

By: Senator(s) Robertson, Mettetal, Jackson  
(32nd), Doxey

To: Finance

SENATE BILL NO. 3191

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF CONSTRUCTING  
3 INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED AND CRISIS  
4 INTERVENTION MENTAL HEALTH FACILITIES FOR THE DEPARTMENT OF MENTAL  
5 HEALTH; AND FOR RELATED PURPOSES.

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

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

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

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

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

19 (2) (a) (i) A special fund, to be designated the "2007  
20 Community Group Home Construction Fund," is created within the  
21 State Treasury. The fund shall be maintained by the State  
22 Treasurer as a separate and special fund, separate and apart from  
23 the General Fund of the state. Unexpended amounts remaining in  
24 the fund at the end of a fiscal year shall not lapse into the  
25 State General Fund, and any interest earned or investment earnings  
26 on amounts in the fund shall be deposited to the credit of the  
27 fund. Monies in the fund may not be used or expended for any  
28 purpose except as authorized under this section.

29                   (ii) Monies deposited into the fund shall be  
30 disbursed, in the discretion of the Department of Finance and  
31 Administration, to pay the costs of constructing, furnishing and  
32 equipping two (2) intermediate care facilities for the mentally  
33 retarded (community group homes) for the Department of Mental  
34 Health. One of the facilities shall be located in Tate County,  
35 Mississippi, and the other facility shall be located in Kemper  
36 County, Mississippi.

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

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

58                   (d) The Department of Finance and Administration is  
59 authorized to pay for constructing, furnishing and equipping two  
60 (2) intermediate care facilities for the mentally retarded

61 (community group homes) at the locations provided for in paragraph  
62 (a)(ii) of this subsection.

63 (3) (a) The commission, at one time, or from time to time,  
64 may declare by resolution the necessity for issuance of general  
65 obligation bonds of the State of Mississippi to provide funds for  
66 all costs incurred or to be incurred for the purposes described in  
67 subsection (2) of this section. Upon the adoption of a resolution  
68 by the Department of Finance and Administration, declaring the  
69 necessity for the issuance of any part or all of the general  
70 obligation bonds authorized by this subsection, the Department of  
71 Finance and Administration shall deliver a certified copy of its  
72 resolution or resolutions to the commission. Upon receipt of such  
73 resolution, the commission, in its discretion, may section as the  
74 issuing agent, prescribe the form of the bonds, advertise for and  
75 accept bids, issue and sell the bonds so authorized to be sold and  
76 do any and all other things necessary and advisable in connection  
77 with the issuance and sale of such bonds. The total amount of  
78 bonds issued under this section shall not exceed One Million Four  
79 Hundred Thousand Dollars (\$1,400,000.00).

80 (b) Any investment earnings on amounts deposited into  
81 the special fund created in subsection (2) of this section shall  
82 be used to pay debt service on bonds issued under this section, in  
83 accordance with the proceedings authorizing issuance of such  
84 bonds.

85 (4) The principal of and interest on the bonds authorized  
86 under this section shall be payable in the manner provided in this  
87 subsection. Such bonds shall bear such date or dates, be in such  
88 denomination or denominations, bear interest at such rate or rates  
89 (not to exceed the limits set forth in Section 75-17-101,  
90 Mississippi Code of 1972), be payable at such place or places  
91 within or without the State of Mississippi, shall mature  
92 absolutely at such time or times not to exceed twenty-five (25)  
93 years from date of issue, be redeemable before maturity at such

94 time or times and upon such terms, with or without premium, shall  
95 bear such registration privileges, and shall be substantially in  
96 such form, all as shall be determined by resolution of the  
97 commission.

98 (5) The bonds authorized by this section shall be signed by  
99 the chairman of the commission, or by his facsimile signature, and  
100 the official seal of the commission shall be affixed thereto,  
101 attested by the secretary of the commission. The interest  
102 coupons, if any, to be attached to such bonds may be executed by  
103 the facsimile signatures of such officers. Whenever any such  
104 bonds shall have been signed by the officials designated to sign  
105 the bonds who were in office at the time of such signing but who  
106 may have ceased to be such officers before the sale and delivery  
107 of such bonds, or who may not have been in office on the date such  
108 bonds may bear, the signatures of such officers upon such bonds  
109 and coupons shall nevertheless be valid and sufficient for all  
110 purposes and have the same effect as if the person so officially  
111 signing such bonds had remained in office until their delivery to  
112 the purchaser, or had been in office on the date such bonds may  
113 bear. However, notwithstanding anything herein to the contrary,  
114 such bonds may be issued as provided in the Registered Bond Act of  
115 the State of Mississippi.

