

By: Representative Green

To: Ways and Means

HOUSE BILL NO. 1691

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO THE CITY OF NATCHEZ,
3 MISSISSIPPI, TO ASSIST IN PAYING COSTS INCURRED FOR PROJECTS AND
4 PROGRAMS RELATED TO THE DEVELOPMENT, REDEVELOPMENT AND IMPROVEMENT
5 OF THE DOWNTOWN AREA OF THE MUNICIPALITY AND FOR OTHER PROJECTS
6 AND PROGRAMS RELATED TO THE PROMOTION OF ECONOMIC DEVELOPMENT
7 WITHIN THE MUNICIPALITY; TO AUTHORIZE THE ISSUANCE OF STATE
8 GENERAL OBLIGATION BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO THE
9 CENTREVILLE DOWNTOWN DEVELOPMENT AUTHORITY FOR OPERATING AND
10 MAINTAINING AND COMPLETING CONSTRUCTION, FURNISHING AND EQUIPPING
11 OF THE CAMP VAN DORN MUSEUM IN CENTREVILLE, MISSISSIPPI; AND FOR
12 RELATED PURPOSES.

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

14 **SECTION 1.** As used in this act, the following words shall
15 have the meanings ascribed herein unless the context clearly
16 requires otherwise:

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

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

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

26 **SECTION 2.** (1) (a) A special fund to be designated as the
27 "City of Natchez Downtown Redevelopment and Improvement Fund" is
28 created within the State Treasury. The fund shall be maintained
29 by the State Treasurer as a separate and special fund, separate
30 and apart from the General Fund of the state. Unexpended amounts
31 remaining in the fund at the end of a fiscal year shall not lapse
32 into the State General Fund, and any interest earned or investment

33 earnings on amounts in the fund shall be deposited to the credit
34 of the fund. Monies in the fund may not be used or expended for
35 any purpose except as authorized under this section.

36 (b) Monies deposited into the fund shall be disbursed
37 by the Department of Finance and Administration to the City of
38 Natchez, Mississippi, to provide funds to the City of Natchez,
39 Mississippi, to assist in paying costs incurred for projects and
40 programs related to the development, redevelopment and improvement
41 of the downtown area of the municipality and for other projects
42 and programs related to the promotion of economic development
43 within the municipality.

44 (2) Amounts deposited into such special fund shall be
45 disbursed by the Department of Finance and Administration to pay
46 the costs of projects described in subsection (1) of this section.

47 (3) Such funds shall be paid by the State Treasurer to the
48 City of Natchez, Mississippi, upon warrants issued by the
49 Department of Finance and Administration, which warrants shall be
50 issued upon requisitions signed by the Executive Director of the
51 Department of Finance and Administration, or his designee.

52 **SECTION 3.** (1) (a) A special fund to be designated as the
53 "Camp Van Dorn Museum Fund" is created within the State Treasury.
54 The fund shall be maintained by the State Treasurer as a separate
55 and special fund, separate and apart from the General Fund of the
56 state. Unexpended amounts remaining in the fund at the end of a
57 fiscal year shall not lapse into the State General Fund, and any
58 interest earned or investment earnings on amounts in the fund
59 shall be deposited to the credit of the fund. Monies in the fund
60 may not be used or expended for any purpose except as authorized
61 under this section.

62 (b) Monies deposited into the fund shall be disbursed
63 by the Department of Finance and Administration to the Centreville
64 Downtown Development Authority to provide funds to the Camp Van
65 Dorn Museum in Centreville, Mississippi, to pay the costs of

66 operating and maintaining and completing construction, furnishing
67 and equipping of the museum.

68 (2) Amounts deposited into such special fund shall be
69 disbursed by the Department of Finance and Administration to pay
70 the costs of projects described in subsection (1) of this section.

71 (3) Such funds shall be paid by the State Treasurer to the
72 Centreville Downtown Development Authority upon warrants issued by
73 the Department of Finance and Administration, which warrants shall
74 be issued upon requisitions signed by the Executive Director of
75 the Department of Finance and Administration, or his designee.

