

By: Representative Holland

To: Ways and Means

HOUSE BILL NO. 565

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR THE MISSISSIPPI
3 COMMUNITY HERITAGE PRESERVATION GRANT FUND; TO AMEND SECTION
4 39-5-145, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR
5 RELATED PURPOSES.

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

7 **SECTION 1.** (1) As used in this section, the following words
8 shall have the meanings ascribed herein unless the context clearly
9 requires otherwise:

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

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

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

19 (2) (a) The commission, at one time, or from time to time,
20 may declare by resolution the necessity for issuance of general
21 obligation bonds of the State of Mississippi to provide funds for
22 the Mississippi Community Heritage Preservation Grant Fund created
23 pursuant to Section 39-5-145. Upon the adoption of a resolution
24 by the Department of Finance and Administration, declaring the
25 necessity for the issuance of any part or all of the general
26 obligation bonds authorized by this section, the Department of
27 Finance and Administration shall deliver a certified copy of its
28 resolution or resolutions to the commission. Upon receipt of such

29 resolution, the commission, in its discretion, may act as the
30 issuing agent, prescribe the form of the bonds, advertise for and
31 accept bids, issue and sell the bonds so authorized to be sold and
32 do any and all other things necessary and advisable in connection
33 with the issuance and sale of such bonds. The total amount of
34 bonds issued under this section shall not exceed Six Million
35 Dollars (\$6,000,000.00). No bonds authorized under this section
36 shall be issued after July 1, 2011.

37 (b) The proceeds of bonds issued pursuant to this
38 section shall be deposited into the Mississippi Community Heritage
39 Preservation Grant Fund created pursuant to Section 39-5-145. Any
40 investment earnings on bonds issued pursuant to this section shall
41 be used to pay debt service on bonds issued under this section, in
42 accordance with the proceedings authorizing issuance of such
43 bonds.

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

57 (4) The bonds authorized by this section shall be signed by
58 the chairman of the commission, or by his facsimile signature, and
59 the official seal of the commission shall be affixed thereto,
60 attested by the secretary of the commission. The interest
61 coupons, if any, to be attached to such bonds may be executed by

62 the facsimile signatures of such officers. Whenever any such
63 bonds shall have been signed by the officials designated to sign
64 the bonds who were in office at the time of such signing but who
65 may have ceased to be such officers before the sale and delivery
66 of such bonds, or who may not have been in office on the date such
67 bonds may bear, the signatures of such officers upon such bonds
68 and coupons shall nevertheless be valid and sufficient for all
69 purposes and have the same effect as if the person so officially
70 signing such bonds had remained in office until their delivery to
71 the purchaser, or had been in office on the date such bonds may
72 bear. However, notwithstanding anything herein to the contrary,
73 such bonds may be issued as provided in the Registered Bond Act of
74 the State of Mississippi.

75 (5) All bonds and interest coupons issued under the
76 provisions of this section have all the qualities and incidents of
77 negotiable instruments under the provisions of the Uniform
78 Commercial Code, and in exercising the powers granted by this
79 section, the commission shall not be required to and need not
80 comply with the provisions of the Uniform Commercial Code.

81 (6) The commission shall act as the issuing agent for the
82 bonds authorized under this section, prescribe the form of the
83 bonds, advertise for and accept bids, issue and sell the bonds so
84 authorized to be sold, pay all fees and costs incurred in such
85 issuance and sale, and do any and all other things necessary and
86 advisable in connection with the issuance and sale of such bonds.
87 The commission is authorized and empowered to pay the costs that
88 are incident to the sale, issuance and delivery of the bonds
89 authorized under this section from the proceeds derived from the
90 sale of such bonds. The commission shall sell such bonds on
91 sealed bids at public sale, and for such price as it may determine
92 to be for the best interest of the State of Mississippi, but no
93 such sale shall be made at a price less than par plus accrued
94 interest to the date of delivery of the bonds to the purchaser.

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

98 Notice of the sale of any such bonds shall be published at
99 least one time, not less than ten (10) days before the date of
100 sale, and shall be so published in one or more newspapers
101 published or having a general circulation in the City of Jackson,
102 Mississippi, and in one or more other newspapers or financial
103 journals with a national circulation, to be selected by the
104 commission.

