

By: Senator(s) Little, Robertson

To: Finance

SENATE BILL NO. 3111

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$2,000,000.00 FOR THE  
3 PURPOSE OF PROVIDING FUNDS FOR THE B.B. KING MUSEUM; AND FOR  
4 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 "2006 B.B. King Museum Fund," is created within the State  
20 Treasury. The fund shall be maintained by the State Treasurer as  
21 a separate and special fund, separate and apart from the General  
22 Fund of the state. Unexpended amounts remaining in the fund at  
23 the end of a fiscal year shall not lapse into the State General  
24 Fund, and any interest earned or investment earnings on amounts in  
25 the fund shall be deposited into such fund.

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

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

32 (ii) Designing, producing, developing and  
33 equipping exhibits and audiovisual projects and programs for such  
34 museum.

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

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

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

62 declaring the necessity for the issuance of any part or all of the  
63 general obligation bonds authorized by this section, the  
64 Department of Finance and Administration shall deliver a certified  
65 copy of its resolution or resolutions to the commission. Upon  
66 receipt of such resolution, the commission, in its discretion, may  
67 act as the issuing agent, prescribe the form of the bonds,  
68 advertise for and accept bids, issue and sell the bonds so  
69 authorized to be sold and do any and all other things necessary  
70 and advisable in connection with the issuance and sale of such  
71 bonds. The total amount of bonds issued under this act shall not  
72 exceed Two Million Dollars (\$2,000,000.00). No bonds shall be  
73 issued under this act from and after July 1, 2010.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

211           **SECTION 18.** This act shall take effect and be in force from  
212 and after July 1, 2006.