

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 3081  
(As Sent to Governor)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS IN THE AMOUNT OF \$28,474,000.00 TO BE UTILIZED FOR CAPITAL  
3 IMPROVEMENTS FOR THE DEPARTMENT OF PUBLIC SAFETY; TO REQUIRE THE  
4 DEPARTMENT OF FINANCE AND ADMINISTRATION TO OBTAIN AND MAINTAIN  
5 PROPERTY AND CASUALTY INSURANCE, AND FLOOD INSURANCE IF  
6 APPLICABLE, FOR PROJECTS WHICH RECEIVE FUNDING FROM PROCEEDS OF  
7 BONDS AUTHORIZED UNDER THIS ACT; TO PROVIDE THAT SUCH INSURANCE  
8 REQUIREMENT SHALL BE IN ADDITION TO ANY OTHER INSURANCE REQUIRED  
9 BY LAW; AND FOR RELATED PURPOSES.

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

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

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

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

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

23 **SECTION 2.** (1) (a) A special fund, to be designated as the  
24 "2006 Department of Public Safety Improvements Fund," is created  
25 within the State Treasury. The fund shall be maintained by the  
26 State Treasurer as a separate and special fund, separate and apart  
27 from the General Fund of the state. Unexpended amounts remaining  
28 in the fund at the end of a fiscal year shall not lapse into the  
29 State General Fund, and investment earnings on amounts in the fund  
30 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 preplanning, capital improvements, additions,  
34 renovation and/or repair of existing facilities, exhibits,  
35 furnishing, and/or equipping facilities, and purchasing real  
36 property for the following public facilities for the Department of  
37 Public Safety as recommended by the Commissioner of Public Safety:

38           (i) Furnishing and equipping of the new Bureau of  
39 Narcotics Building located in West Point in Highway Safety Patrol  
40 District 5;

41           (ii) Furnishing and equipping of the new Highway  
42 Safety Patrol Substation located in Highway Safety Patrol District  
43 4;

44           (iii) Construction of a Highway Safety Patrol  
45 maintenance shop located in Highway Safety Patrol District 4;

46           (iv) Furnishing and equipping the new Highway  
47 Safety Patrol Substation located in the Jackson metropolitan area;

48           (v) Purchase of emergency generators for the  
49 Mississippi Bureau of Narcotics buildings located in West Point,  
50 Newton and the Guntown/Tupelo area;

51           (vi) Repairs to a roof and construction of fencing  
52 at the Mississippi Law Enforcement Officer's Training Academy;

53           (vii) Construction, furnishing and equipping of a  
54 new Highway Safety Patrol Substation in Lauderdale County in  
55 Highway Safety Patrol District 6;

56           (viii) Construction, furnishing and equipping of a  
57 new Highway Safety Patrol Substation in Leflore County in Highway  
58 Safety Patrol District 2;

59           (ix) Construction, furnishing and equipping of a  
60 new Department of Public Safety Law Enforcement Complex in  
61 Harrison County;

62                   (x) Construction, furnishing and equipping of a  
63 Mississippi Bureau of Narcotics/Mississippi Bureau of  
64 Investigation Office in Highway Safety Patrol District 9;

65                   (xi) Construction, furnishing and equipping of a  
66 high wind resistance facility to house the Department of Public  
67 Safety information technology infrastructure in Highway Safety  
68 Patrol District 1.

69           (2) Amounts deposited into such special fund shall be  
70 disbursed to pay the costs of projects described in subsection (1)  
71 of this section. Promptly after the commission has certified, by  
72 resolution duly adopted, that the projects described in subsection  
73 (1) shall have been completed, abandoned, or cannot be completed  
74 in a timely fashion, any amounts remaining in such special fund  
75 shall be applied to pay debt service on the bonds issued under  
76 this act, in accordance with the proceedings authorizing the  
77 issuance of such bonds and as directed by the commission.

78           (3) The Department of Finance and Administration, acting  
79 through the Bureau of Building, Grounds and Real Property  
80 Management, is expressly authorized and empowered to receive and  
81 expend any local or other source funds in connection with the  
82 expenditure of funds provided for in this section. The  
83 expenditure of monies deposited into the special fund shall be  
84 under the direction of the Department of Finance and  
85 Administration, and the funds shall be paid by the State Treasurer  
86 upon warrants issued by the department, which warrants shall be  
87 issued upon requisitions signed by the Executive Director of the  
88 Department of Finance and Administration, or his designee.

