

Senate Amendments to House Bill No. 1638

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

12 **SECTION 1.** As used in Sections 1 through 16 of this act, the
13 following words shall have the meanings ascribed herein unless the
14 context clearly requires otherwise:

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

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

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

24 (d) "This act" means Sections 1 through 16 of this act.

25 **SECTION 2.** (1) The commission, at one time, or from time to
26 time, may declare by resolution the necessity for issuance of
27 general obligation bonds of the State of Mississippi to provide
28 funds for the design of, purchase of equipment for, and
29 construction of a statewide wireless communications system that
30 will be interoperable to the extent practical with existing
31 communications systems and for related purposes. Upon the
32 adoption of a resolution by the Wireless Communications Commission
33 created in Section 25-53-171 declaring the necessity for the
34 issuance of any part or all of the general obligation bonds
35 authorized by this section, the Wireless Communication Commission
36 shall deliver a certified copy of its resolution or resolutions to
37 the commission. Upon receipt of such resolution, the commission,

38 in its discretion, may act as the issuing agent, prescribe the
39 form of the bonds, advertise for and accept bids, issue and sell
40 the bonds so authorized to be sold and do any and all other things
41 necessary and advisable in connection with the issuance and sale
42 of such bonds. The total amount of bonds issued under this act
43 shall not exceed Fifty Million Dollars (\$50,000,000.00).

44 (2) The proceeds of bonds issued pursuant to this act shall
45 be deposited into the Integrated Public Safety Communications Fund
46 created pursuant to Section 25-53-171. Any investment earnings on
47 bonds issued pursuant to this act shall be used to pay debt
48 service on bonds issued under this act, in accordance with the
49 proceedings authorizing issuance of such bonds.

50 **SECTION 3.** The principal of and interest on the bonds
51 authorized under this act shall be payable in the manner provided
52 in this section. Such bonds shall bear such date or dates, be in
53 such denomination or denominations, bear interest at such rate or
54 rates (not to exceed the limits set forth in Section 75-17-101,
55 Mississippi Code of 1972), be payable at such place or places
56 within or without the State of Mississippi, shall mature
57 absolutely at such time or times not to exceed twenty-five (25)
58 years from date of issue, be redeemable before maturity at such
59 time or times and upon such terms, with or without premium, shall
60 bear such registration privileges, and shall be substantially in
61 such form, all as shall be determined by resolution of the
62 commission.

63 **SECTION 4.** The bonds authorized by this act shall be signed
64 by the chairman of the commission, or by his facsimile signature,
65 and the official seal of the commission shall be affixed thereto,
66 attested by the secretary of the commission. The interest
67 coupons, if any, to be attached to such bonds may be executed by
68 the facsimile signatures of such officers. Whenever any such
69 bonds shall have been signed by the officials designated to sign
70 the bonds who were in office at the time of such signing but who
71 may have ceased to be such officers before the sale and delivery
72 of such bonds, or who may not have been in office on the date such

bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

SECTION 5. All bonds and interest coupons issued under the provisions of this act have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this act, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

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

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

Mississippi, and in one or more other newspapers or financial journals with a national circulation, to be selected by the commission.

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

SECTION 7. The bonds issued under the provisions of this act are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this section.

SECTION 8. Upon the issuance and sale of bonds under the provisions of this act, the commission shall transfer the proceeds of any such sale or sales to the Integrated Public Safety Communications Fund created in Section 23-53-171. The proceeds of such bonds shall be disbursed as provided for in Section 23-53-171 under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

SECTION 9. The bonds authorized under this act may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things which are specified or required by this act. Any resolution providing for the issuance of bonds under the provisions of this act shall become effective immediately upon its adoption by the commission, and any such resolution may be adopted at any regular or special meeting of the commission by a majority of its members.

142 **SECTION 10.** The bonds authorized under the authority of this
143 act may be validated in the Chancery Court of the First Judicial
144 District of Hinds County, Mississippi, in the manner and with the
145 force and effect provided by Chapter 13, Title 31, Mississippi
146 Code of 1972, for the validation of county, municipal, school
147 district and other bonds. The notice to taxpayers required by
148 such statutes shall be published in a newspaper published or
149 having a general circulation in the City of Jackson, Mississippi.

150 **SECTION 11.** Any holder of bonds issued under the provisions
151 of this act or of any of the interest coupons pertaining thereto
152 may, either at law or in equity, by suit, action, mandamus or
153 other proceeding, protect and enforce any and all rights granted
154 under this act, or under such resolution, and may enforce and
155 compel performance of all duties required by this act to be
156 performed, in order to provide for the payment of bonds and
157 interest thereon.

