

By: Representative Sykes

To: Universities and  
Colleges; Ways and Means

HOUSE BILL NO. 88

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS FOR THE PURPOSE OF MAKING CAPITAL IMPROVEMENTS FOR ALCORN  
3 STATE UNIVERSITY, JACKSON STATE UNIVERSITY AND MISSISSIPPI VALLEY  
4 STATE UNIVERSITY; 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 "2018  
19 Alcorn State University, Jackson State University and Mississippi



20 Valley State University Capital Improvements Fund," is created  
 21 within the State Treasury. The fund shall be maintained by the  
 22 State Treasurer as a separate and special fund, separate and apart  
 23 from the General Fund of the state. Unexpended amounts remaining  
 24 in 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, with the approval of the Board of Trustees of  
 30 State Institutions of Higher Learning on those projects related to  
 31 the universities under its management and control to pay the costs  
 32 of capital improvements, renovation and/or repair of existing  
 33 facilities, furnishings and/or equipping facilities for public  
 34 facilities as hereinafter described:

		<b>AMOUNT</b>
<b>NAME</b>	<b>PROJECT</b>	<b>ALLOCATED</b>
37	Alcorn State University.....	\$ 4,000,000.00
38	Critical planning, construction,	
39	reconstruction, repair,	
40	rehabilitation and renovation	
41	of and upgrades and	
42	improvements to the water	
43	plant and related	
44	infrastructure and	



45 facilities.....\$ 4,000,000.00  
 46 Jackson State University.....\$ 8,000,000.00  
 47 Repair, renovation,  
 48 furnishing and equipping  
 49 of Stewart Hall.....\$ 7,500,000.00  
 50 Repair, renovation,  
 51 replacement, furnishing,  
 52 equipping and expansion of  
 53 and additions and improvements  
 54 to campus buildings, facilities  
 55 and infrastructure.....\$ 500,000.00  
 56 Mississippi Valley State University.....\$ 4,000,000.00  
 57 Repair, renovation,  
 58 furnishing and equipping  
 59 of the Academic Skills  
 60 Building and continuation  
 61 and completion of  
 62 previously authorized  
 63 projects.....\$ 3,000,000.00  
 64 Planning, repair, renovation,  
 65 furnishing, equipping and  
 66 expansion of and additions  
 67 to the student union building  
 68 and continuation and completion  
 69 of previously authorized



70 projects.....\$ 1,000,000.00  
71 **TOTAL.....\$16,000,000.00**

72 (b) (i) Amounts deposited into such special fund shall  
73 be disbursed to pay the costs of projects described in paragraph  
74 (a) of this subsection. If any monies in such special fund are  
75 not used within four (4) years after the date the proceeds of the  
76 bonds authorized under this section are deposited into the special  
77 fund, then the institution of higher learning for which any unused  
78 monies are allocated under paragraph (a) of this subsection shall  
79 provide an accounting of such unused monies to the commission.  
80 Promptly after the commission has certified, by resolution duly  
81 adopted, that the projects described in paragraph (a) of this  
82 subsection shall have been completed, abandoned, or cannot be  
83 completed in a timely fashion, any amounts remaining in such  
84 special fund shall be applied to pay debt service on the bonds  
85 issued under this section, in accordance with the proceedings  
86 authorizing the issuance of such bonds and as directed by the  
87 commission.

88 (ii) Monies in the special fund may be used to  
89 reimburse reasonable actual and necessary costs incurred by the  
90 Department of Finance and Administration, acting through the  
91 Bureau of Building, Grounds and Real Property Management, in  
92 administering or providing assistance directly related to a  
93 project described in paragraph (a) of this subsection. An  
94 accounting of actual costs incurred for which reimbursement is



95 sought shall be maintained for each project by the Department of  
96 Finance and Administration, Bureau of Building, Grounds and Real  
97 Property Management. Reimbursement of reasonable actual and  
98 necessary costs for a project shall not exceed two percent (2%) of  
99 the proceeds of bonds issued for such project. Monies authorized  
100 for a particular project may not be used to reimburse  
101 administrative costs for unrelated projects.

102 (c) The Department of Finance and Administration,  
103 acting through the Bureau of Building, Grounds and Real Property  
104 Management, is expressly authorized and empowered to receive and  
105 expend any local or other source funds in connection with the  
106 expenditure of funds provided for in this subsection. The  
107 expenditure of monies deposited into the special fund shall be  
108 under the direction of the Department of Finance and  
109 Administration, and such funds shall be paid by the State  
110 Treasurer upon warrants issued by such department, which warrants  
111 shall be issued upon requisitions signed by the Executive Director  
112 of the Department of Finance and Administration, or his designee.

113 (d) Any amounts allocated to an institution of higher  
114 learning that are in excess of that needed to complete the  
115 projects at such institution of higher learning that are described  
116 in paragraph (a) of this subsection may be used for general  
117 repairs and renovations at the institution of higher learning.

