

By: Representative Watson

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1053

1 AN ACT TO AMEND SECTIONS 1 THROUGH 18, CHAPTER 516, LAWS OF  
2 2006, TO REMOVE THE PROVISIONS THAT REQUIRE THE PRINCIPAL AND  
3 INTEREST ON GENERAL OBLIGATION BONDS OF THE STATE OF MISSISSIPPI  
4 ISSUED FOR THE PURPOSE OF THE CONSTRUCTION OF A NEW FACILITY FOR  
5 THE PUBLIC HEALTH LABORATORY OF THE STATE DEPARTMENT OF HEALTH AND  
6 FOR THE RENOVATION, REPAIR AND EXPANSION OF THE UNDERWOOD BUILDING  
7 TO BE PAID PRIMARILY FROM FEES RECEIVED BY THE DEPARTMENT OF  
8 HEALTH FOR NEWBORN SCREENING TESTS THAT ARE EVALUATED IN THE  
9 PUBLIC HEALTH LABORATORY; TO AMEND SECTION 41-21-203, MISSISSIPPI  
10 CODE OF 1972, TO REMOVE THE PROVISION THAT REQUIRES THE DEPARTMENT  
11 OF HEALTH TO DEPOSIT A CERTAIN AMOUNT OF THE FUNDS RECEIVED BY THE  
12 DEPARTMENT FOR NEWBORN SCREENING TESTS THAT ARE EVALUATED IN THE  
13 PUBLIC HEALTH LABORATORY TO BE DEPOSITED INTO A SINKING FUND TO  
14 PAY THE PRINCIPAL AND INTEREST ON GENERAL OBLIGATION BONDS ISSUED  
15 FOR THE PURPOSE OF THE CONSTRUCTION OF A NEW FACILITY FOR THE  
16 PUBLIC HEALTH LABORATORY OF THE STATE DEPARTMENT OF HEALTH AND FOR  
17 THE RENOVATION, REPAIR AND EXPANSION OF THE UNDERWOOD BUILDING;  
18 AND FOR RELATED PURPOSES.

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

20 **SECTION 1.** Sections 1 through 18, Chapter 516, Laws of 2006,  
21 are amended as follows:

22 Section 1. As used in Sections 1 through 17 of this act, the  
23 following words shall have the meanings ascribed in this section  
24 unless the context clearly requires otherwise:

25 (a) "Accreted value" of any bond means, as of any date  
26 of computation, an amount equal to the sum of (i) the stated  
27 initial value of the bond, plus (ii) the interest accrued on the  
28 bond from the issue date to the date of computation at the rate,  
29 compounded semiannually, that is necessary to produce the  
30 approximate yield to maturity shown for bonds of the same  
31 maturity.

32 (b) "Commission" means the State Bond Commission.

33 (c) "Department" means the Department of Finance and  
34 Administration.



35 (d) "State" means the State of Mississippi.

36 (e) "Act" means Sections 1 through 17 of this act.

37 Section 2. (1) (a) There is created in the State Treasury  
38 a special fund to be known as the "Mississippi Public Health  
39 Laboratory Construction and Underwood Building Repair, Renovation  
40 and Expansion Fund." The fund shall be maintained by the State  
41 Treasurer as a special fund, separate and apart from the State  
42 General Fund. Unexpended amounts remaining in the special fund at  
43 the end of a fiscal year shall not lapse into the State General  
44 Fund, and any interest earned or investment earnings on amounts in  
45 the special fund shall be deposited to the credit of the special  
46 fund. Monies in the special fund may not be used or expended for  
47 any purpose except as authorized under this act.

48 (b) Monies deposited into the special fund shall be  
49 disbursed, in the discretion of the Department of Finance and  
50 Administration, to pay the costs of construction of a new facility  
51 for the public health laboratory of the State Department of  
52 Health, the cost of renovation and/or repair of the Underwood  
53 Building necessitated by that construction and the relocation of  
54 the public health laboratory into the new facility, and the cost  
55 of expansion of the Underwood Building to secure high quality  
56 teleconferencing and telemedicine capability related to public  
57 health preparedness and for additional office space for  
58 epidemiology staff.

59 (2) Amounts deposited into the special fund shall be  
60 disbursed to pay the costs of the projects described in subsection  
61 (1) of this section. Promptly after the commission has certified,  
62 by resolution duly adopted, that the projects described in  
63 subsection (1) of this section shall have been completed,  
64 abandoned, or cannot be completed in a timely fashion, any amounts  
65 remaining in the special fund shall be applied to pay debt service  
66 on the bonds issued under this act, in accordance with the



67 proceedings authorizing the issuance of the bonds and as directed  
68 by the commission.

69 (3) The department, acting through the Bureau of Building,  
70 Grounds and Real Property Management, is expressly authorized and  
71 empowered to receive and expend any local or other source funds in  
72 connection with the expenditure of funds provided for in this  
73 section.

