

By: Senator(s) Hewes, Moffatt, Cuevas, Lee
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To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3076

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 CONSTRUCTION, DEVELOPMENT AND ESTABLISHMENT OF THE GULF COAST
4 BOTANICAL GARDENS AT BEAUVOIR; 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 "2004 Gulf Coast Botanical Gardens at Beauvoir 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 earnings
25 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 construction, development and establishment of
29 the Gulf Coast Botanical Gardens at Beauvoir.

30 (2) Amounts deposited into such special fund shall be
31 disbursed to pay the costs of the projects described in subsection
32 (1) of this section. Promptly after the commission has certified,
33 by resolution duly adopted, that the projects described in
34 subsection (1) shall have been completed, abandoned, or cannot be
35 completed in a timely fashion, any amounts remaining in such
36 special fund shall be applied to pay debt service on the bonds
37 issued under this act, in accordance with the proceedings
38 authorizing the issuance of such bonds and as directed by the
39 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 Three Hundred Thousand Dollars (\$300,000.00). No bonds
68 shall be issued under this act after July 1, 2008.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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