

By: Representatives Fredericks, Ishee,  
Janus, Peranich, Simpson

To: Ways and Means

HOUSE BILL NO. 1722

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR ARCHITECTURAL  
3 PLANNING AND MUSEUM CONSULTANTS FOR THE JOHN C. ROBINSON  
4 MISSISSIPPI AVIATION MUSEUM IN GULFPORT, MISSISSIPPI; AND FOR  
5 RELATED PURPOSES.

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

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

10 (a) "Accreted value" of any bond means, as of any date  
11 of computation, an amount equal to the sum of (i) the stated  
12 initial value of such bond, plus (ii) the interest accrued thereon  
13 from the issue date to the date of computation at the rate,  
14 compounded semiannually, that is necessary to produce the  
15 approximate yield to maturity shown for bonds of the same  
16 maturity.

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

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

19 **SECTION 2.** (1) (a) A special fund, to be designated as the  
20 "John C. Robinson Mississippi Aviation Museum Fund" is created  
21 within the State Treasury. The fund shall be maintained by the  
22 State Treasurer as a separate and special fund, separate and apart  
23 from the General Fund of the state. Unexpended amounts remaining  
24 in the fund at the end of a fiscal year shall not lapse into the  
25 State General Fund, and any interest earned or investment earnings  
26 on amounts in the fund shall be deposited into such fund.

27 (b) Monies deposited into the fund shall be disbursed  
28 by the Department of Finance and Administration to the John C.

29 Robinson "Brown Condor" Association to pay the costs of  
30 architectural planning and museum consultants for the John C.  
31 Robinson Mississippi Aviation Museum in Gulfport, Mississippi.

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

42 (3) The expenditure of monies deposited into the special  
43 fund shall be under the direction of the Department of Finance and  
44 Administration, and such funds shall be paid by the State  
45 Treasurer to the John C. Robinson "Brown Condor" Association upon  
46 warrants issued by such department, which warrants shall be issued  
47 upon requisitions signed by the Executive Director of the  
48 Department of Finance and Administration or his designee.

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

62 authorized to be sold and do any and all other things necessary  
63 and advisable in connection with the issuance and sale of such  
64 bonds. The total amount of bonds issued under this act shall not  
65 exceed Two Hundred Fifty Thousand Dollars (\$250,000.00).

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

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

83 **SECTION 5.** The bonds authorized by this act shall be signed  
84 by the chairman of the commission, or by his facsimile signature,  
85 and the official seal of the commission shall be affixed thereto,  
86 attested by the secretary of the commission. The interest  
87 coupons, if any, to be attached to such bonds may be executed by  
88 the facsimile signatures of such officers. Whenever any such  
89 bonds shall have been signed by the officials designated to sign  
90 the bonds who were in office at the time of such signing but who  
91 may have ceased to be such officers before the sale and delivery  
92 of such bonds, or who may not have been in office on the date such  
93 bonds may bear, the signatures of such officers upon such bonds  
94 and coupons shall nevertheless be valid and sufficient for all

95 purposes and have the same effect as if the person so officially  
96 signing such bonds had remained in office until their delivery to  
97 the purchaser, or had been in office on the date such bonds may  
98 bear. However, notwithstanding anything herein to the contrary,  
99 such bonds may be issued as provided in the Registered Bond Act of  
100 the State of Mississippi.

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

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

124       Notice of the sale of any such bonds shall be published at  
125 least one time, not less than ten (10) days before the date of  
126 sale, and shall be so published in one or more newspapers  
127 published or having a general circulation in the City of Jackson,

128 Mississippi, and in one or more other newspapers or financial  
129 journals with a national circulation, to be selected by the  
130 commission.

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

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

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

153 **SECTION 10.** The bonds authorized under this act may be  
154 issued without any other proceedings or the happening of any other  
155 conditions or things other than those proceedings, conditions and  
156 things which are specified or required by this act. Any  
157 resolution providing for the issuance of bonds under the  
158 provisions of this act shall become effective immediately upon its  
159 adoption by the commission, and any such resolution may be adopted

160 at any regular or special meeting of the commission by a majority  
161 of its members.

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

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

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

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

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

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

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

207           **SECTION 18.** This act shall take effect and be in force from  
208 and after July 1, 2005.