74 (4) The expenditure of monies in the special fund shall be  
75 under the direction of the department, and those monies shall be  
76 paid by the State Treasurer upon warrants issued by the  
77 department, which warrants shall be issued upon requisitions  
78 signed by the executive director of the department or his  
79 designee.

80 \* \* \*

81 Section 3. (1) The department, at one time or from time to  
82 time, may declare by resolution the necessity for issuance of  
83 general obligation bonds of the State of Mississippi to provide  
84 funds for all costs incurred or to be incurred for the purposes  
85 described in Section 2 of this act. Upon the adoption of a  
86 resolution by the department, declaring the necessity for the  
87 issuance of any part or all of the bonds authorized by this  
88 section, the department shall deliver a certified copy of its  
89 resolution or resolutions to the commission. Upon receipt of the  
90 resolution, the commission, in its discretion, may act as the  
91 issuing agent, prescribe the form of the bonds, advertise for and  
92 accept bids, issue and sell the bonds so authorized to be sold and  
93 do any and all other things necessary and advisable in connection  
94 with the issuance and sale of the bonds. The total amount of  
95 bonds issued under this act shall not exceed Twenty-five Million  
96 Dollars (\$25,000,000.00). No bonds shall be issued under this act  
97 after July 1, 2011.

98 \* \* \*



99           (2) Any investment earnings on amounts deposited into the  
100 special fund created in Section 2 of this act shall be used to pay  
101 debt service on bonds issued under this act, in accordance with  
102 the proceedings authorizing issuance of the bonds.

103           Section 4. The principal of and interest on the bonds  
104 authorized under this act shall be payable in the manner provided  
105 in this section. The bonds shall bear such date or dates, be in  
106 such denomination or denominations, bear interest at such rate or  
107 rates (not to exceed the limits set forth in Section 75-17-101,  
108 Mississippi Code of 1972), be payable at such place or places  
109 within or without the State of Mississippi, shall mature  
110 absolutely at such time or times not to exceed twenty-five (25)  
111 years from date of issue, be redeemable before maturity at such  
112 time or times and upon such terms, with or without premium, shall  
113 bear such registration privileges, and shall be substantially in  
114 such form, all as determined by resolution of the commission.

115           Section 5. The bonds authorized by this act shall be signed  
116 by the chairman of the commission, or by his facsimile signature,  
117 and the official seal of the commission shall be affixed thereto,  
118 attested by the secretary of the commission. The interest  
119 coupons, if any, to be attached to the bonds may be executed by  
120 the facsimile signatures of those officers. Whenever any such  
121 bonds have been signed by the officials designated to sign the  
122 bonds who were in office at the time of the signing but who may  
123 have ceased to be those officers before the sale and delivery of  
124 the bonds, or who may not have been in office on the date that the  
125 bonds may bear, the signatures of those officers upon the bonds  
126 and coupons shall nevertheless be valid and sufficient for all  
127 purposes and have the same effect as if the person so officially  
128 signing the bonds had remained in office until their delivery to  
129 the purchaser, or had been in office on the date the bonds may  
130 bear. However, notwithstanding anything in this act to the



131 contrary, the bonds may be issued as provided in the Registered  
132 Bond Act of the State of Mississippi.

133 Section 6. All bonds and interest coupons issued under the  
134 provisions of this act have all the qualities and incidents of  
135 negotiable instruments under the provisions of the Uniform  
136 Commercial Code, and in exercising the powers granted by this act,  
137 the commission shall not be required to and need not comply with  
138 the provisions of the Uniform Commercial Code.

139 Section 7. The commission shall act as the issuing agent for  
140 the bonds authorized under this act, prescribe the form of the  
141 bonds, advertise for and accept bids, issue and sell the bonds so  
142 authorized to be sold, pay all fees and costs incurred in the  
143 issuance and sale, and do any and all other things necessary and  
144 advisable in connection with the issuance and sale of the bonds.  
145 The commission is authorized and empowered to pay the costs that  
146 are incident to the sale, issuance and delivery of the bonds  
147 authorized under this act from the proceeds derived from the sale  
148 of the bonds. The commission shall sell the bonds on sealed bids  
149 at public sale, and for such price as it may determine to be for  
150 the best interest of the State of Mississippi, but no such sale  
151 shall be made at a price less than par plus accrued interest to  
152 the date of delivery of the bonds to the purchaser. All interest  
153 accruing on the bonds so issued shall be payable semiannually or  
154 annually; however, the first interest payment may be for any  
155 period of not more than one (1) year.

156 Notice of the sale of any such bonds shall be published at  
157 least one time, not less than ten (10) days before the date of  
158 sale, and shall be so published in one or more newspapers  
159 published or having a general circulation in the City of Jackson,  
160 Mississippi, and in one or more other newspapers or financial  
161 journals with a national circulation, to be selected by the  
162 commission.



163           The commission, when issuing any bonds under the authority of  
164 this act, may provide that bonds, at the option of the State of  
165 Mississippi, may be called in for payment and redemption at the  
166 call price named therein and accrued interest on such date or  
167 dates named therein.

