

By: Representative Smith (39th)

To: Ways and Means

HOUSE BILL NO. 1792

1 AN ACT TO AMEND SECTIONS 3 THROUGH 18, CHAPTER 541, LAWS OF
 2 2001, AS AMENDED BY CHAPTER 540, LAWS OF 2002, AS AMENDED BY
 3 CHAPTER 519, LAWS OF 2003, TO INCREASE THE AMOUNT OF STATE GENERAL
 4 OBLIGATION BONDS THAT MAY BE ISSUED FOR THE PURPOSE OF PROVIDING
 5 FUNDS FOR THE BUILDING FUND FOR THE ARTS; TO AMEND SECTION
 6 39-11-13, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO
 7 AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS TO
 8 PROVIDE FUNDS FOR PLANNING AND SITE PREPARATION FOR A FACILITY FOR
 9 THE MISSISSIPPI MUSEUM OF ART IN JACKSON, MISSISSIPPI; TO
 10 AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS FOR THE
 11 PURPOSE OF PROVIDING ADDITIONAL FUNDS FOR THE MISSISSIPPI
 12 COMMUNITY HERITAGE PRESERVATION GRANT FUND; TO AMEND SECTIONS
 13 39-5-145, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR
 14 RELATED PURPOSES.

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

16 **SECTION 1.** Sections 3 through 18, Chapter 541, Laws of 2001,
 17 as amended by Chapter 540, Laws of 2002, as amended by Chapter
 18 519, Laws of 2003, is amended as follows:

19 Section 3. As used in Sections 3 through 18 of this act, the
 20 following words shall have the meanings ascribed herein unless the
 21 context clearly requires otherwise:

22 (a) "Accreted value" of any bonds means, as of any date
 23 of computation, an amount equal to the sum of (i) the stated
 24 initial value of such bond, plus (ii) the interest accrued thereon
 25 from the issue date to the date of computation at the rate,
 26 compounded semiannually, that is necessary to produce the
 27 approximate yield to maturity shown for bonds of the same
 28 maturity;

29 (b) "State" means the State of Mississippi; and

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

31 Section 4. (1) The Mississippi Arts Commission, at one
 32 time, or from time to time, may declare by resolution the
 33 necessity for issuance of general obligation bonds of the State of

34 Mississippi to provide funds for the grant program authorized in
35 Section 2 of this act. Upon the adoption of a resolution by the
36 Mississippi Arts Commission, declaring the necessity for the
37 issuance of any part or all of the general obligation bonds
38 authorized by this section, the Mississippi Arts Commission shall
39 deliver a certified copy of its resolution or resolutions to the
40 commission. Upon receipt of such resolution, the commission, in
41 its discretion, may act as the issuing agent, prescribe the form
42 of the bonds, advertise for and accept bids, issue and sell the
43 bonds so authorized to be sold and do any and all other things
44 necessary and advisable in connection with the issuance and sale
45 of such bonds. The total amount of bonds issued under Sections 3
46 through 18 of this act shall not exceed Nineteen Million Two
47 Hundred Thousand Dollars (\$19,200,000.00).

48 (2) The proceeds of bonds issued pursuant to Sections 3
49 through 18 of this act shall be deposited into the Building Fund
50 for the Arts created pursuant to Section 2 of this act. Any
51 investment earnings on bonds issued pursuant to Sections 3 through
52 18 of this act shall be used to pay debt service on bonds issued
53 under Sections 3 through 18 of this act, in accordance with the
54 proceedings authorizing issuance of such bonds.

55 Section 5. The principal of and interest on the bonds
56 authorized under Sections 3 through 18 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 6. The bonds authorized by Sections 3 through 18 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 7. All bonds and interest coupons issued under the
87 provisions of Sections 3 through 18 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 3 through 18 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 8. The commission shall act as the issuing agent for
94 the bonds authorized under Sections 3 through 18 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 3 through 18
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 3 through 18 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 9. The bonds issued under the provisions of Sections
124 3 through 18 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 10. Upon the issuance and sale of bonds under the
134 provisions of Sections 3 through 18 of this act, the commission
135 shall transfer the proceeds of any such sale or sales to the
136 special fund created in Section 2 of this act. Except as
137 otherwise provided in Section 2 of this act, the proceeds of such
138 bonds shall be disbursed solely upon the order of the Department
139 of Finance and Administration under such restrictions, if any, as
140 may be contained in the resolution providing for the issuance of
141 the bonds.

142 Section 11. The bonds authorized under Sections 3 through 18
143 of this act may be issued without any other proceedings or the
144 happening of any other conditions or things other than those
145 proceedings, conditions and things which are specified or required
146 by Sections 3 through 18 of this act. Any resolution providing
147 for the issuance of bonds under the provisions of Sections 3
148 through 18 of this act shall become effective immediately upon its
149 adoption by the commission, and any such resolution may be adopted
150 at any regular or special meeting of the commission by a majority
151 of its members.

152 Section 12. The bonds authorized under the authority of
153 Sections 3 through 18 of this act may be validated in the Chancery
154 Court of the First Judicial District of Hinds County, Mississippi,
155 in the manner and with the force and effect provided by Chapter
156 13, Title 31, Mississippi Code of 1972, for the validation of
157 county, municipal, school district and other bonds. The notice to
158 taxpayers required by such statutes shall be published in a
159 newspaper published or having a general circulation in the City of
160 Jackson, Mississippi.

