

By: Senator(s) Harden

To: Finance

SENATE BILL NO. 2223

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 REPAIRS AND RENOVATIONS AT JACKSON STATE UNIVERSITY NECESSARY FOR
4 COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND FOR THE
5 REPAIR AND RENOVATION OF BUILDINGS AND FACILITIES AT JACKSON STATE
6 UNIVERSITY; AND FOR RELATED PURPOSES.

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

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

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

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

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

20 **SECTION 2.** (1) (a) A special fund, to be designated as the
21 "2005 Jackson State University Repair and Renovation Fund" is
22 created within the State Treasury. The fund shall be maintained
23 by the State Treasurer as a separate and special fund, separate
24 and apart from the General Fund of the state. Unexpended amounts
25 remaining in the fund at the end of a fiscal year shall not lapse
26 into the State General Fund, and any interest earned or
27 investment earnings on amounts in the fund shall be deposited into
28 such fund.

29 (b) Monies deposited into the fund shall be disbursed,
30 in the discretion of the Department of Finance and Administration,
31 to pay the costs of the following projects at Jackson State
32 University:

33 Repair and renovation of campus
34 buildings and facilities necessary
35 for compliance with the Americans
36 with Disabilities Act.....\$3,000,000.00
37 Repair and renovation of campus
38 buildings and facilities.....\$3,000,000.00

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

49 (3) The Department of Finance and Administration, acting
50 through the Bureau of Building, Grounds and Real Property
51 Management, is expressly authorized and empowered to receive and
52 expend any local or other source funds in connection with the
53 expenditure of funds provided for in this section. The
54 expenditure of monies deposited into the special fund shall be
55 under the direction of the Department of Finance and
56 Administration, and such funds shall be paid by the State
57 Treasurer upon warrants issued by such department, which warrants
58 shall be issued upon requisitions signed by the Executive Director
59 of the Department of Finance and Administration, or his designee.

60 **SECTION 3.** (1) The commission, at one time, or from time to
61 time, may declare by resolution the necessity for issuance of

62 general obligation bonds of the State of Mississippi to provide
63 funds for all costs incurred or to be incurred for the purposes
64 described in Section 2 of this act. Upon the adoption of a
65 resolution by the Department of Finance and Administration,
66 declaring the necessity for the issuance of any part or all of the
67 general obligation bonds authorized by this section, the
68 Department of Finance and Administration shall deliver a certified
69 copy of its resolution or resolutions to the commission. Upon
70 receipt of such resolution, the commission, in its discretion, may
71 act as the issuing agent, prescribe the form of the bonds,
72 advertise for and accept bids, issue and sell the bonds so
73 authorized to be sold and do any and all other things necessary
74 and advisable in connection with the issuance and sale of such
75 bonds. The total amount of bonds issued under this act shall not
76 exceed Six Million Dollars (\$6,000,000.00).

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

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

94 **SECTION 5.** The bonds authorized by this act shall be signed
95 by the chairman of the commission, or by his facsimile signature,
96 and the official seal of the commission shall be affixed thereto,
97 attested by the secretary of the commission. The interest
98 coupons, if any, to be attached to such bonds may be executed by
99 the facsimile signatures of such officers. Whenever any such
100 bonds shall have been signed by the officials designated to sign
101 the bonds who were in office at the time of such signing but who
102 may have ceased to be such officers before the sale and delivery
103 of such bonds, or who may not have been in office on the date such
104 bonds may bear, the signatures of such officers upon such bonds
105 and coupons shall nevertheless be valid and sufficient for all
106 purposes and have the same effect as if the person so officially
107 signing such bonds had remained in office until their delivery to
108 the purchaser, or had been in office on the date such bonds may
109 bear. However, notwithstanding anything herein to the contrary,
110 such bonds may be issued as provided in the Registered Bond Act of
111 the State of Mississippi.