168           Section 8. The bonds issued under the provisions of this act  
169 are general obligations of the State of Mississippi, and for the  
170 payment thereof, the full faith and credit of the State of  
171 Mississippi is irrevocably pledged. \* \* \* If the funds \* \* \*  
172 appropriated by the Legislature \* \* \* are insufficient to pay the  
173 principal of and the interest on the bonds as they become due,  
174 then the amount of the deficiency shall be paid by the State  
175 Treasurer from any funds in the State Treasury not otherwise  
176 appropriated. All those bonds shall contain recitals on their  
177 faces substantially covering the provisions of this section.

178           Section 9. Upon the issuance and sale of bonds under the  
179 provisions of this act, the commission shall transfer the proceeds  
180 of any such sale or sales to the special fund created in Section 2  
181 of this act. The proceeds of the bonds shall be disbursed solely  
182 upon the order of the department under such restrictions, if any,  
183 as may be contained in the resolution providing for the issuance  
184 of the bonds.

185           Section 10. The bonds authorized under this act may be  
186 issued without any other proceedings or the happening of any other  
187 conditions or things other than those proceedings, conditions and  
188 things that are specified or required by this act. Any resolution  
189 providing for the issuance of bonds under the provisions of this  
190 act shall become effective immediately upon its adoption by the  
191 commission, and any such resolution may be adopted at any regular  
192 or special meeting of the commission by a majority of its members.

193           Section 11. The bonds authorized under this act may be  
194 validated in the Chancery Court of the First Judicial District of  
195 Hinds County, Mississippi, in the manner and with the force and



196 effect provided by Chapter 13, Title 31, Mississippi Code of 1972,  
197 for the validation of county, municipal, school district and other  
198 bonds. The notice to taxpayers required by those statutes shall  
199 be published in a newspaper published or having a general  
200 circulation in the City of Jackson, Mississippi.

201 Section 12. Any holder of bonds issued under the provisions  
202 of this act or of any of the interest coupons pertaining to those  
203 bonds may, either at law or in equity, by suit, action, mandamus  
204 or other proceeding, protect and enforce any and all rights  
205 granted under this act, or under the resolution, and may enforce  
206 and compel performance of all duties required by this act to be  
207 performed, in order to provide for the payment of bonds and  
208 interest on the bonds.

209 Section 13. All bonds issued under the provisions of this  
210 act shall be legal investments for trustees and other fiduciaries,  
211 and for savings banks, trust companies and insurance companies  
212 organized under the laws of the State of Mississippi, and the  
213 bonds shall be legal securities that may be deposited with and  
214 shall be received by all public officers and bodies of this state  
215 and all municipalities and political subdivisions for the purpose  
216 of securing the deposit of public funds.

217 Section 14. Bonds issued under the provisions of this act  
218 and income from the bonds shall be exempt from all taxation in the  
219 State of Mississippi.

220 Section 15. The proceeds of the bonds issued under this act  
221 shall be used solely for the purposes herein provided, including  
222 the costs incident to the issuance and sale of such bonds.

223 Section 16. The State Treasurer is authorized, without  
224 further process of law, to certify to the Department of Finance  
225 and Administration the necessity for warrants, and the department  
226 is authorized and directed to issue those warrants, in such  
227 amounts as may be necessary to pay when due the principal of,  
228 premium, if any, and interest on, or the accreted value of, all



229 bonds issued under this act; and the State Treasurer shall forward  
230 the necessary amount to the designated place or places of payment  
231 of those bonds in ample time to discharge the bonds, or the  
232 interest on the bonds, on the due dates thereof.

233 Section 17. This act shall be deemed to be full and complete  
234 authority for the exercise of the powers granted in this act, but  
235 this act shall not be deemed to repeal or to be in derogation of  
236 any existing law of this state.

237 **SECTION 2.** Section 41-21-203, Mississippi Code of 1972, is  
238 amended as follows:

239 41-21-203. (1) All newborn infants shall be screened by the  
240 physician or other health care provider attending the infant,  
241 using tests that have been approved by the State Board of Health,  
242 to detect those conditions listed in Section 41-21-201 and the  
243 other conditions specified by the State Board of Health for the  
244 comprehensive newborn screening program. However, no such tests  
245 shall be given to any child whose parents object thereto on the  
246 grounds that the test conflicts with his religious practices or  
247 tenets. The tests provided under the comprehensive newborn  
248 screening program shall be evaluated in laboratories located in  
249 the United States. The State Department of Health shall follow up  
250 all positive tests with the attending physician or other health  
251 care provider who notified the department thereof, and with the  
252 parents of the newborn child. The services and facilities of the  
253 State Department of Health and those of other state boards,  
254 departments and agencies cooperating with the State Department of  
255 Health in carrying out the comprehensive newborn screening program  
256 shall be made available to all newborn infants with abnormal  
257 screening tests.

258 (2) The State Department of Health shall provide ongoing  
259 epidemiologic surveillance of the comprehensive newborn screening  
260 program to determine the efficacy and cost effectiveness of  
261 screening newborn infants.



262 \* \* \*

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

