
136 bear such registration privileges, and shall be substantially in
137 such form, all as shall be determined by resolution of the
138 commission.

139 **SECTION 5.** The bonds authorized by this act shall be signed
140 by the chairman of the commission, or by his facsimile signature,
141 and the official seal of the commission shall be affixed thereto,
142 attested by the secretary of the commission. The interest coupons,
143 if any, to be attached to such bonds may be executed by the
144 facsimile signatures of such officers. Whenever any such bonds
145 shall have been signed by the officials designated to sign the
146 bonds who were in office at the time of such signing but who may
147 have ceased to be such officers before the sale and delivery of
148 such bonds, or who may not have been in office on the date such
149 bonds may bear, the signatures of such officers upon such bonds
150 and coupons shall nevertheless be valid and sufficient for all
151 purposes and have the same effect as if the person so officially
152 signing such bonds had remained in office until their delivery to
153 the purchaser, or had been in office on the date such bonds may
154 bear. However, notwithstanding anything herein to the contrary,
155 such bonds may be issued as provided in the Registered Bond Act of
156 the State of Mississippi.

157 **SECTION 6.** All bonds and interest coupons issued under the
158 provisions of this act have all the qualities and incidents of

159 negotiable instruments under the provisions of the Uniform
160 Commercial Code, and in exercising the powers granted by this act,
161 the commission shall not be required to and need not comply with
162 the provisions of the Uniform Commercial Code.

163 **SECTION 7.** The commission shall act as the issuing agent for
164 the bonds authorized under this act, prescribe the form of the
165 bonds, advertise for and accept bids, issue and sell the bonds so
166 authorized to be sold, pay all fees and costs incurred in such
167 issuance and sale, and do any and all other things necessary and
168 advisable in connection with the issuance and sale of such bonds.
169 The commission is authorized and empowered to pay the costs that
170 are incident to the sale, issuance and delivery of the bonds
171 authorized under this act from the proceeds derived from the sale
172 of such bonds. The commission shall sell such bonds on sealed
173 bids at public sale, and for such price as it may determine to be
174 for the best interest of the State of Mississippi, but no such
175 sale shall be made at a price less than par plus accrued interest
176 to the date of delivery of the bonds to the purchaser. All
177 interest accruing on such bonds so issued shall be payable
178 semiannually or annually; however, the first interest payment may
179 be for any period of not more than one (1) year.

180 Notice of the sale of any such bonds shall be published at
181 least one (1) time, not less than ten (10) days before the date of
182 sale, and shall be so published in one or more newspapers
183 published or having a general circulation in the City of Jackson,
184 Mississippi, and in one or more other newspapers or financial
185 journals with a national circulation, to be selected by the
186 commission.

187 The commission, when issuing any bonds under the authority of
188 this act, may provide that bonds, at the option of the State of
189 Mississippi, may be called in for payment and redemption at the
190 call price named therein and accrued interest on such date or
191 dates named therein.

192 **SECTION 8.** The bonds issued under the provisions of this act
193 are general obligations of the State of Mississippi, and for the
194 payment thereof the full faith and credit of the State of
195 Mississippi is irrevocably pledged. If the funds appropriated by
196 the Legislature are insufficient to pay the principal of and the
197 interest on such bonds as they become due, then the deficiency
198 shall be paid by the State Treasurer from any funds in the State
199 Treasury not otherwise appropriated. All such bonds shall contain
200 recitals on their faces substantially covering the provisions of
201 this section.

202 **SECTION 9.** Upon the issuance and sale of bonds under the
203 provisions of this act, the commission shall transfer the proceeds
204 of any such sale or sales to the special fund created in Section 2
205 of this act. The proceeds of such bonds shall be disbursed solely
206 upon the order of the Department of Finance and Administration
207 under such restrictions, if any, as may be contained in the
208 resolution providing for the issuance of the bonds.

209 **SECTION 10.** The bonds authorized under this act may be
210 issued without any other proceedings or the happening of any other
211 conditions or things other than those proceedings, conditions and
212 things which are specified or required by this act. Any
213 resolution providing for the issuance of bonds under the
214 provisions of this act shall become effective immediately upon its
215 adoption by the commission, and any such resolution may be adopted
216 at any regular or special meeting of the commission by a majority
217 of its members.

218 **SECTION 11.** The bonds authorized under the authority of this
219 act may be validated in the Chancery Court of the First Judicial
220 District of Hinds County, Mississippi, in the manner and with the
221 force and effect provided by Chapter 13, Title 31, Mississippi
222 Code of 1972, for the validation of county, municipal, school
223 district and other bonds. The notice to taxpayers required by

224 such statutes shall be published in a newspaper published or
225 having a general circulation in the City of Jackson, Mississippi.

226 **SECTION 12.** Any holder of bonds issued under the provisions
227 of this act or of any of the interest coupons pertaining thereto
228 may, either at law or in equity, by suit, action, mandamus or
229 other proceeding, protect and enforce any and all rights granted
230 under this act, or under such resolution, and may enforce and
231 compel performance of all duties required by this act to be
232 performed, in order to provide for the payment of bonds and
233 interest thereon.

234 **SECTION 13.** All bonds issued under the provisions of this
235 act shall be legal investments for trustees and other fiduciaries,
236 and for savings banks, trust companies and insurance companies
237 organized under the laws of the State of Mississippi, and such
238 bonds shall be legal securities which may be deposited with and
239 shall be received by all public officers and bodies of this state
240 and all municipalities and political subdivisions for the purpose
241 of securing the deposit of public funds.

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

245 **SECTION 15.** The proceeds of the bonds issued under this act
246 shall be used solely for the purposes therein provided, including
247 the costs incident to the issuance and sale of such bonds.

248 **SECTION 16.** The State Treasurer is authorized, without
249 further process of law, to certify to the Department of Finance
250 and Administration the necessity for warrants, and the Department
251 of Finance and Administration is authorized and directed to issue
252 such warrants, in such amounts as may be necessary to pay when due
253 the principal of, premium, if any, and interest on, or the
254 accreted value of, all bonds issued under this act; and the State
255 Treasurer shall forward the necessary amount to the designated
256 place or places of payment of such bonds in ample time to

257 discharge such bonds, or the interest thereon, on the due dates
258 thereof.

259 **SECTION 17.** This act shall be deemed to be full and complete
260 authority for the exercise of the powers therein granted, but this
261 act shall not be deemed to repeal or to be in derogation of any
262 existing law of this state.

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