161 Section 13. Any holder of bonds issued under the provisions
162 of Sections 3 through 18 of this act or of any of the interest
163 coupons pertaining thereto may, either at law or in equity, by

164 suit, action, mandamus or other proceeding, protect and enforce
165 any and all rights granted under Sections 3 through 18 of this
166 act, or under such resolution, and may enforce and compel
167 performance of all duties required by Sections 3 through 18 of
168 this act to be performed, in order to provide for the payment of
169 bonds and interest thereon.

170 Section 14. All bonds issued under the provisions of
171 Sections 3 through 18 of this act shall be legal investments for
172 trustees and other fiduciaries, and for savings banks, trust
173 companies and insurance companies organized under the laws of the
174 State of Mississippi, and such bonds shall be legal securities
175 which may be deposited with and shall be received by all public
176 officers and bodies of this state and all municipalities and
177 political subdivisions for the purpose of securing the deposit of
178 public funds.

179 Section 15. Bonds issued under the provisions of Sections 3
180 through 18 of this act and income therefrom shall be exempt from
181 all taxation in the State of Mississippi.

182 Section 16. The proceeds of the bonds issued under Sections
183 3 through 18 of this act shall be used solely for the purposes
184 therein provided, including the costs incident to the issuance and
185 sale of such bonds.

186 Section 17. The State Treasurer is authorized, without
187 further process of law, to certify to the Department of Finance
188 and Administration the necessity for warrants, and the Department
189 of Finance and Administration is authorized and directed to issue
190 such warrants, in such amounts as may be necessary to pay when due
191 the principal of, premium, if any, and interest on, or the
192 accreted value of, all bonds issued under Sections 3 through 18 of
193 this act; and the State Treasurer shall forward the necessary
194 amount to the designated place or places of payment of such bonds
195 in ample time to discharge such bonds, or the interest thereon, on
196 the due dates thereof.

197 Section 18. Sections 3 through 18 of this act shall be
198 deemed to be full and complete authority for the exercise of the
199 powers therein granted, but Sections 3 through 18 of this act
200 shall not be deemed to repeal or to be in derogation of any
201 existing law of this state.

202 **SECTION 2.** Section 39-11-13, Mississippi Code of 1972, is
203 amended as follows:

204 39-11-13. (1) (a) A special fund, to be designated as the
205 "Building Fund for the Arts" is created within the State Treasury.
206 The fund shall be maintained by the State Treasurer as a separate
207 and special fund, separate and apart from the General Fund of the
208 state. The fund shall consist of any money designated for deposit
209 therein from any source, including, but not limited to, any state
210 general obligation bonds issued for the purposes described in this
211 section. Unexpended amounts remaining in the fund at the end of a
212 fiscal year shall not lapse into the State General Fund, and
213 investment earnings on amounts in the fund shall be deposited into
214 such fund.

215 (b) Money deposited into the fund shall be disbursed,
216 in the discretion of the Mississippi Arts Commission, to provide
217 grants to nonprofit organizations that are qualified as tax exempt
218 under Section 501(c)(3) of the Internal Revenue Code and units of
219 local government to pay the costs of:

220 (i) Repair, upgrading, expansion, renovation or
221 enhancement of existing buildings and facilities for the
222 presentation, teaching or exhibition of the arts in any and all of
223 its forms and furniture, equipment and/or technology for such
224 buildings or facilities; or

225 (ii) The development, construction, equipping and
226 furnishing of an entertainment and film center and museum and
227 completion of a sound stage project.

228 (c) The entity to which such grants are made shall
229 provide matching funds from local, federal or private sources

230 equal to forty percent (40%) of the proposed project cost in order
231 to be eligible for a grant under this section.

232 (d) The maximum aggregate amount of monies in the
233 special fund that may be used to provide grant funds to an entity
234 or combination of entities under paragraph (b)(ii) of this
235 subsection shall not exceed One Million Dollars (\$1,000,000.00),
236 and no monies in the special fund may be used to provide grant
237 funds under paragraph (b)(ii) of this subsection after July 1,
238 2003. The maximum aggregate amount of grant funds that may be
239 provided to an entity or combination of entities under paragraph
240 (b)(ii) of this subsection during a fiscal year shall not exceed
241 Five Hundred Thousand Dollars (\$500,000.00).

242 (2) (a) Amounts deposited into such special fund shall be
243 disbursed to pay the costs of projects described in subsection (1)
244 of this section. If any monies in the special fund are derived
245 from proceeds of bonds issued under Sections 3 through 18 of Laws,
246 2001, Chapter 541, as amended by Laws, 2002, Chapter 540, as
247 amended by Laws, 2003, Chapter 519, as amended by House Bill No.
248 1792, 2004 Regular Session, and are not used within four (4) years
249 after the date such bond proceeds are deposited into the special
250 fund, then the Mississippi Arts Commission shall provide an
251 accounting of such unused monies to the State Bond Commission.

