

By: Senator(s) Browning, Wilemon

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3167

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 Uniform
111 Commercial Code, and in exercising the powers granted by this act,
112 the commission shall not be required to and need not comply with
113 the provisions of the Uniform Commercial Code.

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

129 first interest payment may be for any period of not more than one
130 (1) year.

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

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

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

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

160 **SECTION 10.** The bonds authorized under this act may be
161 issued 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 act. Any
164 resolution providing for the issuance of bonds under the
165 provisions of this act shall become effective immediately upon its
166 adoption by the commission, and any such resolution may be adopted
167 at any regular or special meeting of the commission by a majority
168 of its members.

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

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

185 **SECTION 13.** All bonds issued under the provisions of this
186 act shall be legal investments for trustees and other fiduciaries,
187 and 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 **SECTION 14.** Bonds issued under the provisions of this act
194 and income therefrom shall be exempt from all taxation in the
195 State of Mississippi.

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

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

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

213 **SECTION 18.** This act shall take effect and be in force from
214 and after July 1, 2007, and shall stand repealed from and after
215 June 30, 2007.