

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.