252 (b) Monies in the special fund which are derived from
253 proceeds of bonds issued after April 9, 2002, may be used to
254 reimburse reasonable actual and necessary costs incurred by the
255 Mississippi Arts Commission in providing assistance directly
256 related to a project described in subsection (1) of this section
257 for which grant funds are provided under this section from the use
258 of proceeds of such bonds. Reimbursement may be made only until
259 such time as the project is completed. An accounting of actual
260 costs incurred for which reimbursement is sought shall be
261 maintained for each project by the Mississippi Arts Commission.
262 Reimbursement of reasonable actual and necessary costs for a

263 project shall not exceed three percent (3%) of the proceeds of
264 bonds issued for such project. Monies authorized for a particular
265 project may not be used to reimburse administrative costs for
266 unrelated projects. This paragraph (b) shall be repealed from and
267 after July 1, 2005.

268 (3) The Mississippi Arts Commission is expressly authorized
269 and empowered to receive and expend any local or other source
270 funds in connection with the expenditure of funds provided for in
271 this section. The expenditure of money deposited into the special
272 fund shall be under the direction of the Mississippi Arts
273 Commission, and such funds shall be paid by the State Treasurer
274 upon warrants issued by the Department of Finance and
275 Administration upon request of the Mississippi Arts Commission,
276 which warrants shall be issued upon requisitions signed by the
277 Executive Director of the Mississippi Arts Commission or his or
278 her designee.

279 (4) The Mississippi Arts Commission shall adopt necessary
280 rules and regulations to govern the administration of the program
281 described in subsection (1) of this section, including, but not
282 limited to, rules and regulations governing applications for
283 grants and rules and regulations providing for the distribution of
284 grant funds. The Mississippi Arts Commission shall comply with
285 the provisions of the Mississippi Administrative Procedures Law.

286 **SECTION 3.** As used in Sections 3 through 19 of this act, the
287 following words shall have the meanings ascribed herein unless the
288 context clearly requires otherwise:

289 (a) "Accreted value" of any bonds means, as of any date
290 of computation, an amount equal to the sum of (i) the stated
291 initial value of such bond, plus (ii) the interest accrued thereon
292 from the issue date to the date of computation at the rate,
293 compounded semiannually, that is necessary to produce the
294 approximate yield to maturity shown for bonds of the same
295 maturity;

296 (b) "State" means the State of Mississippi; and

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

298 **SECTION 4.** (1) (a) A special fund, to be designated as the
299 "Mississippi Museum of Art Fund" is created within the State
300 Treasury. The fund shall be maintained by the State Treasurer as
301 a separate and special fund, separate and apart from the General
302 Fund of the state. Unexpended amounts remaining in the fund at
303 the end of a fiscal year shall not lapse into the State General
304 Fund, and any interest earned or investment earnings on amounts in
305 the fund shall be deposited into such fund.

306 (b) Monies deposited into the fund shall be disbursed,
307 in the discretion of the Department of Finance and Administration,
308 to pay the costs of planning and site preparation for a facility
309 for the Mississippi Museum of Art in Jackson, Mississippi.

310 (2) Amounts deposited into such special fund shall be
311 disbursed to pay the costs of the project described in subsection
312 (1) of this section. Promptly after the commission has certified,
313 by resolution duly adopted, that the project described in
314 subsection (1) of this section shall have been completed,
315 abandoned, or cannot be completed in a timely fashion, any amounts
316 remaining in such special fund shall be applied to pay debt
317 service on the bonds issued under Sections 3 through 19 of this
318 act, in accordance with the proceedings authorizing the issuance
319 of such bonds and as directed by the commission.

320 (3) The Department of Finance and Administration is
321 expressly authorized and empowered to receive and expend any local
322 or other source funds in connection with the expenditure of funds
323 provided for in this section. The expenditure of monies deposited
324 into the special fund shall be under the direction of the
325 Department of Finance and Administration, and such funds shall be
326 paid by the State Treasurer upon warrants issued by the Department
327 of Finance and Administration.

328 **SECTION 5.** (1) The Department of Finance and
329 Administration, at one time, or from time to time, may declare by
330 resolution the necessity for issuance of general obligation bonds
331 of the State of Mississippi to provide funds for all costs
332 incurred or to be incurred for the purposes described in Section 4
333 of this act. Upon the adoption of a resolution by the Department
334 of Finance and Administration, declaring the necessity for the
335 issuance of any part or all of the general obligation bonds
336 authorized by this section, the Department of Finance and
337 Administration shall deliver a certified copy of its resolution or
338 resolutions to the commission. Upon receipt of such resolution,
339 the commission, in its discretion, may act as the issuing agent,
340 prescribe the form of the bonds, advertise for and accept bids,
341 issue and sell the bonds so authorized to be sold and do any and
342 all other things necessary and advisable in connection with the
343 issuance and sale of such bonds. The total amount of bonds issued
344 under Sections 3 through 19 of this act shall not exceed Five
345 Hundred Thousand Dollars (\$500,000.00).

346 (2) The proceeds of bonds issued pursuant to Sections 3
347 through 19 of this act shall be deposited into the special fund
348 created pursuant to Section 4 of this act. Any investment
349 earnings on bonds issued pursuant to Sections 3 through 19 of this
350 act shall be used to pay debt service on bonds issued under
351 Sections 3 through 19 of this act, in accordance with the
352 proceedings authorizing issuance of such bonds.