116 (6) All bonds and interest coupons issued under the  
117 provisions of this section have all the qualities and incidents of  
118 negotiable instruments under the provisions of the Uniform  
119 Commercial Code, and in exercising the powers granted by this  
120 section, the commission shall not be required to and need not  
121 comply with the provisions of the Uniform Commercial Code.

122 (7) The commission shall act as the issuing agent for the  
123 bonds authorized under this section, prescribe the form of the  
124 bonds, advertise for and accept bids, issue and sell the bonds so  
125 authorized to be sold, pay all fees and costs incurred in such  
126 issuance and sale, and do any and all other things necessary and

127 advisable in connection with the issuance and sale of such bonds.  
128 The commission is authorized and empowered to pay the costs that  
129 are incident to the sale, issuance and delivery of the bonds  
130 authorized under this section from the proceeds derived from the  
131 sale of such bonds. The commission shall sell such bonds on  
132 sealed bids at public sale, and for such price as it may determine  
133 to be for the best interest of the State of Mississippi, but no  
134 such sale shall be made at a price less than par plus accrued  
135 interest to the date of delivery of the bonds to the purchaser.  
136 All interest accruing on such bonds so issued shall be payable  
137 semiannually or annually; however, the first interest payment may  
138 be for any period of not more than one (1) year.

139 Notice of the sale of any such bond shall be published at  
140 least one time, not less than ten (10) days before the date of  
141 sale, and shall be so published in one or more newspapers  
142 published or having a general circulation in the City of Jackson,  
143 Mississippi, and in one or more other newspapers or financial  
144 journals with a national circulation, to be selected by the  
145 commission.

146 The commission, when issuing any bonds under the authority of  
147 this section, may provide that bonds, at the option of the State  
148 of Mississippi, may be called in for payment and redemption at the  
149 call price named therein and accrued interest on such date or  
150 dates named therein.

151 (8) The bonds issued under the provisions of this section  
152 are general obligations of the State of Mississippi, and for the  
153 payment thereof the full faith and credit of the State of  
154 Mississippi is irrevocably pledged. If the funds appropriated by  
155 the Legislature are insufficient to pay the principal of and the  
156 interest on such bonds as they become due, then the deficiency  
157 shall be paid by the State Treasurer from any funds in the State  
158 Treasury not otherwise appropriated. All such bonds shall contain

159 recitals on their faces substantially covering the provisions of  
160 this subsection.

161 (9) Upon the issuance and sale of bonds under the provisions  
162 of this section, the commission shall transfer the proceeds of any  
163 such sale or sales to the special fund created in subsection (2)  
164 of this section. The proceeds of such bonds shall be disbursed  
165 solely upon the order of the Department of Finance and  
166 Administration under such restrictions, if any, as may be  
167 contained in the resolution providing for the issuance of the  
168 bonds.

169 (10) The bonds authorized under this section may be issued  
170 without any other proceedings or the happening of any other  
171 conditions or things other than those proceedings, conditions and  
172 things which are specified or required by this section. Any  
173 resolution providing for the issuance of bonds under the  
174 provisions of this section shall become effective immediately upon  
175 its adoption by the commission, and any such resolution may be  
176 adopted at any regular or special meeting of the commission by a  
177 majority of its members.

178 (11) The bonds authorized under the authority of this  
179 section may be validated in the Chancery Court of the First  
180 Judicial District of Hinds County, Mississippi, in the manner and  
181 with the force and effect provided by Chapter 13, Title 31,  
182 Mississippi Code of 1972, for the validation of county, municipal,  
183 school district and other bonds. The notice to taxpayers required  
184 by such statutes shall be published in a newspaper published or  
185 having a general circulation in the City of Jackson, Mississippi.

