

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 3070

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 REPAIR, RENOVATION, FURNISHING AND EQUIPPING OF THE OLD CAPITOL  
4 AND TENANT BUILD-OUT EXPENSES RELATED TO REPAIR AND RENOVATION OF  
5 THE OLD CAPITOL; TO AMEND SECTIONS 1 THROUGH 16, CHAPTER 543, LAWS  
6 OF 2002, TO EXTEND THE PERIOD DURING WHICH CERTAIN GENERAL  
7 OBLIGATION BONDS MAY BE ISSUED FOR THE MISSISSIPPI COMMUNITY  
8 HERITAGE PRESERVATION GRANT FUND; AND FOR RELATED PURPOSES.

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

10 SECTION 1. As used in Sections 1 through 17 of this act, the  
11 following words shall have the meanings ascribed herein unless the  
12 context clearly requires otherwise:

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

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

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

22 (d) "This act" means Sections 1 through 18 of this act.

23 SECTION 2. (1) (a) A special fund, to be designated as the  
24 "2006 Old Capitol Repair and Renovation Fund" is created within  
25 the State Treasury. The fund shall be maintained by the State  
26 Treasurer as a separate and special fund, separate and apart from  
27 the General Fund of the state. Unexpended amounts remaining in  
28 the fund at the end of a fiscal year shall not lapse into the  
29 State General Fund, and any interest earned or investment earnings  
30 on amounts in the fund shall be deposited into such fund.

31 (b) Monies deposited into the fund shall be disbursed,  
32 in the discretion of the Department of Finance and Administration,  
33 to pay the costs of repair, renovation, furnishing and equipping  
34 of the Old Capitol in moving expenses and other tenant build-out  
35 expenses related to repair and renovation of the Old Capitol.

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

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

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

64 general obligation bonds authorized by this section, the  
65 Department of Finance and Administration shall deliver a certified  
66 copy of its resolution or resolutions to the commission. Upon  
67 receipt of such resolution, the commission, in its discretion, may  
68 act as the issuing agent, prescribe the form of the bonds,  
69 advertise for and accept bids, issue and sell the bonds so  
70 authorized to be sold and do any and all other things necessary  
71 and advisable in connection with the issuance and sale of such  
72 bonds. The total amount of bonds issued under this act shall not  
73 exceed Fourteen Million Two Hundred Thousand Dollars  
74 (\$14,200,000.00).

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

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

92 **SECTION 5.** The bonds authorized by this act shall be signed  
93 by the chairman of the commission, or by his facsimile signature,  
94 and the official seal of the commission shall be affixed thereto,  
95 attested by the secretary of the commission. The interest  
96 coupons, if any, to be attached to such bonds may be executed by

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

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

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

130 interest accruing on such bonds so issued shall be payable  
131 semiannually or annually; however, the first interest payment may  
132 be for any period of not more than one (1) year.

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

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

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

155 **SECTION 9.** Upon the issuance and sale of bonds under the  
156 provisions of this act, the commission shall transfer the proceeds  
157 of any such sale or sales to the special fund created in Section 2  
158 of this act. The proceeds of such bonds shall be disbursed solely  
159 upon the order of the Department of Finance and Administration  
160 under such restrictions, if any, as may be contained in the  
161 resolution providing for the issuance of the bonds.

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

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

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

187           **SECTION 13.** All bonds issued under the provisions of this  
188 act shall be legal investments for trustees and other fiduciaries,  
189 and for savings banks, trust companies and insurance companies  
190 organized under the laws of the State of Mississippi, and such  
191 bonds shall be legal securities which may be deposited with and  
192 shall be received by all public officers and bodies of this state  
193 and all municipalities and political subdivisions for the purpose  
194 of securing the deposit of public funds.

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

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

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

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

216           **SECTION 18.** Sections 1 through 16, Chapter 543, Laws of  
217 2002, are amended as follows:

218           Section 1. As used in Sections 1 through 16 of this act, the  
219 following words shall have the meanings ascribed herein unless the  
220 context clearly requires otherwise:

221           (a) "Accreted value" of any bonds means, as of any date  
222 of computation, an amount equal to the sum of (i) the stated  
223 initial value of such bond, plus (ii) the interest accrued thereon  
224 from the issue date to the date of computation at the rate,  
225 compounded semiannually, that is necessary to produce the  
226 approximate yield to maturity shown for bonds of the same  
227 maturity.