353 **SECTION 6.** The principal of and interest on the bonds
354 authorized under Sections 3 through 19 of this act shall be
355 payable in the manner provided in this section. Such bonds shall
356 bear such date or dates, be in such denomination or denominations,
357 bear interest at such rate or rates (not to exceed the limits set
358 forth in Section 75-17-101, Mississippi Code of 1972), be payable
359 at such place or places within or without the State of
360 Mississippi, shall mature absolutely at such time or times not to

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

366 **SECTION 7.** The bonds authorized by Sections 3 through 19 of
367 this act shall be signed by the chairman of the commission, or by
368 his facsimile signature, and the official seal of the commission
369 shall be affixed thereto, attested by the secretary of the
370 commission. The interest coupons, if any, to be attached to such
371 bonds may be executed by the facsimile signatures of such
372 officers. Whenever any such bonds shall have been signed by the
373 officials designated to sign the bonds who were in office at the
374 time of such signing but who may have ceased to be such officers
375 before the sale and delivery of such bonds, or who may not have
376 been in office on the date such bonds may bear, the signatures of
377 such officers upon such bonds and coupons shall nevertheless be
378 valid and sufficient for all purposes and have the same effect as
379 if the person so officially signing such bonds had remained in
380 office until their delivery to the purchaser, or had been in
381 office on the date such bonds may bear. However, notwithstanding
382 anything herein to the contrary, such bonds may be issued as
383 provided in the Registered Bond Act of the State of Mississippi.

384 **SECTION 8.** All bonds and interest coupons issued under the
385 provisions of Sections 3 through 19 of this act have all the
386 qualities and incidents of negotiable instruments under the
387 provisions of the Uniform Commercial Code, and in exercising the
388 powers granted by Sections 3 through 19 of this act, the
389 commission shall not be required to and need not comply with the
390 provisions of the Uniform Commercial Code.

391 **SECTION 9.** The commission shall act as the issuing agent for
392 the bonds authorized under Sections 3 through 19 of this act,
393 prescribe the form of the bonds, advertise for and accept bids,

394 issue and sell the bonds so authorized to be sold, pay all fees
395 and costs incurred in such issuance and sale, and do any and all
396 other things necessary and advisable in connection with the
397 issuance and sale of such bonds. The commission is authorized and
398 empowered to pay the costs that are incident to the sale, issuance
399 and delivery of the bonds authorized under Sections 3 through 19
400 of this act from the proceeds derived from the sale of such bonds.
401 The commission shall sell such bonds on sealed bids at public
402 sale, and for such price as it may determine to be for the best
403 interest of the State of Mississippi, but no such sale shall be
404 made at a price less than par plus accrued interest to the date of
405 delivery of the bonds to the purchaser. All interest accruing on
406 such bonds so issued shall be payable semiannually or annually;
407 however, the first interest payment may be for any period of not
408 more than one (1) year.

409 Notice of the sale of any such bonds shall be published at
410 least one time, not less than ten (10) days before the date of
411 sale, and shall be so published in one or more newspapers
412 published or having a general circulation in the City of Jackson,
413 Mississippi, and in one or more other newspapers or financial
414 journals with a national circulation, to be selected by the
415 commission.

416 The commission, when issuing any bonds under the authority of
417 Sections 3 through 19 of this act, may provide that bonds, at the
418 option of the State of Mississippi, may be called in for payment
419 and redemption at the call price named therein and accrued
420 interest on such date or dates named therein.

421 **SECTION 10.** The bonds issued under the provisions of
422 Sections 3 through 19 of this act are general obligations of the
423 State of Mississippi, and for the payment thereof the full faith
424 and credit of the State of Mississippi is irrevocably pledged. If
425 the funds appropriated by the Legislature are insufficient to pay
426 the principal of and the interest on such bonds as they become

427 due, then the deficiency shall be paid by the State Treasurer from
428 any funds in the State Treasury not otherwise appropriated. All
429 such bonds shall contain recitals on their faces substantially
430 covering the provisions of this section.

431 **SECTION 11.** Upon the issuance and sale of bonds under the
432 provisions of Sections 3 through 19 of this act, the commission
433 shall transfer the proceeds of any such sale or sales to the
434 special fund created in Section 4 of this act. The proceeds of
435 such bonds shall be disbursed solely upon the order of the
436 Department of Finance and Administration under such restrictions,
437 if any, as may be contained in the resolution providing for the
438 issuance of the bonds.

439 **SECTION 12.** The bonds authorized under Sections 3 through 19
440 of this act may be issued without any other proceedings or the
441 happening of any other conditions or things other than those
442 proceedings, conditions and things which are specified or required
443 by Sections 3 through 19 of this act. Any resolution providing
444 for the issuance of bonds under the provisions of Sections 3
445 through 19 of this act shall become effective immediately upon its
446 adoption by the commission, and any such resolution may be adopted
447 at any regular or special meeting of the commission by a majority
448 of its members.

