

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 3070
(As Sent to Governor)

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 17 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 and 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.