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

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

230 Section 2. (1) The commission, at one time, or from time to  
231 time, may declare by resolution the necessity for issuance of  
232 general obligation bonds of the State of Mississippi to provide  
233 funds for the Mississippi Community Heritage Preservation Grant  
234 Fund created pursuant to Section 39-5-145 and the account for the  
235 Mississippi Landmark Grant Program within the Historic Properties  
236 Trust Fund created pursuant to Section 39-5-23. Upon the adoption  
237 of a resolution by the Department of Finance and Administration,  
238 declaring the necessity for the issuance of any part or all of the  
239 general obligation bonds authorized by this section, the  
240 Department of Finance and Administration shall deliver a certified  
241 copy of its resolution or resolutions to the commission. Upon  
242 receipt of such resolution, the commission, in its discretion, may  
243 act as the issuing agent, prescribe the form of the bonds,  
244 advertise for and accept bids, issue and sell the bonds so  
245 authorized to be sold and do any and all other things necessary  
246 and advisable in connection with the issuance and sale of such  
247 bonds. The total amount of bonds issued under Sections 1 through  
248 16 of this act shall not exceed Six Million Two Hundred Thousand  
249 Dollars (\$6,200,000.00). No bonds authorized under Sections 1  
250 through 16 of this act shall be issued after July 1, 2007.

251 (2) Five Million Five Hundred Thousand Dollars  
252 (\$5,500,000.00) of the proceeds of bonds issued pursuant to  
253 Sections 1 through 16 of this act shall be deposited into the  
254 Mississippi Community Heritage Preservation Grant Fund created  
255 pursuant to Section 39-5-145, and Seven Hundred Thousand Dollars  
256 (\$700,000.00) of the proceeds of bonds issued pursuant to Sections  
257 1 through 16 of this act shall be deposited into the account for  
258 the Mississippi Landmark Grant Program within the Historic  
259 Properties Trust Fund created pursuant to Section 39-5-23. Any  
260 investment earnings on bonds issued pursuant to Sections 1 through



261 16 of this act shall be used to pay debt service on bonds issued  
262 under Sections 1 through 16 of this act, in accordance with the  
263 proceedings authorizing issuance of such bonds.

264 Section 3. The principal of and interest on the bonds  
265 authorized under Sections 1 through 16 of this act shall be  
266 payable in the manner provided in this section. Such bonds shall  
267 bear such date or dates, be in such denomination or denominations,  
268 bear interest at such rate or rates (not to exceed the limits set  
269 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
270 at such place or places within or without the State of  
271 Mississippi, shall mature absolutely at such time or times not to  
272 exceed twenty-five (25) years from date of issue, be redeemable  
273 before maturity at such time or times and upon such terms, with or  
274 without premium, shall bear such registration privileges, and  
275 shall be substantially in such form, all as shall be determined by  
276 resolution of the commission.

277 Section 4. The bonds authorized by Sections 1 through 16 of  
278 this act shall be signed by the chairman of the commission, or by  
279 his facsimile signature, and the official seal of the commission  
280 shall be affixed thereto, attested by the secretary of the  
281 commission. The interest coupons, if any, to be attached to such  
282 bonds may be executed by the facsimile signatures of such  
283 officers. Whenever any such bonds shall have been signed by the  
284 officials designated to sign the bonds who were in office at the  
285 time of such signing but who may have ceased to be such officers  
286 before the sale and delivery of such bonds, or who may not have  
287 been in office on the date such bonds may bear, the signatures of  
288 such officers upon such bonds and coupons shall nevertheless be  
289 valid and sufficient for all purposes and have the same effect as  
290 if the person so officially signing such bonds had remained in  
291 office until their delivery to the purchaser, or had been in  
292 office on the date such bonds may bear. However, notwithstanding

293 anything herein to the contrary, such bonds may be issued as  
294 provided in the Registered Bond Act of the State of Mississippi.

295 Section 5. All bonds and interest coupons issued under the  
296 provisions of Sections 1 through 16 of this act have all the  
297 qualities and incidents of negotiable instruments under the  
298 provisions of the Uniform Commercial Code, and in exercising the  
299 powers granted by Sections 1 through 16 of this act, the  
300 commission shall not be required to and need not comply with the  
301 provisions of the Uniform Commercial Code.

302 Section 6. The commission shall act as the issuing agent for  
303 the bonds authorized under Sections 1 through 16 of this act,  
304 prescribe the form of the bonds, advertise for and accept bids,  
305 issue and sell the bonds so authorized to be sold, pay all fees  
306 and costs incurred in such issuance and sale, and do any and all  
307 other things necessary and advisable in connection with the  
308 issuance and sale of such bonds. The commission is authorized and  
309 empowered to pay the costs that are incident to the sale, issuance  
310 and delivery of the bonds authorized under Sections 1 through 16  
311 of this act from the proceeds derived from the sale of such bonds.  
312 The commission shall sell such bonds on sealed bids at public  
313 sale, and for such price as it may determine to be for the best  
314 interest of the State of Mississippi, but no such sale shall be  
315 made at a price less than par plus accrued interest to the date of  
316 delivery of the bonds to the purchaser. All interest accruing on  
317 such bonds so issued shall be payable semiannually or annually;  
318 however, the first interest payment may be for any period of not  
319 more than one (1) year.

320 Notice of the sale of any such bonds shall be published at  
321 least one time, not less than ten (10) days before the date of  
322 sale, and shall be so published in one or more newspapers  
323 published or having a general circulation in the City of Jackson,  
324 Mississippi, and in one or more other newspapers or financial

325 journals with a national circulation, to be selected by the  
326 commission.