449 **SECTION 13.** The bonds authorized under the authority of
450 Sections 3 through 19 of this act may be validated in the Chancery
451 Court of the First Judicial District of Hinds County, Mississippi,
452 in the manner and with the force and effect provided by Chapter
453 13, Title 31, Mississippi Code of 1972, for the validation of
454 county, municipal, school district and other bonds. The notice to
455 taxpayers required by such statutes shall be published in a
456 newspaper published or having a general circulation in the City of
457 Jackson, Mississippi.

458 **SECTION 14.** Any holder of bonds issued under the provisions
459 of Sections 3 through 19 of this act or of any of the interest

460 coupons pertaining thereto may, either at law or in equity, by
461 suit, action, mandamus or other proceeding, protect and enforce
462 any and all rights granted under Sections 3 through 19 of this
463 act, or under such resolution, and may enforce and compel
464 performance of all duties required by Sections 3 through 19 of
465 this act to be performed, in order to provide for the payment of
466 bonds and interest thereon.

467 **SECTION 15.** All bonds issued under the provisions of
468 Sections 3 through 19 of this act shall be legal investments for
469 trustees and other fiduciaries, and for savings banks, trust
470 companies and insurance companies organized under the laws of the
471 State of Mississippi, and such bonds shall be legal securities
472 which may be deposited with and shall be received by all public
473 officers and bodies of this state and all municipalities and
474 political subdivisions for the purpose of securing the deposit of
475 public funds.

476 **SECTION 16.** Bonds issued under the provisions of Sections 3
477 through 19 of this act and income therefrom shall be exempt from
478 all taxation in the State of Mississippi.

479 **SECTION 17.** The proceeds of the bonds issued under Sections
480 3 through 19 of this act shall be used solely for the purposes
481 therein provided, including the costs incident to the issuance and
482 sale of such bonds.

483 **SECTION 18.** The State Treasurer is authorized, without
484 further process of law, to certify to the Department of Finance
485 and Administration the necessity for warrants, and the Department
486 of Finance and Administration is authorized and directed to issue
487 such warrants, in such amounts as may be necessary to pay when due
488 the principal of, premium, if any, and interest on, or the
489 accreted value of, all bonds issued under Sections 3 through 19 of
490 this act; and the State Treasurer shall forward the necessary
491 amount to the designated place or places of payment of such bonds

492 in ample time to discharge such bonds, or the interest thereon, on
493 the due dates thereof.

494 **SECTION 19.** Sections 3 through 19 of this act shall be
495 deemed to be full and complete authority for the exercise of the
496 powers therein granted, but Sections 3 through 19 of this act
497 shall not be deemed to repeal or to be in derogation of any
498 existing law of this state.

499 **SECTION 20.** As used in Sections 20 through 35 of this act,
500 the following words shall have the meanings ascribed herein unless
501 the context clearly requires otherwise:

502 (a) "Accreted value" of any bonds means, as of any date
503 of computation, an amount equal to the sum of (i) the stated
504 initial value of such bond, plus (ii) the interest accrued thereon
505 from the issue date to the date of computation at the rate,
506 compounded semiannually, that is necessary to produce the
507 approximate yield to maturity shown for bonds of the same
508 maturity.

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

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

511 **SECTION 21.** (1) The commission, at one time, or from time
512 to time, may declare by resolution the necessity for issuance of
513 general obligation bonds of the State of Mississippi to provide
514 funds for the Mississippi Community Heritage Preservation Grant
515 Fund created pursuant to Section 39-5-145, Mississippi Code of
516 1972. Upon the adoption of a resolution by the Department of
517 Finance and Administration, declaring the necessity for the
518 issuance of any part or all of the general obligation bonds
519 authorized by this section, the Department of Finance and
520 Administration shall deliver a certified copy of its resolution or
521 resolutions to the commission. Upon receipt of such resolution,
522 the commission, in its discretion, may act as the issuing agent,
523 prescribe the form of the bonds, advertise for and accept bids,
524 issue and sell the bonds so authorized to be sold and do any and

525 all other things necessary and advisable in connection with the
526 issuance and sale of such bonds. The total amount of bonds issued
527 under Sections 20 through 35 of this act shall not exceed Five
528 Million Five Hundred Thousand Dollars (\$5,500,000.00). No bonds
529 authorized under Sections 20 through 35 of this act shall be
530 issued after July 1, 2008.

531 (2) The proceeds of bonds issued pursuant to Sections 20
532 through 35 of this act shall be deposited into the Mississippi
533 Community Heritage Preservation Grant Fund created pursuant to
534 Section 39-5-145, Mississippi Code of 1972. Any investment
535 earnings on bonds issued pursuant to Sections 20 through 35 of
536 this act shall be used to pay debt service on bonds issued under
537 Sections 20 through 35 of this act, in accordance with the
538 proceedings authorizing issuance of such bonds.

539 **SECTION 22.** The principal of and interest on the bonds
540 authorized under Sections 20 through 35 of this act shall be
541 payable in the manner provided in this section. Such bonds shall
542 bear such date or dates, be in such denomination or denominations,
543 bear interest at such rate or rates (not to exceed the limits set
544 forth in Section 75-17-101, Mississippi Code of 1972), be payable
545 at such place or places within or without the State of
546 Mississippi, shall mature absolutely at such time or times not to
547 exceed twenty-five (25) years from date of issue, be redeemable
548 before maturity at such time or times and upon such terms, with or
549 without premium, shall bear such registration privileges, and
550 shall be substantially in such form, all as shall be determined by
551 resolution of the commission.