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

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

120 (8) Upon the issuance and sale of bonds under the provisions
121 of this section, the commission shall transfer the proceeds of any
122 such sale or sales to the Mississippi Community Heritage
123 Preservation Grant Fund created in Section 39-5-145, and the
124 proceeds of such bonds shall be disbursed for the purposes
125 provided in Section 39-5-145.

126 (9) The bonds authorized under this section may be issued
127 without any other proceedings or the happening of any other

128 conditions or things other than those proceedings, conditions and
129 things which are specified or required by this section. Any
130 resolution providing for the issuance of bonds under the
131 provisions of this section shall become effective immediately upon
132 its adoption by the commission, and any such resolution may be
133 adopted at any regular or special meeting of the commission by a
134 majority of its members.

135 (10) The bonds authorized under the authority of this
136 section may be validated in the Chancery Court of the First
137 Judicial District of Hinds County, Mississippi, in the manner and
138 with the force and effect provided by Chapter 13, Title 31,
139 Mississippi Code of 1972, for the validation of county, municipal,
140 school district and other bonds. The notice to taxpayers required
141 by such statutes shall be published in a newspaper published or
142 having a general circulation in the City of Jackson, Mississippi.

143 (11) Any holder of bonds issued under the provisions of this
144 section or of any of the interest coupons pertaining thereto may,
145 either at law or in equity, by suit, action, mandamus or other
146 proceeding, protect and enforce any and all rights granted under
147 this section, or under such resolution, and may enforce and compel
148 performance of all duties required by this section to be
149 performed, in order to provide for the payment of bonds and
150 interest thereon.

151 (12) All bonds issued under the provisions of this section
152 shall be legal investments for trustees and other fiduciaries, and
153 for savings banks, trust companies and insurance companies
154 organized under the laws of the State of Mississippi, and such
155 bonds shall be legal securities which may be deposited with and
156 shall be received by all public officers and bodies of this state
157 and all municipalities and political subdivisions for the purpose
158 of securing the deposit of public funds.

159 (13) Bonds issued under the provisions of this section and
160 income therefrom shall be exempt from all taxation in the State of
161 Mississippi.

162 (14) The proceeds of the bonds issued under this section
163 shall be used solely for the purposes therein provided, including
164 the costs incident to the issuance and sale of such bonds.

165 (15) The State Treasurer is authorized, without further
166 process of law, to certify to the Department of Finance and
167 Administration the necessity for warrants, and the Department of
168 Finance and Administration is authorized and directed to issue
169 such warrants, in such amounts as may be necessary to pay when due
170 the principal of, premium, if any, and interest on, or the
171 accreted value of, all bonds issued under this section; and the
172 State Treasurer shall forward the necessary amount to the
173 designated place or places of payment of such bonds in ample time
174 to discharge such bonds, or the interest thereon, on the due dates
175 thereof.

176 (16) This section shall be deemed to be full and complete
177 authority for the exercise of the powers therein granted, but this
178 section of this act shall not be deemed to repeal or to be in
179 derogation of any existing law of this state.

180 **SECTION 2.** Section 39-5-145, Mississippi Code of 1972, is
181 amended as follows:

182 39-5-145. (1) A special fund, to be designated the
183 "Mississippi Community Heritage Preservation Grant Fund," is
184 created within the State Treasury. The fund shall be maintained
185 by the State Treasurer as a separate and special fund, separate
186 and apart from the General Fund of the state. The fund shall
187 consist of any monies designated for deposit therein from any
188 source, including proceeds of any state general obligation bonds
189 designated for deposit therein. Unexpended amounts remaining in
190 the fund at the end of a fiscal year shall not lapse into the
191 State General Fund and any interest earned or investment earnings

192 on amounts in the fund shall be deposited into the fund. The
193 expenditure of monies deposited into the fund shall be under the
194 direction of the Department of Finance and Administration, based
195 upon recommendations of the Board of Trustees of the Department of
196 Archives and History, and such funds shall be paid by the State
197 Treasurer upon warrants issued by the Department of Finance and
198 Administration. Monies deposited into such fund shall be
199 allocated and disbursed according to the provisions of this
200 section. If any monies in the special fund are derived from
201 proceeds of state general obligation bonds and are not used within
202 four (4) years after the date such bond proceeds are deposited
203 into the special fund, then the Department of Finance and
204 Administration shall provide an accounting of such unused monies
205 to the State Bond Commission.