186 (12) Any holder of bonds issued under the provisions of this  
187 section or of any of the interest coupons pertaining thereto may,  
188 either at law or in equity, by suit, action, mandamus or other  
189 proceeding, protect and enforce any and all rights granted under  
190 this section, or under such resolution, and may enforce and compel  
191 performance of all duties required by this section to be

192 performed, in order to provide for the payment of bonds and  
193 interest thereon.

194 (13) All bonds issued under the provisions of this section  
195 shall be legal investments for trustees and other fiduciaries, and  
196 for savings banks, trust companies and insurance companies  
197 organized under the laws of the State of Mississippi, and such  
198 bonds shall be legal securities which may be deposited with and  
199 shall be received by all public officers and bodies of this state  
200 and all municipalities and political subdivisions for the purpose  
201 of securing the deposit of public funds.

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

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

208 (16) The State Treasurer is authorized, without further  
209 process of law, to certify to the Department of Finance and  
210 Administration the necessity for warrants, and the Department of  
211 Finance and Administration is authorized and directed to issue  
212 such warrants, in such amounts as may be necessary to pay when due  
213 the principal of, premium, if any, and interest on, or the  
214 accreted value of, all bonds issued under this section; and the  
215 State Treasurer shall forward the necessary amount to the  
216 designated place or places of payment of such bonds in ample time  
217 to discharge such bonds, or the interest thereon, on the due dates  
218 thereof.

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

223           **SECTION 2.** (1) As used in this section, the following words  
224 shall have the meanings ascribed herein unless the context clearly  
225 requires otherwise:

226           (a) "Accreted value" of any bond means, as of any date  
227 of computation, an amount equal to the sum of (i) the stated  
228 initial value of such bond, plus (ii) the interest accrued thereon  
229 from the issue date to the date of computation at the rate,  
230 compounded semiannually, that is necessary to produce the  
231 approximate yield to maturity shown for bonds of the same  
232 maturity.

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

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

235           (2) (a) (i) A special fund, to be designated the "2007  
236 Crisis Intervention Mental Health Facility Fund," is created  
237 within the State Treasury. The fund shall be maintained by the  
238 State Treasurer as a separate and special fund, separate and apart  
239 from the General Fund of the state. Unexpended amounts remaining  
240 in the fund at the end of a fiscal year shall not lapse into the  
241 State General Fund, and any interest earned or investment earnings  
242 on amounts in the fund shall be deposited to the credit of the  
243 fund. Monies in the fund may not be used or expended for any  
244 purpose except as authorized under this section.

245                       (ii) Monies deposited into the fund shall be  
246 disbursed, in the discretion of the Department of Finance and  
247 Administration, to pay the costs of constructing, furnishing and  
248 equipping two (2) crisis intervention mental health facilities for  
249 the Department of Mental Health. One (1) of the facilities shall  
250 be located in Jackson County, Mississippi, and the other facility  
251 shall be located in Marshall County, Mississippi.

252           (b) Amounts deposited into such special fund shall be  
253 disbursed to pay the costs of the project described in paragraph  
254 (a) of this subsection. Promptly after the commission has  
255 certified, by resolution duly adopted, that the projects described

256 in paragraph (a) of this subsection shall have been completed,  
257 abandoned, or cannot be completed in a timely fashion, any amounts  
258 remaining in such special fund shall be applied to pay debt  
259 service on the bonds issued under this section, in accordance with  
260 the proceedings authorizing the issuance of such bonds and as  
261 directed by the commission.

262 (c) The Department of Finance and Administration,  
263 acting through the Bureau of Building, Grounds and Real Property  
264 Management, is expressly authorized and empowered to receive and  
265 expend any local or other source funds in connection with the  
266 expenditure of funds provided for in this subsection. The  
267 expenditure of monies deposited into the special fund shall be  
268 under the direction of the Department of Finance and  
269 Administration, and such funds shall be paid by the State  
270 Treasurer upon warrants issued by such department, which warrants  
271 shall be issued upon requisitions signed by the Executive Director  
272 of the Department of Finance and Administration, or his designee.