112 **SECTION 6.** All bonds and interest coupons issued under the
113 provisions of this act have all the qualities and incidents of
114 negotiable instruments under the provisions of the Uniform
115 Commercial Code, and in exercising the powers granted by this act,
116 the commission shall not be required to and need not comply with
117 the provisions of the Uniform Commercial Code.

118 **SECTION 7.** The commission shall act as the issuing agent for
119 the bonds authorized under this act, prescribe the form of the
120 bonds, advertise for and accept bids, issue and sell the bonds so
121 authorized to be sold, pay all fees and costs incurred in such
122 issuance and sale, and do any and all other things necessary and
123 advisable in connection with the issuance and sale of such bonds.
124 The commission is authorized and empowered to pay the costs that
125 are incident to the sale, issuance and delivery of the bonds
126 authorized under this act from the proceeds derived from the sale

127 of such bonds. The commission shall sell such bonds on sealed
128 bids at public sale, and for such price as it may determine to be
129 for the best interest of the State of Mississippi, but no such
130 sale shall be made at a price less than par plus accrued interest
131 to the date of delivery of the bonds to the purchaser. All
132 interest accruing on such bonds so issued shall be payable
133 semiannually or annually; however, the first interest payment may
134 be for any period of not more than one (1) year.

135 Notice of the sale of any such bonds shall be published at
136 least one time, not less than ten (10) days before the date of
137 sale, and shall be so published in one or more newspapers
138 published or having a general circulation in the City of Jackson,
139 Mississippi, and in one or more other newspapers or financial
140 journals with a national circulation, to be selected by the
141 commission.

142 The commission, when issuing any bonds under the authority of
143 this act, may provide that bonds, at the option of the State of
144 Mississippi, may be called in for payment and redemption at the
145 call price named therein and accrued interest on such date or
146 dates named therein.

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

157 **SECTION 9.** Upon the issuance and sale of bonds under the
158 provisions of this act, the commission shall transfer the proceeds
159 of any such sale or sales to the special fund created in Section 2

160 of this act. The proceeds of such bonds shall be disbursed solely
161 upon the order of the Department of Finance and Administration
162 under such restrictions, if any, as may be contained in the
163 resolution providing for the issuance of the bonds.

164 **SECTION 10.** The bonds authorized under this act may be
165 issued without any other proceedings or the happening of any other
166 conditions or things other than those proceedings, conditions and
167 things which are specified or required by this act. Any
168 resolution providing for the issuance of bonds under the
169 provisions of this act shall become effective immediately upon its
170 adoption by the commission, and any such resolution may be adopted
171 at any regular or special meeting of the commission by a majority
172 of its members.

173 **SECTION 11.** The bonds authorized under the authority of this
174 act may be validated in the Chancery Court of the First Judicial
175 District of Hinds County, Mississippi, in the manner and with the
176 force and effect provided by Chapter 13, Title 31, Mississippi
177 Code of 1972, for the validation of county, municipal, school
178 district and other bonds. The notice to taxpayers required by
179 such statutes shall be published in a newspaper published or
180 having a general circulation in the City of Jackson, Mississippi.

181 **SECTION 12.** Any holder of bonds issued under the provisions
182 of this act or of any of the interest coupons pertaining thereto
183 may, either at law or in equity, by suit, action, mandamus or
184 other proceeding, protect and enforce any and all rights granted
185 under this act, or under such resolution, and may enforce and
186 compel performance of all duties required by this act to be
187 performed, in order to provide for the payment of bonds and
188 interest thereon.

189 **SECTION 13.** All bonds issued under the provisions of this
190 act shall be legal investments for trustees and other fiduciaries,
191 and for savings banks, trust companies and insurance companies
192 organized under the laws of the State of Mississippi, and such

193 bonds shall be legal securities which may be deposited with and
194 shall be received by all public officers and bodies of this state
195 and all municipalities and political subdivisions for the purpose
196 of securing the deposit of public funds.

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

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

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

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

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