327 The commission, when issuing any bonds under the authority of  
328 Sections 1 through 16 of this act, may provide that bonds, at the  
329 option of the State of Mississippi, may be called in for payment  
330 and redemption at the call price named therein and accrued  
331 interest on such date or dates named therein.

332 Section 7. The bonds issued under the provisions of Sections  
333 1 through 16 of this act are general obligations of the State of  
334 Mississippi, and for the payment thereof the full faith and credit  
335 of the State of Mississippi is irrevocably pledged. If the funds  
336 appropriated by the Legislature are insufficient to pay the  
337 principal of and the interest on such bonds as they become due,  
338 then the deficiency shall be paid by the State Treasurer from any  
339 funds in the State Treasury not otherwise appropriated. All such  
340 bonds shall contain recitals on their faces substantially covering  
341 the provisions of this section.

342 Section 8. Upon the issuance and sale of bonds under the  
343 provisions of Sections 1 through 16 of this act, the commission  
344 shall transfer the proceeds of any such sale or sales to the  
345 Mississippi Community Heritage Preservation Grant Fund created in  
346 Section 39-5-145 and the account for the Mississippi Landmark  
347 Grant Program within the Historic Properties Trust Fund created in  
348 Section 39-5-23, in the amounts provided for in Section 2(2) of  
349 this act, and the proceeds of such bonds shall be disbursed for  
350 the purposes provided in Section 39-5-145 and Section 39-5-23(3),  
351 respectively.

352 Section 9. The bonds authorized under Sections 1 through 16  
353 of this act may be issued without any other proceedings or the  
354 happening of any other conditions or things other than those  
355 proceedings, conditions and things which are specified or required  
356 by Sections 1 through 16 of this act. Any resolution providing  
357 for the issuance of bonds under the provisions of Sections 1

358 through 16 of this act shall become effective immediately upon its  
359 adoption by the commission, and any such resolution may be adopted  
360 at any regular or special meeting of the commission by a majority  
361 of its members.

362 Section 10. The bonds authorized under the authority of  
363 Sections 1 through 16 of this act may be validated in the Chancery  
364 Court of the First Judicial District of Hinds County, Mississippi,  
365 in the manner and with the force and effect provided by Chapter  
366 13, Title 31, Mississippi Code of 1972, for the validation of  
367 county, municipal, school district and other bonds. The notice to  
368 taxpayers required by such statutes shall be published in a  
369 newspaper published or having a general circulation in the City of  
370 Jackson, Mississippi.

371 Section 11. Any holder of bonds issued under the provisions  
372 of Sections 1 through 16 of this act or of any of the interest  
373 coupons pertaining thereto may, either at law or in equity, by  
374 suit, action, mandamus or other proceeding, protect and enforce  
375 any and all rights granted under Sections 1 through 16 of this  
376 act, or under such resolution, and may enforce and compel  
377 performance of all duties required by Sections 1 through 16 of  
378 this act to be performed, in order to provide for the payment of  
379 bonds and interest thereon.

380 Section 12. All bonds issued under the provisions of  
381 Sections 1 through 16 of this act shall be legal investments for  
382 trustees and other fiduciaries, and for savings banks, trust  
383 companies and insurance companies organized under the laws of the  
384 State of Mississippi, and such bonds shall be legal securities  
385 which may be deposited with and shall be received by all public  
386 officers and bodies of this state and all municipalities and  
387 political subdivisions for the purpose of securing the deposit of  
388 public funds.

389           Section 13. Bonds issued under the provisions of Sections 1  
390 through 16 of this act and income therefrom shall be exempt from  
391 all taxation in the State of Mississippi.

392           Section 14. The proceeds of the bonds issued under Sections  
393 1 through 16 of this act shall be used solely for the purposes  
394 therein provided, including the costs incident to the issuance and  
395 sale of such bonds.

396           Section 15. The State Treasurer is authorized, without  
397 further process of law, to certify to the Department of Finance  
398 and Administration the necessity for warrants, and the Department  
399 of Finance and Administration is authorized and directed to issue  
400 such warrants, in such amounts as may be necessary to pay when due  
401 the principal of, premium, if any, and interest on, or the  
402 accreted value of, all bonds issued under Sections 1 through 16 of  
403 this act; and the State Treasurer shall forward the necessary  
404 amount to the designated place or places of payment of such bonds  
405 in ample time to discharge such bonds, or the interest thereon, on  
406 the due dates thereof.

407           Section 16. Sections 1 through 16 of this act shall be  
408 deemed to be full and complete authority for the exercise of the  
409 powers therein granted, but Sections 1 through 16 of this act  
410 shall not be deemed to repeal or to be in derogation of any  
411 existing law of this state.

412           **SECTION 19.** This act shall take effect and be in force from  
413 and after its passage.