273 (d) The Department of Finance and Administration is  
274 authorized to pay for constructing, furnishing and equipping a  
275 crisis intervention mental health facility at the location  
276 provided for in paragraph (a)(ii) of this subsection.

277 (3) (a) The commission, at one time, or from time to time,  
278 may declare by resolution the necessity for issuance of general  
279 obligation bonds of the State of Mississippi to provide funds for  
280 all costs incurred or to be incurred for the purposes described in  
281 subsection (2) of this section. Upon the adoption of a resolution  
282 by the Department of Finance and Administration, declaring the  
283 necessity for the issuance of any part or all of the general  
284 obligation bonds authorized by this subsection, the Department of  
285 Finance and Administration shall deliver a certified copy of its  
286 resolution or resolutions to the commission. Upon receipt of such  
287 resolution, the commission, in its discretion, may act as the  
288 issuing agent, prescribe the form of the bonds, advertise for and

289 accept bids, issue and sell the bonds so authorized to be sold and  
290 do any and all other things necessary and advisable in connection  
291 with the issuance and sale of such bonds. The total amount of  
292 bonds issued under this section shall not exceed Three Million  
293 Four Hundred Thousand Dollars (\$3,400,000.00).

294 (b) Any investment earnings on amounts deposited into  
295 the special fund created in subsection (2) of this section shall  
296 be used to pay debt service on bonds issued under this section, in  
297 accordance with the proceedings authorizing issuance of such  
298 bonds.

299 (4) The principal of and interest on the bonds authorized  
300 under this section shall be payable in the manner provided in this  
301 subsection. Such bonds shall bear such date or dates, be in such  
302 denomination or denominations, bear interest at such rate or rates  
303 (not to exceed the limits set forth in Section 75-17-101,  
304 Mississippi Code of 1972), be payable at such place or places  
305 within or without the State of Mississippi, shall mature  
306 absolutely at such time or times not to exceed twenty-five (25)  
307 years from date of issue, be redeemable before maturity at such  
308 time or times and upon such terms, with or without premium, shall  
309 bear such registration privileges, and shall be substantially in  
310 such form, all as shall be determined by resolution of the  
311 commission.

312 (5) The bonds authorized by this section shall be signed by  
313 the chairman of the commission, or by his facsimile signature, and  
314 the official seal of the commission shall be affixed thereto,  
315 attested by the secretary of the commission. The interest  
316 coupons, if any, to be attached to such bonds may be executed by  
317 the facsimile signatures of such officers. Whenever any such  
318 bonds shall have been signed by the officials designated to sign  
319 the bonds who were in office at the time of such signing but who  
320 may have ceased to be such officers before the sale and delivery  
321 of such bonds, or who may not have been in office on the date such

322 bonds may bear, the signatures of such officers upon such bonds  
323 and coupons shall nevertheless be valid and sufficient for all  
324 purposes and have the same effect as if the person so officially  
325 signing such bonds had remained in office until their delivery to  
326 the purchaser, or had been in office on the date such bonds may  
327 bear. However, notwithstanding anything herein to the contrary,  
328 such bonds may be issued as provided in the Registered Bond Act of  
329 the State of Mississippi.

330 (6) All bonds and interest coupons issued under the  
331 provisions of this section have all the qualities and incidents of  
332 negotiable instruments under the provisions of the Uniform  
333 Commercial Code, and in exercising the powers granted by this  
334 section, the commission shall not be required to and need not  
335 comply with the provisions of the Uniform Commercial Code.

336 (7) The commission shall act as the issuing agent for the  
337 bonds authorized under this section, prescribe the form of the  
338 bonds, advertise for and accept bids, issue and sell the bonds so  
339 authorized to be sold, pay all fees and costs incurred in such  
340 issuance and sale, and do any and all other things necessary and  
341 advisable in connection with the issuance and sale of such bonds.  
342 The commission is authorized and empowered to pay the costs that  
343 are incident to the sale, issuance and delivery of the bonds  
344 authorized under this section from the proceeds derived from the  
345 sale of such bonds. The commission shall sell such bonds on  
346 sealed bids at public sale, and for such price as it may determine  
347 to be for the best interest of the State of Mississippi, but no  
348 such sale shall be made at a price less than par plus accrued  
349 interest to the date of delivery of the bonds to the purchaser.  
350 All interest accruing on such bonds so issued shall be payable  
351 semiannually or annually; however, the first interest payment may  
352 be for any period of not more than one (1) year.