76 **SECTION 4.** (1) The commission, at one time, or from time to
77 time, may declare by resolution the necessity for issuance of
78 general obligation bonds of the State of Mississippi to provide
79 funds for all costs incurred or to be incurred for the purposes
80 described in Sections 2 and 3 of this act. Upon the adoption of a
81 resolution by the Department of Finance and Administration,
82 declaring the necessity for the issuance of any part or all of the
83 general obligation bonds authorized by this section, the
84 Department of Finance and Administration shall deliver a certified
85 copy of its resolution or resolutions to the commission. Upon
86 receipt of such resolution, the commission, in its discretion, may
87 act as the issuing agent, prescribe the form of the bonds,
88 advertise for and accept bids, issue and sell the bonds so
89 authorized to be sold and do any and all other things necessary
90 and advisable in connection with the issuance and sale of such
91 bonds. The total amount of bonds issued under this act shall not
92 exceed Ten Million Three Hundred Fifty Thousand Dollars
93 (\$10,350,000.00). No bonds shall be issued under this section
94 after July 1, 2008.

95 (2) The proceeds of the bonds issued pursuant to this act
96 shall be deposited into the following special funds in not more
97 than the following amounts:

98 (a) The City of Natchez Downtown Redevelopment and
99 Improvement Fund created pursuant to Section 2 of this
100 act..... \$10,000,000.00.

101 (b) The Camp Van Dorn Museum Fund created pursuant to
102 Section 3 of this act..... \$ 350,000.00.

103 (3) Any investment earnings on amounts deposited into the
104 special funds created in Sections 2 and 3 of this act shall be
105 used to pay debt service on bonds issued under this act, in
106 accordance with the proceedings authorizing issuance of such
107 bonds.

108 **SECTION 5.** The principal of and interest on the bonds
109 authorized under this act shall be payable in the manner provided
110 in this section. Such bonds shall bear such date or dates, be in
111 such denomination or denominations, bear interest at such rate or
112 rates (not to exceed the limits set forth in Section 75-17-101,
113 Mississippi Code of 1972), be payable at such place or places
114 within or without the State of Mississippi, shall mature
115 absolutely at such time or times not to exceed twenty-five (25)
116 years from date of issue, be redeemable before maturity at such
117 time or times and upon such terms, with or without premium, shall
118 bear such registration privileges, and shall be substantially in
119 such form, all as shall be determined by resolution of the
120 commission.

121 **SECTION 6.** The bonds authorized by this act shall be signed
122 by the chairman of the commission, or by his facsimile signature,
123 and the official seal of the commission shall be affixed thereto,
124 attested by the secretary of the commission. The interest
125 coupons, if any, to be attached to such bonds may be executed by
126 the facsimile signatures of such officers. Whenever any such
127 bonds shall have been signed by the officials designated to sign
128 the bonds who were in office at the time of such signing but who
129 may have ceased to be such officers before the sale and delivery
130 of such bonds, or who may not have been in office on the date such

131 bonds may bear, the signatures of such officers upon such bonds
132 and coupons shall nevertheless be valid and sufficient for all
133 purposes and have the same effect as if the person so officially
134 signing such bonds had remained in office until their delivery to
135 the purchaser, or had been in office on the date such bonds may
136 bear. However, notwithstanding anything herein to the contrary,
137 such bonds may be issued as provided in the Registered Bond Act of
138 the State of Mississippi.

139 **SECTION 7.** All bonds and interest coupons issued under the
140 provisions of this act have all the qualities and incidents of
141 negotiable instruments under the provisions of the Uniform
142 Commercial Code, and in exercising the powers granted by this act,
143 the commission shall not be required to and need not comply with
144 the provisions of the Uniform Commercial Code.

145 **SECTION 8.** The commission shall act as the issuing agent for
146 the bonds authorized under this act, prescribe the form of the
147 bonds, advertise for and accept bids, issue and sell the bonds so
148 authorized to be sold, pay all fees and costs incurred in such
149 issuance and sale, and do any and all other things necessary and
150 advisable in connection with the issuance and sale of such bonds.
151 The commission is authorized and empowered to pay the costs that
152 are incident to the sale, issuance and delivery of the bonds
153 authorized under this act from the proceeds derived from the sale
154 of such bonds. The commission shall sell such bonds on sealed
155 bids at public sale, and for such price as it may determine to be
156 for the best interest of the State of Mississippi, but no such
157 sale shall be made at a price less than par plus accrued interest
158 to the date of delivery of the bonds to the purchaser. All
159 interest accruing on such bonds so issued shall be payable
160 semiannually or annually; however, the first interest payment may
161 be for any period of not more than one (1) year.