552 **SECTION 23.** The bonds authorized by Sections 20 through 35
553 of this act shall be signed by the chairman of the commission, or
554 by his facsimile signature, and the official seal of the
555 commission shall be affixed thereto, attested by the secretary of
556 the commission. The interest coupons, if any, to be attached to
557 such bonds may be executed by the facsimile signatures of such

558 officers. Whenever any such bonds shall have been signed by the
559 officials designated to sign the bonds who were in office at the
560 time of such signing but who may have ceased to be such officers
561 before the sale and delivery of such bonds, or who may not have
562 been in office on the date such bonds may bear, the signatures of
563 such officers upon such bonds and coupons shall nevertheless be
564 valid and sufficient for all purposes and have the same effect as
565 if the person so officially signing such bonds had remained in
566 office until their delivery to the purchaser, or had been in
567 office on the date such bonds may bear. However, notwithstanding
568 anything herein to the contrary, such bonds may be issued as
569 provided in the Registered Bond Act of the State of Mississippi.

570 **SECTION 24.** All bonds and interest coupons issued under the
571 provisions of Sections 20 through 35 of this act have all the
572 qualities and incidents of negotiable instruments under the
573 provisions of the Uniform Commercial Code, and in exercising the
574 powers granted by Sections 20 through 35 of this act, the
575 commission shall not be required to and need not comply with the
576 provisions of the Uniform Commercial Code.

577 **SECTION 25.** The commission shall act as the issuing agent
578 for the bonds authorized under Sections 20 through 35 of this act,
579 prescribe the form of the bonds, advertise for and accept bids,
580 issue and sell the bonds so authorized to be sold, pay all fees
581 and costs incurred in such issuance and sale, and do any and all
582 other things necessary and advisable in connection with the
583 issuance and sale of such bonds. The commission is authorized and
584 empowered to pay the costs that are incident to the sale, issuance
585 and delivery of the bonds authorized under Sections 20 through 35
586 of this act from the proceeds derived from the sale of such bonds.
587 The commission shall sell such bonds on sealed bids at public
588 sale, and for such price as it may determine to be for the best
589 interest of the State of Mississippi, but no such sale shall be
590 made at a price less than par plus accrued interest to the date of

591 delivery of the bonds to the purchaser. All interest accruing on
592 such bonds so issued shall be payable semiannually or annually;
593 however, the first interest payment may be for any period of not
594 more than one (1) year.

595 Notice of the sale of any such bonds shall be published at
596 least one time, not less than ten (10) days before the date of
597 sale, and shall be so published in one or more newspapers
598 published or having a general circulation in the City of Jackson,
599 Mississippi, and in one or more other newspapers or financial
600 journals with a national circulation, to be selected by the
601 commission.

602 The commission, when issuing any bonds under the authority of
603 Sections 20 through 35 of this act, may provide that bonds, at the
604 option of the State of Mississippi, may be called in for payment
605 and redemption at the call price named therein and accrued
606 interest on such date or dates named therein.

607 **SECTION 26.** The bonds issued under the provisions of
608 Sections 20 through 35 of this act are general obligations of the
609 State of Mississippi, and for the payment thereof the full faith
610 and credit of the State of Mississippi is irrevocably pledged. If
611 the funds appropriated by the Legislature are insufficient to pay
612 the principal of and the interest on such bonds as they become
613 due, then the deficiency shall be paid by the State Treasurer from
614 any funds in the State Treasury not otherwise appropriated. All
615 such bonds shall contain recitals on their faces substantially
616 covering the provisions of this section.

617 **SECTION 27.** Upon the issuance and sale of bonds under the
618 provisions of Sections 20 through 35 of this act, the commission
619 shall transfer the proceeds of any such sale or sales to the
620 Mississippi Community Heritage Preservation Grant Fund created in
621 Section 39-5-145, Mississippi Code of 1972, and the proceeds of
622 such bonds shall be disbursed for the purposes provided in Section
623 39-5-145.

624 **SECTION 28.** The bonds authorized under Sections 20 through
625 35 of this act may be issued without any other proceedings or the
626 happening of any other conditions or things other than those
627 proceedings, conditions and things which are specified or required
628 by Sections 20 through 35 of this act. Any resolution providing
629 for the issuance of bonds under the provisions of Sections 20
630 through 35 of this act shall become effective immediately upon its
631 adoption by the commission, and any such resolution may be adopted
632 at any regular or special meeting of the commission by a majority
633 of its members.

634 **SECTION 29.** The bonds authorized under the authority of
635 Sections 20 through 35 of this act may be validated in the
636 Chancery Court of the First Judicial District of Hinds County,
637 Mississippi, in the manner and with the force and effect provided
638 by Chapter 13, Title 31, Mississippi Code of 1972, for the
639 validation of county, municipal, school district and other bonds.
640 The notice to taxpayers required by such statutes shall be
641 published in a newspaper published or having a general circulation
642 in the City of Jackson, Mississippi.