353 Notice of the sale of any such bond shall be published at  
354 least one time, not less than ten (10) days before the date of

355 sale, and shall be so published in one or more newspapers  
356 published or having a general circulation in the City of Jackson,  
357 Mississippi, and in one or more other newspapers or financial  
358 journals with a national circulation, to be selected by the  
359 commission.

360 The commission, when issuing any bonds under the authority of  
361 this section, may provide that bonds, at the option of the State  
362 of Mississippi, may be called in for payment and redemption at the  
363 call price named therein and accrued interest on such date or  
364 dates named therein.

365 (8) The bonds issued under the provisions of this section  
366 are general obligations of the State of Mississippi, and for the  
367 payment thereof the full faith and credit of the State of  
368 Mississippi is irrevocably pledged. If the funds appropriated by  
369 the Legislature are insufficient to pay the principal of and the  
370 interest on such bonds as they become due, then the deficiency  
371 shall be paid by the State Treasurer from any funds in the State  
372 Treasury not otherwise appropriated. All such bonds shall contain  
373 recitals on their faces substantially covering the provisions of  
374 this subsection.

375 (9) Upon the issuance and sale of bonds under the provisions  
376 of this section, the commission shall transfer the proceeds of any  
377 such sale or sales to the special fund created in subsection (2)  
378 of this section. The proceeds of such bonds shall be disbursed  
379 solely upon the order of the Department of Finance and  
380 Administration under such restrictions, if any, as may be  
381 contained in the resolution providing for the issuance of the  
382 bonds.

383 (10) The bonds authorized under this section may be issued  
384 without any other proceedings or the happening of any other  
385 conditions or things other than those proceedings, conditions and  
386 things which are specified or required by this section. Any  
387 resolution providing for the issuance of bonds under the

388 provisions of this section shall become effective immediately upon  
389 its adoption by the commission, and any such resolution may be  
390 adopted at any regular or special meeting of the commission by a  
391 majority of its members.

392 (11) The bonds authorized under the authority of this  
393 section may be validated in the Chancery Court of the First  
394 Judicial District of Hinds County, Mississippi, in the manner and  
395 with the force and effect provided by Chapter 13, Title 31,  
396 Mississippi Code of 1972, for the validation of county, municipal,  
397 school district and other bonds. The notice to taxpayers required  
398 by such statutes shall be published in a newspaper published or  
399 having a general circulation in the City of Jackson, Mississippi.

400 (12) Any holder of bonds issued under the provisions of this  
401 section or of any of the interest coupons pertaining thereto may,  
402 either at law or in equity, by suit, action, mandamus or other  
403 proceeding, protect and enforce any and all rights granted under  
404 this section, or under such resolution, and may enforce and compel  
405 performance of all duties required by this section to be  
406 performed, in order to provide for the payment of bonds and  
407 interest thereon.

408 (13) All bonds issued under the provisions of this section  
409 shall be legal investments for trustees and other fiduciaries, and  
410 for savings banks, trust companies and insurance companies  
411 organized under the laws of the State of Mississippi, and such  
412 bonds shall be legal securities which may be deposited with and  
413 shall be received by all public officers and bodies of this state  
414 and all municipalities and political subdivisions for the purpose  
415 of securing the deposit of public funds.

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

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

422           (16) The State Treasurer is authorized, without further  
423 process of law, to certify to the Department of Finance and  
424 Administration the necessity for warrants, and the Department of  
425 Finance and Administration is authorized and directed to issue  
426 such warrants, in such amounts as may be necessary to pay when due  
427 the principal of, premium, if any, and interest on, or the  
428 accreted value of, all bonds issued under this section; and the  
429 State Treasurer shall forward the necessary amount to the  
430 designated place or places of payment of such bonds in ample time  
431 to discharge such bonds, or the interest thereon, on the due dates  
432 thereof.

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

437           **SECTION 3.** This act shall take effect and be in force from  
438 and after its passage.