158 **SECTION 12.** All bonds issued under the provisions of this
159 act shall be legal investments for trustees and other fiduciaries,
160 and for savings banks, trust companies and insurance companies
161 organized under the laws of the State of Mississippi, and such
162 bonds shall be legal securities which may be deposited with and
163 shall be received by all public officers and bodies of this state
164 and all municipalities and political subdivisions for the purpose
165 of securing the deposit of public funds.

166 **SECTION 13.** Bonds issued under the provisions of this act
167 and income therefrom shall be exempt from all taxation in the
168 State of Mississippi.

169 **SECTION 14.** The proceeds of the bonds issued under this act
170 shall be used solely for the purposes therein provided, including
171 the costs incident to the issuance and sale of such bonds.

172 **SECTION 15.** The State Treasurer is authorized, without
173 further process of law, to certify to the Department of Finance
174 and Administration the necessity for warrants, and the Department
175 of Finance and Administration is authorized and directed to issue
176 such warrants, in such amounts as may be necessary to pay when due

the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this act; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

SECTION 16. This act shall be deemed to be full and complete authority for the exercise of the powers therein granted, but this act shall not be deemed to repeal or to be in derogation of any existing law of this state.

SECTION 17. As used in Sections 17 through 33 of this act, the following words shall have the meanings ascribed in this section unless the context clearly requires otherwise:

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

(b) "Commission" means the State Bond Commission.

(c) "Department" means the Department of Finance and Administration.

(d) "State" means the State of Mississippi.

(e) "This act" means Sections 17 through 33 of this act.

SECTION 18. (1) (a) There is created in the State Treasury a special fund to be known as the "Mississippi Department of Information Technology Services Cooperative Data Center Construction Fund." The fund shall be maintained by the State Treasurer as a special fund, separate and apart from the State General Fund. Unexpended amounts remaining in the special fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the special fund shall be deposited to the credit of the special

fund. Monies in the special fund may not be used or expended for any purpose except as authorized under this act.

(b) Monies deposited into the special fund shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of construction, furnishing and equipping of a cooperative data center for the Mississippi Department of Information Technology Services (Project Number 527-003).

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

(3) The department, acting through the Bureau of Building, Grounds and Real Property Management, is expressly authorized and empowered to receive and expend any local or other source funds in connection with the expenditure of funds provided for in this section.

(4) The expenditure of monies in the special fund shall be under the direction of the department, and those monies shall be paid by the State Treasurer upon warrants issued by the department, which warrants shall be issued upon requisitions signed by the executive director of the department or his designee.

SECTION 19. (1) The commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for all costs incurred or to be incurred for the purposes described in Section 18 of this act. Upon the adoption of a resolution by the department declaring the necessity for the

issuance of any part or all of the bonds authorized by this section, the department shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of the resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold and do any and all other things necessary and advisable in connection with the issuance and sale of the bonds. The total amount of bonds issued under this act shall not exceed Ten Million Dollars (\$10,000,000.00).

(2) Any investment earnings on amounts deposited into the special fund created in Section 18 of this act shall be used to pay debt service on bonds issued under this act, in accordance with the proceedings authorizing issuance of the bonds.

SECTION 20. The principal of and interest on the bonds authorized under this act shall be payable in the manner provided in this section. The bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as determined by resolution of the commission.

SECTION 21. The bonds authorized by this act shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to the bonds may be executed by the facsimile signatures of those officers. Whenever any such bonds have been signed by the officials designated to sign the bonds who were in office at the time of the signing but who may have ceased to be those officers before the sale and delivery of

the bonds, or who may not have been in office on the date that the bonds may bear, the signatures of those officers upon the bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing the bonds had remained in office until their delivery to the purchaser, or had been in office on the date the bonds may bear. However, notwithstanding anything in this act to the contrary, the bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

SECTION 22. All bonds and interest coupons issued under the provisions of this act have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this act, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

SECTION 23. The commission shall act as the issuing agent for the bonds authorized under this act, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in the issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of the bonds. The commission is authorized and empowered to pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under this act from the proceeds derived from the sale of the bonds. The commission shall sell the bonds on sealed bids at public sale, and for such price as it may determine to be for the best interest of the State of Mississippi, but no such sale shall be made at a price less than par plus accrued interest to the date of delivery of the bonds to the purchaser. All interest accruing on the bonds so issued shall be payable semiannually or annually; however, the first interest payment may be for any period of not more than one (1) year.

