

By: Representatives Clarke, Buck, Calhoun,
Clark, Evans, Flaggs, Fredericks, Hines,
Holloway, Johnson, Middleton, Scott, Thomas,
Whittington

To: Ways and Means

HOUSE BILL NO. 1517

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 CONSTRUCTION OF A STADIUM ON THE CAMPUS OF JACKSON STATE
4 UNIVERSITY; 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 "Jackson State University Stadium Construction Fund" is created in
20 the State Treasury. The fund shall be maintained by the State
21 Treasurer as a special fund, separate and apart from the State
22 General Fund. Unexpended amounts remaining in the fund at the end
23 of a fiscal year shall not lapse into the State General Fund, and
24 any interest earned or investment earnings on amounts in the fund
25 shall be deposited into the 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 constructing a stadium on the campus of
29 Jackson State.

30 (2) Amounts deposited into the special fund shall be
31 disbursed to pay the costs of the project described in subsection
32 (1) of this section. Promptly after the commission has certified,
33 by resolution duly adopted, that the project described in
34 subsection (1) of this section has been completed, abandoned, or
35 cannot be completed in a timely fashion, any amounts remaining in
36 the 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 the 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 those funds shall be paid by the State
48 Treasurer upon warrants issued by the department, which warrants
49 shall be issued upon requisitions signed by the executive director
50 of the department 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 shall deliver a certified copy of its resolution or
60 resolutions to the commission. Upon receipt of the resolution,

61 the commission, in its discretion, may act as the issuing agent,
62 prescribe the form of the bonds, advertise for and accept bids,
63 issue and sell the bonds so authorized to be sold and do any and
64 all other things necessary and advisable in connection with the
65 issuance and sale of the bonds. The total amount of bonds issued
66 under this act shall not exceed Seventy Million Dollars
67 (\$70,000,000.00). The bonds authorized under this act shall be
68 issued annually in the following increments: Twenty-three Million
69 Three Hundred Thirty-four Thousand Dollars (\$23,334,000.00) for
70 the 2007 state fiscal year, Twenty-three Million Three Hundred
71 Thirty-four Thousand Dollars (\$23,334,000.00) for the 2008 state
72 fiscal year, and Twenty-three Million Three Hundred Thirty-two
73 Thousand Dollars (\$23,332,000.00) for the 2009 state fiscal year.

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

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

91 **SECTION 5.** The bonds authorized by this act shall be signed
92 by the chairman of the commission, or by his facsimile signature,
93 and the official seal of the commission shall be affixed thereto,

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

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

115 **SECTION 7.** The commission shall act as the issuing agent for
116 the bonds authorized under this act, prescribe the form of the
117 bonds, advertise for and accept bids, issue and sell the bonds so
118 authorized to be sold, pay all fees and costs incurred in that
119 issuance and sale, and do any and all other things necessary and
120 advisable in connection with the issuance and sale of the bonds.
121 The commission is authorized and empowered to pay the costs that
122 are incident to the sale, issuance and delivery of the bonds
123 authorized under this act from the proceeds derived from the sale
124 of the bonds. The commission shall sell the bonds on sealed bids
125 at public sale, and for such price as it may determine to be for
126 the best interest of the State of Mississippi, but no such sale

127 shall be made at a price less than par plus accrued interest to
128 the date of delivery of the bonds to the purchaser. All interest
129 accruing on the bonds so issued shall be payable semiannually or
130 annually; however, the first interest payment may be for any
131 period of not more than one (1) year.

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

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

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

154 **SECTION 9.** Upon the issuance and sale of bonds under the
155 provisions of this act, the commission shall transfer the proceeds
156 of any such sale or sales to the special fund created in Section 2
157 of this act. The proceeds of the bonds shall be disbursed solely
158 upon the order of the Department of Finance and Administration

159 under such restrictions, if any, as may be contained in the
160 resolution providing for the issuance of the bonds.

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

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

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

185 **SECTION 13.** All bonds issued under the provisions of this
186 act shall be legal investments for trustees and other fiduciaries,
187 and for savings banks, trust companies and insurance companies
188 organized under the laws of the State of Mississippi, and the
189 bonds shall be legal securities that may be deposited with and
190 shall be received by all public officers and bodies of this state

191 and all municipalities and political subdivisions for the purpose
192 of securing the deposit of public funds.

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

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

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

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

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