

By: Senator(s) King, Fillingane, Morgan, Carmichael, Mettetal, Gollott, Butler, White, Chaney, Flowers, Clarke, Nunnelee, Wilemon, Dearing, Posey, Thames, Kirby, Chassaniol, Lee (35th), Hyde-Smith, Ross, Lee (47th), Brown, Burton, Cuevas, Hewes, Bryan, Frazier, Harden, Jackson (11th)

To: Finance

SENATE BILL NO. 3192

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS FOR
3 THE CONSTRUCTION OF ADDITIONS TO AND THE EXPANSION OF THE ARMED
4 FORCES MUSEUM BUILDING LOCATED AT CAMP SHELBY; AND FOR RELATED
5 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 as the "2007
20 Armed Forces Museum Fund," is created within the State Treasury.
21 The fund shall be maintained by the State Treasurer as a separate
22 and special fund, separate and apart from the General Fund of the
23 state. Unexpended amounts remaining in the fund at the end of a
24 fiscal year shall not lapse into the State General Fund, and any
25 interest earned or investment earnings on amounts in the fund
26 shall be deposited to the credit of the fund. Monies in the fund
27 may not be used or expended for any purpose except as authorized
28 under this section.

29 (ii) Monies deposited into the fund shall be
30 disbursed, in the discretion of the Adjutant General, to pay the
31 costs of the construction, equipping and furnishing of additions
32 to and the expansion of the Armed Forces Museum Building at Camp
33 Shelby.

34 (b) Amounts deposited into such special fund shall be
35 disbursed to pay the costs of the projects described in paragraph
36 (a) of this subsection. Promptly after the commission has
37 certified, by resolution duly adopted, that the projects described
38 in subsection (1) shall have been completed, abandoned, or cannot
39 be completed in a timely fashion, any amounts remaining in such
40 special fund shall be applied to pay debt service on the bonds
41 issued under this section, in accordance with the proceedings
42 authorizing the issuance of such bonds and as directed by the
43 commission.

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

53 (d) The Adjutant General is authorized to pay for the
54 construction, equipping and furnishing of the projects described
55 in paragraph (a) of this subsection.

56 (3) (a) The Adjutant General, 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 subsection (2) of this section. Upon the declaration
61 of the Adjutant General declaring the necessity for the issuance

62 of any part or all of the general obligation bonds authorized by
63 this subsection, the Adjutant General shall deliver a certified
64 copy of his declaration to the commission. Upon receipt of such
65 declaration, the commission, in its discretion, may act as the
66 issuing agent, prescribe the form of the bonds, advertise for and
67 accept bids, issue and sell the bonds so authorized to be sold and
68 do any and all other things necessary and advisable in connection
69 with the issuance and sale of such bonds. The total amount of
70 bonds issued under this section shall not exceed Twelve Million
71 Dollars (\$12,000,000.00); however, not more than Two Million
72 Dollars (\$2,000,000.00) may be issued in fiscal year 2008, not
73 more than Four Million Dollars (\$4,000,000.00) may be issued in
74 fiscal year 2009, and not more than Three Million Dollars
75 (\$3,000,000.00) may be issued in fiscal year 2010.

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

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

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

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

118 (7) The commission shall act as the issuing agent for the
119 bonds authorized under this section, prescribe the form of the
120 bonds, advertise for and accept bids, issue and sell the bonds so
121 authorized to be sold, pay all fees and costs incurred in such
122 issuance and sale, and do any and all other things necessary and
123 advisable in connection with the issuance and sale of such bonds.
124 The commission is authorized and empowered to pay the costs that
125 are incident to the sale, issuance and delivery of the bonds
126 authorized under this section from the proceeds derived from the

127 sale of such bonds. The commission shall sell such bonds on
128 sealed bids at public sale, and for such price as it may determine
129 to be for the best interest of the State of Mississippi, but no
130 such sale shall be made at a price less than par plus accrued
131 interest to the date of delivery of the bonds to the purchaser.
132 All interest accruing on such bonds so issued shall be payable
133 semiannually or annually; however, the first interest payment may
134 be for any period of not more than one (1) year.

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

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

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

157 (9) Upon the issuance and sale of bonds under the provisions
158 of this section, the commission shall transfer the proceeds of any
159 such sale or sales to the special fund created in subsection (2)

160 of this section. The proceeds of such bonds shall be disbursed
161 solely upon the order of the Adjutant General under such
162 restrictions, if any, as may be contained in the resolution
163 providing for the issuance of the bonds.

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

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

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

189 (13) All bonds issued under the provisions of this section
190 shall be legal investments for trustees and other fiduciaries, and
191 for savings banks, trust companies and insurance companies
192 organized under the laws of the State of Mississippi, and such

193 bonds shall be legal securities which may be deposited with and
194 shall be received by all public officers and bodies of this state
195 and all municipalities and political subdivisions for the purpose
196 of securing the deposit of public funds.

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

200 (15) The proceeds of the bonds issued under this section
201 shall be used solely for the purposes therein provided, including
202 the costs incident to the issuance and sale of such bonds.

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

214 (17) This act shall be deemed to be full and complete
215 authority for the exercise of the powers therein granted, but this
216 section shall not be deemed to repeal or to be in derogation of
217 any existing law of this state.

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