

By: Representatives Gadd, Buck, Woods,  
Rogers (14th), Ward

To: Ways and Means

## HOUSE BILL NO. 1592

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF CONSTRUCTING,  
3 EQUIPPING AND FURNISHING AN ADVANCED TECHNOLOGY CENTER AT THE NEW  
4 ALBANY CAMPUS OF NORTHEAST MISSISSIPPI COMMUNITY COLLEGE, A  
5 PORTION OF WHICH MAY BE LEASED TO THE UNION COUNTY DEVELOPMENT  
6 ASSOCIATION FOR USE AS A BUSINESS INCUBATOR; AND FOR RELATED  
7 PURPOSES.

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

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

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

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

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

21 **SECTION 2.** (1) (a) A special fund, to be designated as the  
22 "Northeast Mississippi Community College Advanced Technology  
23 Center/Business Incubator Fund" is created within the State  
24 Treasury. The fund shall be maintained by the State Treasurer as  
25 a separate and special fund, separate and apart from the General  
26 Fund of the state. Unexpended amounts remaining in the fund at  
27 the end of a fiscal year shall not lapse into the State General  
28 Fund, and any interest earned or investment earnings on amounts in  
29 the fund shall be deposited into such fund.

30 (b) Monies deposited into the fund shall be disbursed,  
31 in the discretion of the Department of Finance and Administration,  
32 to pay the costs of constructing, equipping and furnishing an  
33 advanced technology center at the New Albany campus of Northeast  
34 Mississippi Community College, a portion of which may be leased to  
35 the Union County Development Association to serve as a business  
36 incubator.

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

46 (3) The Department of Finance and Administration, acting  
47 through the Bureau of Building, Grounds and Real Property  
48 Management, may receive and expend any local or other source funds  
49 in connection with the expenditure of funds provided for in this  
50 section. The expenditure of monies deposited into the special  
51 fund shall be 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 the 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).

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

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

90 **SECTION 5.** The bonds authorized by this act shall be signed  
91 by the chairman of the commission, or by his facsimile signature,  
92 and the official seal of the commission shall be affixed thereto,  
93 attested by the secretary of the commission. The interest  
94 coupons, if any, to be attached to such bonds may be executed by  
95 the facsimile signatures of such officers. Whenever any such

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

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

115       **SECTION 7.** The commission shall act as the issuing agent for  
116 the bonds authorized under this act, prescribe the form of the  
117 bonds, advertise for and accept bids, issue and sell the bonds so  
118 authorized to be sold, pay all fees and costs incurred in such  
119 issuance and sale, and do any and all other things necessary and  
120 advisable in connection with the issuance and sale of such bonds.  
121 The commission may pay the costs that are incident to the sale,  
122 issuance and delivery of the bonds authorized under this act from  
123 the proceeds derived from the sale of the bonds. The commission  
124 shall sell such bonds on sealed bids at public sale, and for such  
125 price as it may determine to be for the best interest of the State  
126 of Mississippi, but no such sale shall be made at a price less  
127 than par plus accrued interest to the date of delivery of the  
128 bonds to the purchaser. All interest accruing on such bonds so

129 issued shall be payable semiannually or annually; however, the  
130 first interest payment may be for any period of not more than one  
131 (1) year.

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

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

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

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

161           **SECTION 10.** The bonds authorized under this act may be  
162 issued without any other proceedings or the happening of any other  
163 conditions or things other than those proceedings, conditions and  
164 things which are specified or required by this act. Any  
165 resolution providing for the issuance of bonds under the  
166 provisions of this act shall become effective immediately upon its  
167 adoption by the commission, and any such resolution may be adopted  
168 at any regular or special meeting of the commission by a majority  
169 of its members.

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

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

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

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

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

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

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

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