

By: Representative Weathersby

To: Ways and Means

HOUSE BILL NO. 1740

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR THE REPAIR, RENOVATION AND IMPROVEMENT
3 OF MISSISSIPPI VETERANS MEMORIAL STADIUM; AND FOR RELATED
4 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
19 "Mississippi Veterans Memorial Stadium Improvements Fund" is
20 created within the State Treasury. The fund shall be maintained
21 by the State Treasurer as a separate and special fund, separate
22 and apart from the General Fund of the state. Unexpended amounts
23 remaining in the fund at the end of a fiscal year shall not lapse
24 into the State General Fund, and any interest earned or investment
25 earnings on amounts in the fund shall be deposited into such fund.

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

29 improvement of Mississippi Veterans Memorial Stadium in Jackson,
30 Mississippi.

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

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

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

62 in its discretion, may act as the issuing agent, prescribe the
63 form of the bonds, advertise for and accept bids, issue and sell
64 the bonds so authorized to be sold and do any and all other things
65 necessary and advisable in connection with the issuance and sale
66 of such bonds. The total amount of bonds issued under this
67 section shall not exceed Twelve Million Dollars (\$12,000,000.00).
68 No bonds shall be issued under this section from and after July 1,
69 2011.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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