206 (2) Monies deposited into the fund shall be allocated and
207 disbursed as follows:

208 (a) (i) Twenty-six Million Six Hundred Fifty Thousand
209 Dollars (\$26,650,000.00) shall be allocated and disbursed as
210 grants on a reimbursable basis through the Department of Finance
211 and Administration, based upon the recommendations of the Board of
212 Trustees of the Department of Archives and History, to assist
213 county governments, municipal governments, school districts and
214 nonprofit organizations that have obtained Section 501(c)(3)
215 tax-exempt status from the United States Internal Revenue Service
216 in helping pay the costs incurred in preserving, restoring,
217 rehabilitating, repairing or interpreting (i) historic county
218 courthouses, (ii) historic school buildings, and/or (iii) other
219 historic properties identified by certified local governments.
220 Where possible, expenditures from the fund shall be used to match
221 federal grants or other grants that may be accessed by the
222 Department of Archives and History, other state agencies, county
223 governments or municipal governments, school districts or
224 nonprofit organizations that have obtained Section 501(c)(3)

225 tax-exempt status from the United States Internal Revenue Service.
226 Any properties, except those described in paragraphs (b) and (d)
227 of this subsection, receiving monies pursuant to this section must
228 be designated as "Mississippi Landmark" properties prior to
229 selection as projects for funding under the provisions of this
230 section.

231 (ii) One Million Seven Hundred Fifty Thousand
232 Dollars (\$1,750,000.00) shall be allocated and disbursed as grants
233 through the Department of Finance and Administration, based upon
234 the recommendations of the Board of Trustees of the Department of
235 Archives and History, to assist county governments in helping pay
236 the costs of historically appropriate restoration, repair and
237 renovation of historically significant county courthouses. Grants
238 to individual courthouses under this paragraph (a)(ii) shall not
239 exceed Eight Hundred Seventy-five Thousand Dollars (\$875,000.00).

240 (b) Two Hundred Fifty Thousand Dollars (\$250,000.00)
241 shall be allocated and disbursed as grant funds to the Amory
242 Regional Museum in Amory, Mississippi, to pay the costs of capital
243 improvements, repair, renovation, furnishing and/or equipping of
244 the museum. The Department of Finance and Administration is
245 directed to transfer Two Hundred Fifty Thousand Dollars
246 (\$250,000.00) from the fund to the city on or before December 31,
247 2004, and the city shall place the funds into an escrow account.
248 The city may expend the funds from the account only in an amount
249 equal to matching funds that are provided from any source other
250 than the state for the project. As the funds are withdrawn from
251 the escrow account, the city shall certify to the Department of
252 Finance and Administration the amount of the funds that have been
253 withdrawn and that the funds have been withdrawn are in an amount
254 equal to matching funds required by this paragraph.

255 (c) One Hundred Thousand Dollars (\$100,000.00) shall be
256 allocated and disbursed as grant funds to the Jacinto Foundation,
257 Inc., to pay the costs of capital improvements, repairing,

258 renovating, restoring, rehabilitating, preserving, furnishing
259 and/or equipping the courthouse and related facilities in Jacinto,
260 Mississippi.

261 (d) Four Hundred Twenty-five Thousand Dollars
262 (\$425,000.00) shall be allocated and disbursed as grant funds to
263 the Oxford-Lafayette County Heritage Foundation to pay the costs
264 of capital improvements, repairing, renovating, restoring,
265 rehabilitating, preserving, furnishing, equipping and/or acquiring
266 the L.Q.C. Lamar Home in Oxford, Mississippi.