643 **SECTION 30.** Any holder of bonds issued under the provisions
644 of Sections 20 through 35 of this act or of any of the interest
645 coupons pertaining thereto may, either at law or in equity, by
646 suit, action, mandamus or other proceeding, protect and enforce
647 any and all rights granted under Sections 20 through 35 of this
648 act, or under such resolution, and may enforce and compel
649 performance of all duties required by Sections 20 through 35 of
650 this act to be performed, in order to provide for the payment of
651 bonds and interest thereon.

652 **SECTION 31.** All bonds issued under the provisions of
653 Sections 20 through 35 of this act shall be legal investments for
654 trustees and other fiduciaries, and for savings banks, trust
655 companies and insurance companies organized under the laws of the
656 State of Mississippi, and such bonds shall be legal securities

657 which may be deposited with and shall be received by all public
658 officers and bodies of this state and all municipalities and
659 political subdivisions for the purpose of securing the deposit of
660 public funds.

661 **SECTION 32.** Bonds issued under the provisions of Sections 20
662 through 35 of this act and income therefrom shall be exempt from
663 all taxation in the State of Mississippi.

664 **SECTION 33.** The proceeds of the bonds issued under Sections
665 20 through 35 of this act shall be used solely for the purposes
666 therein provided, including the costs incident to the issuance and
667 sale of such bonds.

668 **SECTION 34.** The State Treasurer is authorized, without
669 further process of law, to certify to the Department of Finance
670 and Administration the necessity for warrants, and the Department
671 of Finance and Administration is authorized and directed to issue
672 such warrants, in such amounts as may be necessary to pay when due
673 the principal of, premium, if any, and interest on, or the
674 accreted value of, all bonds issued under Sections 20 through 35
675 of this act; and the State Treasurer shall forward the necessary
676 amount to the designated place or places of payment of such bonds
677 in ample time to discharge such bonds, or the interest thereon, on
678 the due dates thereof.

679 **SECTION 35.** Sections 20 through 35 of this act shall be
680 deemed to be full and complete authority for the exercise of the
681 powers therein granted, but Sections 20 through 35 of this act
682 shall not be deemed to repeal or to be in derogation of any
683 existing law of this state.

684 **SECTION 36.** Section 39-5-145, Mississippi Code of 1972, is
685 amended as follows:

686 39-5-145. (1) A special fund, to be designated the
687 "Mississippi Community Heritage Preservation Grant Fund," is
688 created within the State Treasury. The fund shall be maintained
689 by the State Treasurer as a separate and special fund, separate

690 and apart from the General Fund of the state. The fund shall
691 consist of any monies designated for deposit therein from any
692 source, including proceeds of any state general obligation bonds
693 issued under Sections 39-5-143 and 39-5-145, Sections 22 through
694 36 of Laws, 2001, Chapter 541, Sections 1 through 16 of Laws,
695 2002, Chapter 543, * * * Sections 1 through 16 of House Bill No.
696 1597, 2003 Regular Session, and Sections 20 through 35 of House
697 Bill No._1792, 2004 Regular Session. Unexpended amounts remaining
698 in the fund at the end of a fiscal year shall not lapse into the
699 State General Fund and any interest earned or investment earnings
700 on amounts in the fund shall be deposited into the fund. The
701 expenditure of monies deposited into the fund shall be under the
702 direction of the Department of Finance and Administration, based
703 upon recommendations of the Board of Trustees of the Department of
704 Archives and History, and such funds shall be paid by the State
705 Treasurer upon warrants issued by the Department of Finance and
706 Administration. Monies deposited into such fund shall be
707 allocated and disbursed according to the provisions of this
708 section. If any monies in the special fund are derived from
709 proceeds of bonds issued under this chapter, Sections 1 through 16
710 of Laws, 2002, Chapter 543, * * * Sections 1 through 16 of Laws,
711 2003, Chapter 509, and/or Sections 20 through 35 of House Bill No.
712 1792, 2004 Regular Session, and are not used within four (4) years
713 after the date such bond proceeds are deposited into the special
714 fund, then the Department of Finance and Administration shall
715 provide an accounting of such unused monies to the State Bond
716 Commission.

717 (2) Monies deposited into the fund shall be allocated and
718 disbursed as follows:

719 (a) Twenty-two Million Five Hundred Thousand Dollars
720 (\$22,500,000.00) shall be allocated and disbursed as grants on a
721 reimbursable basis through the Department of Finance and
722 Administration, based upon the recommendations of the Board of

723 Trustees of the Department of Archives and History, to assist
724 county governments, municipal governments, school districts and
725 nonprofit organizations that have obtained Section 501(c)(3)
726 tax-exempt status from the United States Internal Revenue Service
727 in helping pay the costs incurred in preserving, restoring,
728 rehabilitating, repairing or interpreting (i) historic county
729 courthouses, (ii) historic school buildings, and/or (iii) other
730 historic properties identified by certified local governments.
731 Where possible, expenditures from the fund shall be used to match
732 federal grants or other grants that may be accessed by the
733 Department of Archives and History, other state agencies, county
734 governments or municipal governments, school districts or
735 nonprofit organizations that have obtained Section 501(c)(3)
736 tax-exempt status from the United States Internal Revenue Service.
737 Any properties, except those described in paragraphs (b) and (d)
738 of this subsection, receiving monies pursuant to this section must
739 be designated as "Mississippi Landmark" properties prior to
740 selection as projects for funding under the provisions of this
741 section.

