

By: Representative Smith

To: Ways and Means

HOUSE BILL NO. 395

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST IN THE CONSTRUCTION, FURNISHING
3 AND EQUIPPING OF THE MISSISSIPPI MARITIME MUSEUM IN PASCAGOULA,
4 MISSISSIPPI; AND FOR RELATED PURPOSES.

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

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

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

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

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

18 (2) (a) (i) A special fund, to be designated as the "2016
19 Mississippi Maritime Museum Improvements Fund," is created within



20 the State Treasury. The fund shall be maintained by the State
21 Treasurer as a separate and special fund, separate and apart from
22 the General Fund of the state. Unexpended amounts remaining in
23 the fund at the end of a fiscal year shall not lapse into the
24 State General Fund, and any interest earned or investment earnings
25 on amounts in the fund shall be deposited into such fund.

26 (ii) Monies deposited into the fund shall be
27 disbursed, in the discretion of the Department of Finance and
28 Administration, to assist in paying the costs of construction,
29 furnishing and equipping the Mississippi Maritime Museum in
30 Pascagoula, Mississippi.

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

41 (3) (a) The commission, at one time, or from time to time,
42 may declare by resolution the necessity for issuance of general
43 obligation bonds of the State of Mississippi to provide funds for
44 all costs incurred or to be incurred for the purposes described in



45 subsection (2) of this section. Upon the adoption of a resolution
46 by the Department of Finance and Administration, declaring the
47 necessity for the issuance of any part or all of the general
48 obligation bonds authorized by this subsection, the department
49 shall deliver a certified copy of its resolution or resolutions to
50 the commission. Upon receipt of such resolution, the commission,
51 in its discretion, may act as issuing agent, prescribe the form of
52 the bonds, determine the appropriate method for sale of the bonds,
53 advertise for and accept bids or negotiate the sale of the bonds,
54 issue and sell the bonds so authorized to be sold, and do any and
55 all other things necessary and advisable in connection with the
56 issuance and sale of such bonds. The total amount of bonds issued
57 under this section shall not exceed Two Hundred Forty-five
58 Thousand Dollars (\$245,000.00). No bonds shall be issued under
59 this section after July 1, 2020.

60 (b) Any investment earnings on amounts deposited into
61 the special fund created in subsection (2) of this section shall
62 be used to pay debt service on bonds issued under this section, in
63 accordance with the proceedings authorizing issuance of such
64 bonds.

65 (4) The principal of and interest on the bonds authorized
66 under this section shall be payable in the manner provided in this
67 subsection. Such bonds shall bear such date or dates, be in such
68 denomination or denominations, bear interest at such rate or rates
69 (not to exceed the limits set forth in Section 75-17-101,



70 Mississippi Code of 1972), be payable at such place or places
71 within or without the State of Mississippi, shall mature
72 absolutely at such time or times not to exceed twenty-five (25)
73 years from date of issue, be redeemable before maturity at such
74 time or times and upon such terms, with or without premium, shall
75 bear such registration privileges, and shall be substantially in
76 such form, all as shall be determined by resolution of the
77 commission.

78 (5) The bonds authorized by this section shall be signed by
79 the chairman of the commission, or by his facsimile signature, and
80 the official seal of the commission shall be affixed thereto,
81 attested by the secretary of the commission. The interest
82 coupons, if any, to be attached to such bonds may be executed by
83 the facsimile signatures of such officers. Whenever any such
84 bonds shall have been signed by the officials designated to sign
85 the bonds who were in office at the time of such signing but who
86 may have ceased to be such officers before the sale and delivery
87 of such bonds, or who may not have been in office on the date such
88 bonds may bear, the signatures of such officers upon such bonds
89 and coupons shall nevertheless be valid and sufficient for all
90 purposes and have the same effect as if the person so officially
91 signing such bonds had remained in office until their delivery to
92 the purchaser, or had been in office on the date such bonds may
93 bear. However, notwithstanding anything herein to the contrary,



94 such bonds may be issued as provided in the Registered Bond Act of
95 the State of Mississippi.

96 (6) All bonds and interest coupons issued under the
97 provisions of this section have all the qualities and incidents of
98 negotiable instruments under the provisions of the Uniform
99 Commercial Code, and in exercising the powers granted by this
100 section, the commission shall not be required to and need not
101 comply with the provisions of the Uniform Commercial Code.