89           (4) The Department of Finance and Administration shall  
90 obtain and maintain property and casualty insurance, and flood  
91 insurance if applicable, for projects described in subsection (1)  
92 of this section which receive funding from proceeds of bonds  
93 authorized under this act. The insurance requirement provided in

94 this subsection (4) shall be in addition to any other insurance  
95 required by law.

96       **SECTION 3.** (1) The commission, at one time, or from time to  
97 time, may declare by resolution the necessity for issuance of  
98 general obligation bonds of the State of Mississippi to provide  
99 funds for all costs incurred or to be incurred for the purposes  
100 described in Section 2 of this act. Upon the adoption of a  
101 resolution by the Department of Finance and Administration,  
102 declaring the necessity for the issuance of any part or all of the  
103 general obligation bonds authorized by this section, the  
104 Department of Finance and Administration shall deliver a certified  
105 copy of its resolution or resolutions to the commission. Upon  
106 receipt of such resolution, the commission, in its discretion, may  
107 act as the issuing agent, prescribe the form of the bonds,  
108 advertise for and accept bids, issue and sell the bonds so  
109 authorized to be sold and do any and all other things necessary  
110 and advisable in connection with the issuance and sale of such  
111 bonds. The total amount of bonds issued under this act shall not  
112 exceed Twenty-eight Million Four Hundred Seventy-four Thousand  
113 Dollars (\$28,474,000.00); provided, however, that the amount of  
114 bonds authorized to be issued under this act shall be reduced by  
115 the amount of any federal or local funds made available for  
116 Hurricane Katrina purposes regarding the projects described in  
117 subsection (1)(b)(ix) or Section 2 of this act.

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

122       **SECTION 4.** The principal of and interest on the bonds  
123 authorized under this act shall be payable in the manner provided  
124 in this section. Such bonds shall bear such date or dates, be in  
125 such denomination or denominations, bear interest at such rate or  
126 rates (not to exceed the limits set forth in Section 75-17-101,

127 Mississippi Code of 1972), be payable at such place or places  
128 within or without the State of Mississippi, shall mature  
129 absolutely at such time or times not to exceed twenty-five (25)  
130 years from date of issue, be redeemable before maturity at such  
131 time or times and upon such terms, with or without premium, shall  
132 bear such registration privileges, and shall be substantially in  
133 such form, all as shall be determined by resolution of the  
134 commission.

135       **SECTION 5.** The bonds authorized by this act shall be signed  
136 by the chairman of the commission, or by his facsimile signature,  
137 and the official seal of the commission shall be affixed thereto,  
138 attested by the secretary of the commission. The interest  
139 coupons, if any, to be attached to such bonds may be executed by  
140 the facsimile signatures of such officers. Whenever any such  
141 bonds shall have been signed by the officials designated to sign  
142 the bonds who were in office at the time of such signing but who  
143 may have ceased to be such officers before the sale and delivery  
144 of such bonds, or who may not have been in office on the date such  
145 bonds may bear, the signatures of such officers upon such bonds  
146 and coupons shall nevertheless be valid and sufficient for all  
147 purposes and have the same effect as if the person so officially  
148 signing such bonds had remained in office until their delivery to  
149 the purchaser, or had been in office on the date such bonds may  
150 bear. However, notwithstanding anything herein to the contrary,  
151 such bonds may be issued as provided in the Registered Bond Act of  
152 the State of Mississippi.

153       **SECTION 6.** All bonds and interest coupons issued under the  
154 provisions of this act have all the qualities and incidents of  
155 negotiable instruments under the provisions of the Uniform  
156 Commercial Code, and in exercising the powers granted by this act,  
157 the commission shall not be required to and need not comply with  
158 the provisions of the Uniform Commercial Code.

159           **SECTION 7.** The commission shall act as the issuing agent for  
160 the bonds authorized under this act, prescribe the form of the  
161 bonds, advertise for and accept bids, issue and sell the bonds so  
162 authorized to be sold, pay all fees and costs incurred in such  
163 issuance and sale, and do any and all other things necessary and  
164 advisable in connection with the issuance and sale of such bonds.  
165 The commission is authorized and empowered to pay the costs that  
166 are incident to the sale, issuance and delivery of the bonds  
167 authorized under this act from the proceeds derived from the sale  
168 of such bonds. The commission shall sell such bonds on sealed  
169 bids at public sale, and for such price as it may determine to be  
170 for the best interest of the State of Mississippi, but no such  
171 sale shall be made at a price less than par plus accrued interest  
172 to the date of delivery of the bonds to the purchaser. All  
173 interest accruing on such bonds so issued shall be payable  
174 semiannually or annually; however, the first interest payment may  
175 be for any period of not more than one (1) year.