742 (b) Two Hundred Fifty Thousand Dollars (\$250,000.00)
743 shall be allocated and disbursed as grant funds to the Amory
744 Regional Museum in Amory, Mississippi, to pay the costs of capital
745 improvements, repair, renovation, furnishing and/or equipping of
746 the museum. The disbursement of grant funds shall be contingent
747 upon such museum providing matching funds from any source, other
748 than the state, equal to at least Two Hundred Fifty Thousand
749 Dollars (\$250,000.00).

750 (c) One Hundred Thousand Dollars (\$100,000.00) shall be
751 allocated and disbursed as grant funds to the Jacinto Foundation,
752 Inc., to pay the costs of capital improvements, repairing,
753 renovating, restoring, rehabilitating, preserving, furnishing
754 and/or equipping the courthouse and related facilities in Jacinto,
755 Mississippi.

756 (d) Four Hundred Twenty-five Thousand Dollars
757 (\$425,000.00) shall be allocated and disbursed as grant funds to
758 the Oxford-Lafayette County Heritage Foundation to pay the costs
759 of capital improvements, repairing, renovating, restoring,
760 rehabilitating, preserving, furnishing, equipping and/or acquiring
761 the L.Q.C. Lamar Home in Oxford, Mississippi.

762 (e) Seventy-five Thousand Dollars (\$75,000.00) shall be
763 allocated and disbursed as grant funds to the City of Columbus,
764 Mississippi Federal/State Programs Department to pay the costs of
765 capital improvements, repairing, renovating, restoring,
766 rehabilitating, preserving, reconstructing, furnishing and/or
767 equipping the Queen City Hotel in Columbus, Mississippi.

768 (f) One Million Dollars (\$1,000,000.00) shall be
769 allocated and disbursed as grant funds to the Town of Wesson,
770 Mississippi, to pay the costs of restoration and renovation of the
771 Old Wesson School.

772 (g) Monies in the Mississippi Community Heritage
773 Preservation Grant Fund which are derived from proceeds of bonds
774 issued under Sections 1 through 16 of Laws, 2002, Chapter 543,
775 Sections 1 through 16 of Laws, 2003, Chapter 509, and/or Sections
776 20 through 35 of House Bill No. 1792, 2004 Regular Session, may be
777 used to reimburse reasonable actual and necessary costs incurred
778 by the Mississippi Department of Archives and History in providing
779 assistance directly related to a project described in paragraph
780 (a) of this subsection for which funding is provided under this
781 section. Reimbursement may be made only until such time as the
782 project is completed. An accounting of actual costs incurred for
783 which reimbursement is sought shall be maintained for each project
784 by the Mississippi Department of Archives and History.
785 Reimbursement of reasonable actual and necessary costs for a
786 project shall not exceed three percent (3%) of the proceeds of
787 bonds issued for such project. Monies authorized for a particular

788 project may not be used to reimburse administrative costs for
789 unrelated projects.

790 (3) The Board of Trustees of the Department of Archives and
791 History shall receive and consider proposals from county
792 governments, municipal governments, school districts and nonprofit
793 organizations that have obtained Section 501(c)(3) tax-exempt
794 status from the United States Internal Revenue Service for
795 projects associated with the preservation, restoration,
796 rehabilitation, repair or interpretation of (a) historic
797 courthouses, (b) historic school buildings and/or (c) other
798 historic properties identified by certified local governments.
799 Proposals shall be submitted in accordance with the provisions of
800 procedures, criteria and standards developed by the board. The
801 board shall determine those projects to be funded and may require
802 matching funds from any applicant seeking assistance under this
803 section. This subsection shall not apply to projects described in
804 subsections (2)(b), (2)(c), (2)(d), (2)(e) and (2)(f) of this
805 section.

806 (4) The Department of Archives and History shall publicize
807 the Community Heritage Preservation Grant program described in
808 this section on a statewide basis, including the publication of
809 the criteria and standards used by the department in selecting
810 projects for funding. The selection of a project for funding
811 under the provisions of this section shall be made solely upon the
812 deliberate consideration of each proposed project on its merits.
813 The board shall make every effort to award the grants in a manner
814 that will fairly distribute the funds in regard to the geography
815 and cultural diversity of the state. This subsection shall not
816 apply to projects described in subsections (2)(b), (2)(c), (2)(d),
817 (2)(e) and (2)(f) of this section.

818 (5) With regard to any project awarded funding under this
819 section, any consultant, planner, architect, engineer, exhibit
820 contracting firm, historic preservation specialist or other

821 professional hired by a grant recipient to work on any such
822 project shall be approved by the board before their employment by
823 the grant recipient.

824 (6) Plans and specifications for all projects initiated
825 under the provisions of this section shall be approved by the
826 board before the awarding of any contracts. The plans and
827 specifications for any work involving "Mississippi Landmark"
828 properties shall be developed in accordance with "The Secretary of
829 the Interior's Standards for the Treatment of Historic
830 Properties."

831 **SECTION 37.** This act shall take effect and be in force from
832 and after its passage.