102 (7) The commission shall act as issuing agent for the bonds
103 authorized under this section, prescribe the form of the bonds,
104 determine the appropriate method for sale of the bonds, advertise
105 for and accept bids or negotiate the sale of the bonds, issue and
106 sell the bonds so authorized to be sold, pay all fees and costs
107 incurred in such issuance and sale, and do any and all other
108 things necessary and advisable in connection with the issuance and
109 sale of such bonds. The commission is authorized and empowered to
110 pay the costs that are incident to the sale, issuance and delivery
111 of the bonds authorized under this section from the proceeds
112 derived from the sale of such bonds. The commission may sell such
113 bonds on sealed bids at public sale or may negotiate the sale of
114 the bonds for such price as it may determine to be for the best
115 interest of the State of Mississippi. All interest accruing on
116 such bonds so issued shall be payable semiannually or annually.

117 If such bonds are sold by sealed bids at public sale, notice
118 of the sale shall be published at least one time, not less than



119 ten (10) days before the date of sale, and shall be so published
120 in one or more newspapers published or having a general
121 circulation in the City of Jackson, Mississippi, selected by the
122 commission.

123 The commission, when issuing any bonds under the authority of
124 this section, may provide that bonds, at the option of the State
125 of Mississippi, may be called in for payment and redemption at the
126 call price named therein and accrued interest on such date or
127 dates named therein.

128 (8) The bonds issued under the provisions of this section
129 are general obligations of the State of Mississippi, and for the
130 payment thereof the full faith and credit of the State of
131 Mississippi is irrevocably pledged. If the funds appropriated by
132 the Legislature are insufficient to pay the principal of and the
133 interest on such bonds as they become due, then the deficiency
134 shall be paid by the State Treasurer from any funds in the State
135 Treasury not otherwise appropriated. All such bonds shall contain
136 recitals on their faces substantially covering the provisions of
137 this subsection.

138 (9) Upon the issuance and sale of bonds under the provisions
139 of this section, the commission shall transfer the proceeds of any
140 such sale or sales to the special fund created in subsection (2)
141 of this section. The proceeds of such bonds shall be disbursed
142 solely upon the order of the Department of Finance and
143 Administration under such restrictions, if any, as may be



144 contained in the resolution providing for the issuance of the
145 bonds.

146 (10) The bonds authorized under this section may be issued
147 without any other proceedings or the happening of any other
148 conditions or things other than those proceedings, conditions and
149 things which are specified or required by this section. Any
150 resolution providing for the issuance of bonds under the
151 provisions of this section shall become effective immediately upon
152 its adoption by the commission, and any such resolution may be
153 adopted at any regular or special meeting of the commission by a
154 majority of its members.

155 (11) The bonds authorized under the authority of this
156 section may be validated in the Chancery Court of the First
157 Judicial District of Hinds County, Mississippi, in the manner and
158 with the force and effect provided by Chapter 13, Title 31,
159 Mississippi Code of 1972, for the validation of county, municipal,
160 school district and other bonds. The notice to taxpayers required
161 by such statutes shall be published in a newspaper published or
162 having a general circulation in the City of Jackson, Mississippi.

163 (12) Any holder of bonds issued under the provisions of this
164 section or of any of the interest coupons pertaining thereto may,
165 either at law or in equity, by suit, action, mandamus or other
166 proceeding, protect and enforce any and all rights granted under
167 this section, or under such resolution, and may enforce and compel
168 performance of all duties required by this section to be



169 performed, in order to provide for the payment of bonds and
170 interest thereon.

171 (13) All bonds issued under the provisions of this section
172 shall be legal investments for trustees and other fiduciaries, and
173 for savings banks, trust companies and insurance companies
174 organized under the laws of the State of Mississippi, and such
175 bonds shall be legal securities which may be deposited with and
176 shall be received by all public officers and bodies of this state
177 and all municipalities and political subdivisions for the purpose
178 of securing the deposit of public funds.

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

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

185 (16) The State Treasurer is authorized, without further
186 process of law, to certify to the Department of Finance and
187 Administration the necessity for warrants, and the Department of
188 Finance and Administration is authorized and directed to issue
189 such warrants, in such amounts as may be necessary to pay when due
190 the principal of, premium, if any, and interest on, or the
191 accreted value of, all bonds issued under this section; and the
192 State Treasurer shall forward the necessary amount to the
193 designated place or places of payment of such bonds in ample time



194 to discharge such bonds, or the interest thereon, on the due dates
195 thereof.

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

200 **SECTION 2.** This act shall take effect and be in force from
201 and after its passage.