267 (e) Seventy-five Thousand Dollars (\$75,000.00) shall be
268 allocated and disbursed as grant funds to the City of Columbus,
269 Mississippi Federal/State Programs Department to pay the costs of
270 capital improvements, repairing, renovating, restoring,
271 rehabilitating, preserving, reconstructing, furnishing and/or
272 equipping the Queen City Hotel in Columbus, Mississippi.

273 (f) One Million Dollars (\$1,000,000.00) shall be
274 allocated and disbursed as grant funds to the Town of Wesson,
275 Mississippi, to pay the costs of restoration and renovation of the
276 Old Wesson School.

277 (g) Monies in the Mississippi Community Heritage
278 Preservation Grant Fund which are derived from proceeds of state
279 general obligation bonds may be used to reimburse reasonable
280 actual and necessary costs incurred by the Mississippi Department
281 of Archives and History in providing assistance directly related
282 to a project described in paragraph (a) of this subsection for
283 which funding is provided under this section. Reimbursement may
284 be made only until such time as the project is completed. An
285 accounting of actual costs incurred for which reimbursement is
286 sought shall be maintained for each project by the Mississippi
287 Department of Archives and History. Reimbursement of reasonable
288 actual and necessary costs for a project shall not exceed three
289 percent (3%) of the proceeds of bonds issued for such project.

290 Monies authorized for a particular project may not be used to
291 reimburse administrative costs for unrelated projects.

292 (3) (a) The Board of Trustees of the Department of Archives
293 and History shall receive and consider proposals from county
294 governments, municipal governments, school districts and nonprofit
295 organizations that have obtained Section 501(c)(3) tax-exempt
296 status from the United States Internal Revenue Service for
297 projects associated with the preservation, restoration,
298 rehabilitation, repair or interpretation of (a) historic
299 courthouses, (b) historic school buildings and/or (c) other
300 historic properties identified by certified local governments.
301 Proposals shall be submitted in accordance with the provisions of
302 procedures, criteria and standards developed by the board. The
303 board shall determine those projects to be funded and may require
304 matching funds from any applicant seeking assistance under this
305 section. This subsection shall not apply to projects described in
306 subsection (2)(a)(ii), (2)(b), (2)(c), (2)(d), (2)(e) and (2)(f)
307 of this section.

308 (b) The Board of Trustees of the Department of Archives
309 and History shall receive and consider proposals from county
310 governments for projects associated with historically appropriate
311 restoration, repair and renovation of historically significant
312 county courthouses. Proposals shall be submitted in accordance
313 with the provisions of procedures, criteria and standards
314 developed by the board. The board shall determine those projects
315 to be funded and may require matching funds from any applicant
316 seeking assistance under this section. This subsection shall not
317 apply to projects described in subsection (2)(a)(i), (2)(b),
318 (2)(c), (2)(d), (2)(e) and (2)(f) of this section.

319 (4) The Department of Archives and History shall publicize
320 the Community Heritage Preservation Grant program described in
321 this section on a statewide basis, including the publication of
322 the criteria and standards used by the department in selecting

323 projects for funding. The selection of a project for funding
324 under the provisions of this section shall be made solely upon the
325 deliberate consideration of each proposed project on its merits.
326 The board shall make every effort to award the grants in a manner
327 that will fairly distribute the funds in regard to the geography
328 and cultural diversity of the state. This subsection shall not
329 apply to projects described in subsection (2)(b), (2)(c), (2)(d),
330 (2)(e) and (2)(f) of this section.

331 (5) With regard to any project awarded funding under this
332 section, any consultant, planner, architect, engineer, exhibit
333 contracting firm, historic preservation specialist or other
334 professional hired by a grant recipient to work on any such
335 project shall be approved by the board before their employment by
336 the grant recipient.

337 (6) Plans and specifications for all projects initiated
338 under the provisions of this section shall be approved by the
339 board before the awarding of any contracts. The plans and
340 specifications for any work involving "Mississippi Landmark"
341 properties shall be developed in accordance with "The Secretary of
342 the Interior's Standards for the Treatment of Historic
343 Properties."

344 **SECTION 3.** This act shall take effect and be in force from
345 and after its passage.