

By: Representatives Snowden, Dixon

To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 917

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR CONSTRUCTING, FURNISHING, EQUIPPING,  
3 REPAIRS AND RENOVATIONS TO AND THE PURCHASE OF LAND FOR THE  
4 MISSISSIPPI ARTS AND ENTERTAINMENT CENTER IN MERIDIAN,  
5 MISSISSIPPI; 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 as the "2016  
20 Mississippi Arts and Entertainment 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 into such fund.

27                           (ii)   Monies deposited into the fund shall be  
28 disbursed, in the discretion of the Department of Finance and  
29 Administration, to pay the costs of constructing, furnishing,  
30 equipping and repairs and renovations at the Mississippi Arts and  
31 Entertainment Center created in Section 39-25-1, and to purchase  
32 real estate for such center.

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



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

54                   (3) (a) The commission, at one time, or from time to time,  
55 may declare by resolution the necessity for issuance of general  
56 obligation bonds of the State of Mississippi to provide funds for  
57 all costs incurred or to be incurred for the purposes described in  
58 subsection (2) of this section. Upon the adoption of a resolution  
59 by the Department of Finance and Administration, declaring the  
60 necessity for the issuance of any part or all of the general  
61 obligation bonds authorized by this subsection, the department  
62 shall deliver a certified copy of its resolution or resolutions to  
63 the commission. Upon receipt of such resolution, the commission,  
64 in its discretion, may act as the issuing agent, prescribe the  
65 form of the bonds, determine the appropriate method for sale of  
66 the bonds, advertise for and accept bids or negotiate the sale of  
67 the bonds, 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 One Million  
71 Dollars (\$1,000,000.00).

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

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

90 (5) The bonds authorized by this section shall be signed by  
91 the chairman of the commission, or by his facsimile signature, and  
92 the official seal of the commission shall be affixed thereto,



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

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

114 (7) The commission shall act as the issuing agent for the  
115 bonds authorized under this section, prescribe the form of the  
116 bonds, determine the appropriate method for sale of the bonds,  
117 advertise for and accept bids or negotiate the sale of the bonds,



118 issue and sell the bonds so authorized to be sold, pay all fees  
119 and costs incurred in such issuance and sale, and do any and all  
120 other things necessary and advisable in connection with the  
121 issuance and sale of such bonds. The commission is authorized and  
122 empowered to pay the costs that are incident to the sale, issuance  
123 and delivery of the bonds authorized under this section from the  
124 proceeds derived from the sale of such bonds. The commission may  
125 sell such bonds on sealed bids at public sale or may negotiate the  
126 sale of the bonds for such price as it may determine to be for the  
127 best interest of the State of Mississippi. All interest accruing  
128 on such bonds so issued shall be payable semiannually or annually.

129 If such bonds are sold by sealed bids at public sale, notice  
130 of the sale of any such bonds shall be published at least one  
131 time, not less than ten (10) days before the date of sale, and  
132 shall be so published in one or more newspapers published or  
133 having a general circulation in the City of Jackson, Mississippi,  
134 selected by the commission.

135 The commission, when issuing any bonds under the authority of  
136 this section, may provide that bonds, at the option of the State  
137 of Mississippi, may be called in for payment and redemption at the  
138 call price named therein and accrued interest on such date or  
139 dates named therein.

140 (8) The bonds issued under the provisions of this section  
141 are general obligations of the State of Mississippi, and for the  
142 payment thereof the full faith and credit of the State of



143 Mississippi is irrevocably pledged. If the funds appropriated by  
144 the Legislature are insufficient to pay the principal of and the  
145 interest on such bonds as they become due, then the deficiency  
146 shall be paid by the State Treasurer from any funds in the State  
147 Treasury not otherwise appropriated. All such bonds shall contain  
148 recitals on their faces substantially covering the provisions of  
149 this subsection.

150 (9) Upon the issuance and sale of bonds under the provisions  
151 of this section, the commission shall transfer the proceeds of any  
152 such sale or sales to the special fund created in subsection (2)  
153 of this section. The proceeds of such bonds shall be disbursed  
154 solely upon the order of the Department of Finance and  
155 Administration under such restrictions, if any, as may be  
156 contained in the resolution providing for the issuance of the  
157 bonds.

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



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

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

183           (13) All bonds issued under the provisions of this section  
184 shall be legal investments for trustees and other fiduciaries, and  
185 for savings banks, trust companies and insurance companies  
186 organized under the laws of the State of Mississippi, and such  
187 bonds shall be legal securities which may be deposited with and  
188 shall be received by all public officers and bodies of this state  
189 and all municipalities and political subdivisions for the purpose  
190 of securing the deposit of public funds.





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

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

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

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

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

