

By: Representatives Hale, Steverson,  
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To: Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1683

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR CAPITAL IMPROVEMENTS AT THE MISSISSIPPI  
3 STATE FIRE ACADEMY; AND FOR RELATED PURPOSES.

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

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

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

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

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

17 (2) (a) (i) A special fund to be designated the "2016  
18 Mississippi State Fire Academy Capital Improvements Fund" is



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

(ii) Monies deposited into the fund shall be disbursed, in the discretion of the Department of Finance and Administration, as follows:

1. Not more than Seven Hundred Thousand Dollars (\$700,000.00) of the monies in the special fund shall be used to pay the costs of:

a. Construction, furnishing and equipping of a fire station, dormitory and related infrastructure and facilities at the Mississippi State Fire Academy in Rankin County, Mississippi, and

b. Construction, furnishing and equipping of a state disaster staging area and related infrastructure and facilities at the Mississippi State Fire Academy in Rankin County, Mississippi;

2. The remainder of such monies shall be used to pay the costs of repair, renovation, rehabilitation, replacement, construction and/or reconstruction of buildings, facilities and/or equipment at the Mississippi State Fire Academy in Rankin County, Mississippi.



44 (b) Amounts deposited into such special fund shall be  
45 disbursed to pay the costs of the projects described in paragraph  
46 (a) of this subsection. Promptly after the commission has  
47 certified, by resolution duly adopted, that the projects described  
48 in paragraph (a) of this subsection shall have been completed,  
49 abandoned, or cannot be completed in a timely fashion, any amounts  
50 remaining in such special fund shall be applied to pay debt  
51 service on the bonds issued under this section, in accordance with  
52 the proceedings authorizing the issuance of such bonds and as  
53 directed by the commission.

54 (c) The Department of Finance and Administration,  
55 acting through the Bureau of Building, Grounds and Real Property  
56 Management, is expressly authorized and empowered to receive and  
57 expend any local or other source funds in connection with the  
58 expenditure of funds provided for in this subsection. The  
59 expenditure of monies deposited into the special fund shall be  
60 under the direction of the Department of Finance and  
61 Administration, and such funds shall be paid by the State  
62 Treasurer upon warrants issued by such department, which warrants  
63 shall be issued upon requisitions signed by the Executive Director  
64 of the Department of Finance and Administration, or his designee.

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



69 subsection (2) of this section. Upon the adoption of a resolution  
70 by the Department of Finance and Administration, declaring the  
71 necessity for the issuance of any part or all of the general  
72 obligation bonds authorized by this subsection, the department  
73 shall deliver a certified copy of its resolution or resolutions to  
74 the commission. Upon receipt of such resolution, the commission,  
75 in its discretion, may act as the issuing agent, prescribe the  
76 form of the bonds, determine the appropriate method for sale of  
77 the bonds, advertise for and accept bids or negotiate the sale of  
78 the bonds, issue and sell the bonds so authorized to be sold and  
79 do any and all other things necessary and advisable in connection  
80 with the issuance and sale of such bonds. The total amount of  
81 bonds issued under this section shall not exceed One Million  
82 Dollars (\$1,000,000.00). No bonds shall be issued under this  
83 section after July 1, 2020.

84 (b) Any investment earnings on amounts deposited into  
85 the special fund created in subsection (2) of this section shall  
86 be used to pay debt service on bonds issued under this section, in  
87 accordance with the proceedings authorizing issuance of such  
88 bonds.

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



94 Mississippi Code of 1972), be payable at such place or places  
95 within or without the State of Mississippi, shall mature  
96 absolutely at such time or times not to exceed twenty-five (25)  
97 years from date of issue, be redeemable before maturity at such  
98 time or times and upon such terms, with or without premium, shall  
99 bear such registration privileges, and shall be substantially in  
100 such form, all as shall be determined by resolution of the  
101 commission.

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



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

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

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

If such bonds are sold by sealed bids at public sale, notice of the sale shall be published at least one (1) time, not less



143 than ten (10) days before the date of sale, and shall be so  
144 published in one or more newspapers published or having a general  
145 circulation in the City of Jackson, Mississippi, selected by the  
146 commission.

147 The commission, when issuing any bonds under the authority of  
148 this section, may provide that bonds, at the option of the State  
149 of Mississippi, may be called in for payment and redemption at the  
150 call price named therein and accrued interest on such date or  
151 dates named therein.

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

162 (9) Upon the issuance and sale of bonds under the provisions  
163 of this section, the commission shall transfer the proceeds of any  
164 such sale or sales to the special fund created in subsection (2)  
165 of this section. The proceeds of such bonds shall be disbursed  
166 solely upon the order of the Department of Finance and  
167 Administration under such restrictions, if any, as may be



168 contained in the resolution providing for the issuance of the  
169 bonds.

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

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

187 (12) Any holder of bonds issued under the provisions of this  
188 section or of any of the interest coupons pertaining thereto may,  
189 either at law or in equity, by suit, action, mandamus or other  
190 proceeding, protect and enforce any and all rights granted under  
191 this section, or under such resolution, and may enforce and compel  
192 performance of all duties required by this section to be





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

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

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

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

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



218 to discharge such bonds, or the interest thereon, on the due dates  
219 thereof.

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

224 **SECTION 2.** This act shall take effect and be in force from  
225 and after July 1, 2016.