Notice of the sale of any such bonds shall be published at least one time, not less than ten (10) days before the date of sale, and shall be so published in one or more newspapers

published or having a general circulation in the City of Jackson, Mississippi, and in one or more other newspapers or financial journals with a national circulation, to be selected by the commission.

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

SECTION 24. The bonds issued under the provisions of this act are general obligations of the State of Mississippi, and for the payment thereof, the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature for those purposes are insufficient to pay the principal of and the interest on the bonds as they become due, then the amount of the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All those bonds shall contain recitals on their faces substantially covering the provisions of this section.

SECTION 25. Upon the issuance and sale of bonds under the provisions of this act, the commission shall transfer the proceeds of any such sale or sales to the special fund created in Section 18 of this act. The proceeds of the bonds shall be disbursed solely upon the order of the department under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

SECTION 26. The bonds authorized under this act may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things that are specified or required by this act. Any resolution providing for the issuance of bonds under the provisions of this act shall become effective immediately upon its adoption by the commission, and any such resolution may be adopted at any regular or special meeting of the commission by a majority of its members.

351 **SECTION 27.** The bonds authorized under this act may be
352 validated in the Chancery Court of the First Judicial District of
353 Hinds County, Mississippi, in the manner and with the force and
354 effect provided by Chapter 13, Title 31, Mississippi Code of 1972,
355 for the validation of county, municipal, school district and other
356 bonds. The notice to taxpayers required by those statutes shall
357 be published in a newspaper published or having a general
358 circulation in the City of Jackson, Mississippi.

359 **SECTION 28.** Any holder of bonds issued under the provisions
360 of this act or of any of the interest coupons pertaining to those
361 bonds may, either at law or in equity, by suit, action, mandamus
362 or other proceeding, protect and enforce any and all rights
363 granted under this act, or under the resolution, and may enforce
364 and compel performance of all duties required by this act to be
365 performed, in order to provide for the payment of bonds and
366 interest on the bonds.

367 **SECTION 29.** All bonds issued under the provisions of this
368 act shall be legal investments for trustees and other fiduciaries,
369 and for savings banks, trust companies and insurance companies
370 organized under the laws of the State of Mississippi, and the
371 bonds shall be legal securities that may be deposited with and
372 shall be received by all public officers and bodies of this state
373 and all municipalities and political subdivisions for the purpose
374 of securing the deposit of public funds.

375 **SECTION 30.** Bonds issued under the provisions of this act
376 and income from the bonds shall be exempt from all taxation in the
377 State of Mississippi.

378 **SECTION 31.** The proceeds of the bonds issued under this act
379 shall be used solely for the purposes herein provided, including
380 the costs incident to the issuance and sale of such bonds.

381 **SECTION 32.** The State Treasurer is authorized, without
382 further process of law, to certify to the Department of Finance
383 and Administration the necessity for warrants, and the department
384 is authorized and directed to issue those warrants, in such
385 amounts as may be necessary to pay when due the principal of,

386 premium, if any, and interest on, or the accreted value of, all
387 bonds issued under this act; and the State Treasurer shall forward
388 the necessary amount to the designated place or places of payment
389 of those bonds in ample time to discharge the bonds, or the
390 interest on the bonds, on the due dates thereof.

391 **SECTION 33.** This act shall be deemed to be full and complete
392 authority for the exercise of the powers granted in this act, but
393 this act shall not be deemed to repeal or to be in derogation of
394 any existing law of this state.

395 **SECTION 34.** This act shall take effect and be in force from
396 and after July 1, 2006, and shall stand repealed from and after
397 June 30, 2006.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$50,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE DESIGN OF,
3 PURCHASE OF EQUIPMENT FOR, AND CONSTRUCTION OF A STATEWIDE
4 WIRELESS COMMUNICATION SYSTEM; TO PROVIDE THAT THE BOND PROCEEDS
5 SHALL BE DEPOSITED INTO THE INTEGRATED PUBLIC SAFETY
6 COMMUNICATIONS FUND; TO AUTHORIZE THE ISSUANCE OF \$10,000,000.00
7 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE
8 CONSTRUCTION OF A COOPERATIVE DATA CENTER FOR THE MISSISSIPPI
9 DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES; AND FOR RELATED
10 PURPOSES.

SS02\HB1638A.J

John O. Gilbert
Secretary of the Senate