162 Notice of the sale of any such bonds shall be published at
163 least one time, not less than ten (10) days before the date of

164 sale, and shall be so published in one or more newspapers
165 published or having a general circulation in the City of Jackson,
166 Mississippi, and in one or more other newspapers or financial
167 journals with a national circulation, to be selected by the
168 commission.

169 The commission, when issuing any bonds under the authority of
170 this act, may provide that bonds, at the option of the State of
171 Mississippi, may be called in for payment and redemption at the
172 call price named therein and accrued interest on such date or
173 dates named therein.

174 **SECTION 9.** The bonds issued under the provisions of this act
175 are general obligations of the State of Mississippi, and for the
176 payment thereof the full faith and credit of the State of
177 Mississippi is irrevocably pledged. If the funds appropriated by
178 the Legislature are insufficient to pay the principal of and the
179 interest on such bonds as they become due, then the deficiency
180 shall be paid by the State Treasurer from any funds in the State
181 Treasury not otherwise appropriated. All such bonds shall contain
182 recitals on their faces substantially covering the provisions of
183 this section.

184 **SECTION 10.** Upon the issuance and sale of bonds under the
185 provisions of this act, the commission shall transfer the proceeds
186 of any such sale or sales to the special funds created in Sections
187 2 and 3 of this act in the amounts provided for in Section 4 of
188 this act. The proceeds of such bonds shall be disbursed solely
189 upon the order of the Department of Finance and Administration
190 under such restrictions, if any, as may be contained in the
191 resolution providing for the issuance of the bonds.

192 **SECTION 11.** The bonds authorized under this act may be
193 issued without any other proceedings or the happening of any other
194 conditions or things other than those proceedings, conditions and
195 things which are specified or required by this act. Any
196 resolution providing for the issuance of bonds under the

197 provisions of this act shall become effective immediately upon its
198 adoption by the commission, and any such resolution may be adopted
199 at any regular or special meeting of the commission by a majority
200 of its members.

201 **SECTION 12.** The bonds authorized under the authority of this
202 act may be validated in the Chancery Court of the First Judicial
203 District of Hinds County, Mississippi, in the manner and with the
204 force and effect provided by Chapter 13, Title 31, Mississippi
205 Code of 1972, for the validation of county, municipal, school
206 district and other bonds. The notice to taxpayers required by
207 such statutes shall be published in a newspaper published or
208 having a general circulation in the City of Jackson, Mississippi.

209 **SECTION 13.** Any holder of bonds issued under the provisions
210 of this act or of any of the interest coupons pertaining thereto
211 may, either at law or in equity, by suit, action, mandamus or
212 other proceeding, protect and enforce any and all rights granted
213 under this act, or under such resolution, and may enforce and
214 compel performance of all duties required by this act to be
215 performed, in order to provide for the payment of bonds and
216 interest thereon.

217 **SECTION 14.** All bonds issued under the provisions of this
218 act shall be legal investments for trustees and other fiduciaries,
219 and for savings banks, trust companies and insurance companies
220 organized under the laws of the State of Mississippi, and such
221 bonds shall be legal securities which may be deposited with and
222 shall be received by all public officers and bodies of this state
223 and all municipalities and political subdivisions for the purpose
224 of securing the deposit of public funds.

225 **SECTION 15.** Bonds issued under the provisions of this act
226 and income therefrom shall be exempt from all taxation in the
227 State of Mississippi.

228 **SECTION 16.** The proceeds of the bonds issued under this act
229 shall be used solely for the purposes herein provided, including
230 the costs incident to the issuance and sale of such bonds.

231 **SECTION 17.** The State Treasurer is authorized, without
232 further process of law, to certify to the Department of Finance
233 and Administration the necessity for warrants, and the Department
234 of Finance and Administration is authorized and directed to issue
235 such warrants, in such amounts as may be necessary to pay when due
236 the principal of, premium, if any, and interest on, or the
237 accreted value of, all bonds issued under this act; and the State
238 Treasurer shall forward the necessary amount to the designated
239 place or places of payment of such bonds in ample time to
240 discharge such bonds, or the interest thereon, on the due dates
241 thereof.

242 **SECTION 18.** This act shall be deemed to be full and complete
243 authority for the exercise of the powers herein granted, but this
244 act shall not be deemed to repeal or to be in derogation of any
245 existing law of this state.

246 **SECTION 19.** This act shall take effect and be in force from
247 and after July 1, 2005.