176           Notice of the sale of any such bonds shall be published at  
177 least one (1) time, not less than ten (10) days before the date of  
178 sale, and shall be so published in one or more newspapers  
179 published or having a general circulation in the City of Jackson,  
180 Mississippi, and in one or more other newspapers or financial  
181 journals with a national circulation, to be selected by the  
182 commission.

183           The commission, when issuing any bonds under the authority of  
184 this act, may provide that bonds, at the option of the State of  
185 Mississippi, may be called in for payment and redemption at the  
186 call price named therein and accrued interest on such date or  
187 dates named therein.

188           **SECTION 8.** The bonds issued under the provisions of this act  
189 are general obligations of the State of Mississippi, and for the  
190 payment thereof the full faith and credit of the State of  
191 Mississippi is irrevocably pledged. If the funds appropriated by

192 the Legislature are insufficient to pay the principal of and the  
193 interest on such bonds as they become due, then the deficiency  
194 shall be paid by the State Treasurer from any funds in the State  
195 Treasury not otherwise appropriated. All such bonds shall contain  
196 recitals on their faces substantially covering the provisions of  
197 this section.

198       **SECTION 9.** Upon the issuance and sale of bonds under the  
199 provisions of this act, the commission shall transfer the proceeds  
200 of any such sale or sales to the special fund created in Section 2  
201 of this act. The proceeds of such bonds shall be disbursed solely  
202 upon the order of the Department of Finance and Administration  
203 under such restrictions, if any, as may be contained in the  
204 resolution providing for the issuance of the bonds.

205       **SECTION 10.** The bonds authorized under this act may be  
206 issued without any other proceedings or the happening of any other  
207 conditions or things other than those proceedings, conditions and  
208 things which are specified or required by this act. Any  
209 resolution providing for the issuance of bonds under the  
210 provisions of this act shall become effective immediately upon its  
211 adoption by the commission, and any such resolution may be adopted  
212 at any regular or special meeting of the commission by a majority  
213 of its members.

214       **SECTION 11.** The bonds authorized under the authority of this  
215 act may be validated in the Chancery Court of the First Judicial  
216 District of Hinds County, Mississippi, in the manner and with the  
217 force and effect provided by Chapter 13, Title 31, Mississippi  
218 Code of 1972, for the validation of county, municipal, school  
219 district and other bonds. The notice to taxpayers required by  
220 such statutes shall be published in a newspaper published or  
221 having a general circulation in the City of Jackson, Mississippi.

222       **SECTION 12.** Any holder of bonds issued under the provisions  
223 of this act or of any of the interest coupons pertaining thereto  
224 may, either at law or in equity, by suit, action, mandamus or

225 other proceeding, protect and enforce any and all rights granted  
226 under this act, or under such resolution, and may enforce and  
227 compel performance of all duties required by this act to be  
228 performed, in order to provide for the payment of bonds and  
229 interest thereon.

230       **SECTION 13.** All bonds issued under the provisions of this  
231 act shall be legal investments for trustees and other fiduciaries,  
232 and for savings banks, trust companies and insurance companies  
233 organized under the laws of the State of Mississippi, and such  
234 bonds shall be legal securities which may be deposited with and  
235 shall be received by all public officers and bodies of this state  
236 and all municipalities and political subdivisions for the purpose  
237 of securing the deposit of public funds.

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

241       **SECTION 15.** The proceeds of the bonds issued under this act  
242 shall be used solely for the purposes therein provided, including  
243 the costs incident to the issuance and sale of such bonds.

244       **SECTION 16.** The State Treasurer is authorized, without  
245 further process of law, to certify to the Department of Finance  
246 and Administration the necessity for warrants, and the Department  
247 of Finance and Administration is authorized and directed to issue  
248 such warrants, in such amounts as may be necessary to pay when due  
249 the principal of, premium, if any, and interest on, or the  
250 accreted value of, all bonds issued under this act; and the State  
251 Treasurer shall forward the necessary amount to the designated  
252 place or places of payment of such bonds in ample time to  
253 discharge such bonds, or the interest thereon, on the due dates  
254 thereof.

255       **SECTION 17.** This act shall be deemed to be full and complete  
256 authority for the exercise of the powers therein granted, but this



257 act shall not be deemed to repeal or to be in derogation of any  
258 existing law of this state.

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