

By: Senator(s) Simmons, Gordon, Morgan, Posey, Gollott, Wilemon, Albritton, Williamson, Hewes, King, Tollison, Mettetal, White, Jackson (11th), Doxey, Clarke, Harden, Harvey, Horhn, Little, Kirby, Nunnelee, Davis, Lee (47th), Moffatt, Huggins, Thomas, Dawkins, Walls, Butler, Jordan, Brown

To: Finance

SENATE BILL NO. 3101

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 THE B.B. KING MUSEUM; AND FOR RELATED PURPOSES.

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

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

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

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

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

17 **SECTION 2.** (1) (a) A special fund, to be designated as the  
18 "2005 B.B. King Museum Fund" is created within the State Treasury.  
19 The fund shall be maintained by the State Treasurer as a separate  
20 and special fund, separate and apart from the General Fund of the  
21 state. Unexpended amounts remaining in the fund at the end of a  
22 fiscal year shall not lapse into the State General Fund, and any  
23 interest earned or investment earnings on amounts in the fund  
24 shall be deposited into such fund.

25 (b) Money deposited into the fund shall be disbursed,  
26 in the discretion of the Department of Finance and Administration,  
27 to pay the costs of:

28 (i) Construction, furnishing, equipping and  
29 repairs and renovations at the B.B. King Museum in Indianola,  
30 Mississippi; and

31 (ii) Production and development of exhibits and  
32 audiovisual for such museum.

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

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

54 **SECTION 3.** (1) The commission, at one time, or from time to  
55 time, may declare by resolution the necessity for issuance of  
56 general obligation bonds of the State of Mississippi to provide  
57 funds for all costs incurred or to be incurred for the purposes  
58 described in Section 2 of this act. Upon the adoption of a  
59 resolution by the Department of Finance and Administration,  
60 declaring the necessity for the issuance of any part or all of the

61 general obligation bonds authorized by this section, the  
62 Department of Finance and Administration shall deliver a certified  
63 copy of its resolution or resolutions to the commission. Upon  
64 receipt of such resolution, the commission, in its discretion, may  
65 act as the issuing agent, prescribe the form of the bonds,  
66 advertise for and accept bids, issue and sell the bonds so  
67 authorized to be sold and do any and all other things necessary  
68 and advisable in connection with the issuance and sale of such  
69 bonds. The total amount of bonds issued under this act shall not  
70 exceed Two Million Dollars (\$2,000,000.00). No bonds shall be  
71 issued under this act from and after July 1, 2008.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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