

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 1643

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR REPAIRS AND RENOVATIONS AT JACKSON
3 STATE UNIVERSITY NECESSARY FOR COMPLIANCE WITH THE AMERICANS WITH
4 DISABILITIES ACT; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** (1) As used in this section, the following words
7 shall 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 (2) (a) (i) A special fund, to be designated as the "2007
19 Jackson State University Repair and Renovation Fund" is created
20 within the State Treasury. The fund shall be maintained by the
21 State Treasurer as a separate and special fund, separate and apart
22 from the General Fund of the state. Unexpended amounts remaining
23 in the fund at the end of a fiscal year shall not lapse into the
24 State General Fund, and any interest earned or investment earnings
25 on amounts in the fund shall be deposited into such fund.

26 (ii) Monies deposited into the fund shall be
27 disbursed, in the discretion of the Department of Finance and
28 Administration, to pay the costs of repair and renovation of

29 campus buildings and facilities and repair, renovation,
30 replacement and improvement of campus infrastructure at Jackson
31 State University necessary for compliance with the Americans with
32 Disabilities Act.

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

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

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

62 shall deliver a certified copy of its resolution or resolutions to
63 the commission. Upon receipt of such resolution, the commission,
64 in its discretion, may act as the issuing agent, prescribe the
65 form of the bonds, advertise for and accept bids, issue and sell
66 the bonds so authorized to be sold and do any and all other things
67 necessary and advisable in connection with the issuance and sale
68 of such bonds. The total amount of bonds issued under this
69 section shall not exceed Six Million Dollars (\$6,000,000.00). No
70 bonds shall be issued under this section after July 1, 2011.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

193 (14) Bonds issued under the provisions of this section and
194 income therefrom shall be exempt from all taxation in the State of
195 Mississippi.

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

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

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

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