

By: Representative Weathersby

To: Ways and Means

HOUSE BILL NO. 1605

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR CONSTRUCTION OF THE NEW MUSEUM OF  
3 MISSISSIPPI HISTORY BUILDING; AND FOR RELATED PURPOSES.

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

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

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

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

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

17 (2) (a) (i) A special fund, to be designated as the  
18 "Museum of Mississippi History Construction Fund" is created  
19 within the State Treasury. The fund shall be maintained by the  
20 State Treasurer as a separate and special fund, separate and apart  
21 from the General Fund of the state. Unexpended amounts remaining  
22 in the fund at the end of a fiscal year shall not lapse into the  
23 State General Fund, and any interest earned or investment earnings  
24 on amounts in the fund shall be deposited into such fund.

25 (ii) Money deposited into the fund shall be  
26 disbursed, in the discretion of the Department of Finance and

27 Administration, to pay the costs of construction, furnishing and  
28 equipping of the new Museum of Mississippi History building.

29 (b) Amounts deposited into such special fund shall be  
30 disbursed to pay the costs of the projects described in paragraph  
31 (a) of this subsection. Promptly after the commission has  
32 certified, by resolution duly adopted, that the projects described  
33 in paragraph (a) of this subsection shall have been completed,  
34 abandoned, or cannot be completed in a timely fashion, any amounts  
35 remaining in such special fund shall be applied to pay debt  
36 service on the bonds issued under this section, in accordance with  
37 the proceedings authorizing the issuance of such bonds and as  
38 directed by the commission.

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

50 (3) (a) The commission, at one time, or from time to time,  
51 may declare by resolution the necessity for issuance of general  
52 obligation bonds of the State of Mississippi to provide funds for  
53 all costs incurred or to be incurred for the purposes described in  
54 subsection (2) of this section. Upon the adoption of a resolution  
55 by the Department of Finance and Administration, declaring the  
56 necessity for the issuance of any part or all of the general  
57 obligation bonds authorized by this subsection, the department  
58 shall deliver a certified copy of its resolution or resolutions to  
59 the commission. Upon receipt of such resolution, the commission,

60 in its discretion, may act as the issuing agent, prescribe the  
61 form of the bonds, advertise for and accept bids, issue and sell  
62 the bonds so authorized to be sold and do any and all other things  
63 necessary and advisable in connection with the issuance and sale  
64 of such bonds. The total amount of bonds issued under this  
65 section shall not exceed Thirty-seven Million Five Hundred  
66 Thousand Dollars (\$37,500,000.00). No bonds shall be issued under  
67 this section from and after July 1, 2012.

68 (b) Any investment earnings on amounts deposited into  
69 the special fund created in subsection (2) of this section shall  
70 be used to pay debt service on bonds issued under this section, in  
71 accordance with the proceedings authorizing issuance of such  
72 bonds.

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

86 (5) The bonds authorized by this section shall be signed by  
87 the chairman of the commission, or by his facsimile signature, and  
88 the official seal of the commission shall be affixed thereto,  
89 attested by the secretary of the commission. The interest  
90 coupons, if any, to be attached to such bonds may be executed by  
91 the facsimile signatures of such officers. Whenever any such  
92 bonds shall have been signed by the officials designated to sign

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

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

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

125 semiannually or annually; however, the first interest payment may  
126 be for any period of not more than one (1) year.

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

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

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

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

157           (10) The bonds authorized under this section may be issued  
158 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 section. Any  
161 resolution providing for the issuance of bonds under the  
162 provisions of this section shall become effective immediately upon  
163 its adoption by the commission, and any such resolution may be  
164 adopted at any regular or special meeting of the commission by a  
165 majority of its members.

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

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

182           (13) All bonds issued under the provisions of this section  
183 shall be legal investments for trustees and other fiduciaries, and  
184 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           (14) Bonds issued under the provisions of this section and  
191 income therefrom shall be exempt from all taxation in the State of  
192 Mississippi.

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

196           (16) The State Treasurer is authorized, without further  
197 process of law, to certify to the Department of Finance and  
198 Administration the necessity for warrants, and the Department of  
199 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 section; and the  
203 State Treasurer shall forward the necessary amount to the  
204 designated place or places of payment of such bonds in ample time  
205 to discharge such bonds, or the interest thereon, on the due dates  
206 thereof.

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

211           **SECTION 2.** This act shall take effect and be in force from  
212 and after July 1, 2007.