118 (3) (a) The commission, at one time, or from time to time,  
119 may declare by resolution the necessity for issuance of general



120 obligation bonds of the State of Mississippi to provide funds for  
121 all costs incurred or to be incurred for the purposes described in  
122 subsection (2) of this section. Upon the adoption of a resolution  
123 by the Department of Finance and Administration declaring the  
124 necessity for the issuance of any part or all of the general  
125 obligation bonds authorized by this section, the Department of  
126 Finance and Administration shall deliver a certified copy of its  
127 resolution or resolutions to the commission. Upon receipt of such  
128 resolution, the commission, in its discretion, may act as issuing  
129 agent, prescribe the form of the bonds, determine the appropriate  
130 method for sale of the bonds, advertise for and accept bids or  
131 negotiate the sale of the bonds, issue and sell the bonds so  
132 authorized to be sold, and do any and all other things necessary  
133 and advisable in connection with the issuance and sale of such  
134 bonds. The total amount of bonds issued under this section shall  
135 not exceed Sixteen Million Dollars (\$16,000,000.00). No bonds  
136 shall be issued under this section after July 1, 2022.

137           (b) Any investment earnings on amounts deposited into  
138 the special fund created in subsection (2) of this section shall  
139 be used to pay debt service on bonds issued under this section, in  
140 accordance with the proceedings authorizing issuance of such  
141 bonds.

142           (4) The principal of and interest on the bonds authorized  
143 under this section shall be payable in the manner provided in this  
144 subsection. Such bonds shall bear such date or dates, be in such



145 denomination or denominations, bear interest at such rate or rates  
146 (not to exceed the limits set forth in Section 75-17-101,  
147 Mississippi Code of 1972), be payable at such place or places  
148 within or without the State of Mississippi, shall mature  
149 absolutely at such time or times not to exceed twenty-five (25)  
150 years from date of issue, be redeemable before maturity at such  
151 time or times and upon such terms, with or without premium, shall  
152 bear such registration privileges, and shall be substantially in  
153 such form, all as shall be determined by resolution of the  
154 commission.

155 (5) The bonds authorized by this section shall be signed by  
156 the chairman of the commission, or by his facsimile signature, and  
157 the official seal of the commission shall be affixed thereto,  
158 attested by the secretary of the commission. The interest  
159 coupons, if any, to be attached to such bonds may be executed by  
160 the facsimile signatures of such officers. Whenever any such  
161 bonds shall have been signed by the officials designated to sign  
162 the bonds who were in office at the time of such signing but who  
163 may have ceased to be such officers before the sale and delivery  
164 of such bonds, or who may not have been in office on the date such  
165 bonds may bear, the signatures of such officers upon such bonds  
166 and coupons shall nevertheless be valid and sufficient for all  
167 purposes and have the same effect as if the person so officially  
168 signing such bonds had remained in office until their delivery to  
169 the purchaser, or had been in office on the date such bonds may



170 bear. However, notwithstanding anything herein to the contrary,  
171 such bonds may be issued as provided in the Registered Bond Act of  
172 the State of Mississippi.

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

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





194           If such bonds are sold by sealed bids at public sale, notice  
195 of the sale shall be published at least one time, not less than  
196 ten (10) days before the date of sale, and shall be so published  
197 in one or more newspapers published or having a general  
198 circulation in the City of Jackson, Mississippi, selected by the  
199 commission.

200           The commission, when issuing any bonds under the authority of  
201 this section, may provide that bonds, at the option of the State  
202 of Mississippi, may be called in for payment and redemption at the  
203 call price named therein and accrued interest on such date or  
204 dates named therein.

205           (8) The bonds issued under the provisions of this section  
206 are general obligations of the State of Mississippi, and for the  
207 payment thereof the full faith and credit of the State of  
208 Mississippi is irrevocably pledged. If the funds appropriated by  
209 the Legislature are insufficient to pay the principal of and the  
210 interest on such bonds as they become due, then the deficiency  
211 shall be paid by the State Treasurer from any funds in the State  
212 Treasury not otherwise appropriated. All such bonds shall contain  
213 recitals on their faces substantially covering the provisions of  
214 this subsection.

215           (9) Upon the issuance and sale of bonds under the provisions  
216 of this section, the commission shall transfer the proceeds of any  
217 such sale or sales to the special funds created in subsection (2)  
218 of this section. The proceeds of such bonds shall be disbursed



219 solely upon the order of the Department of Finance and  
220 Administration under such restrictions, if any, as may be  
221 contained in the resolution providing for the issuance of the  
222 bonds.

223 (10) The bonds authorized under this section may be issued  
224 without any other proceedings or the happening of any other  
225 conditions or things other than those proceedings, conditions and  
226 things which are specified or required by this section. Any  
227 resolution providing for the issuance of bonds under the  
228 provisions of this section shall become effective immediately upon  
229 its adoption by the commission, and any such resolution may be  
230 adopted at any regular or special meeting of the commission by a  
231 majority of its members.

232 (11) The bonds authorized under the authority of this  
233 section may be validated in the Chancery Court of the First  
234 Judicial District of Hinds County, Mississippi, in the manner and  
235 with the force and effect provided by Chapter 13, Title 31,  
236 Mississippi Code of 1972, for the validation of county, municipal,  
237 school district and other bonds. The notice to taxpayers required  
238 by such statutes shall be published in a newspaper published or  
239 having a general circulation in the City of Jackson, Mississippi.

240 (12) Any holder of bonds issued under the provisions of this  
241 section or of any of the interest coupons pertaining thereto may,  
242 either at law or in equity, by suit, action, mandamus or other  
243 proceeding, protect and enforce any and all rights granted under



244 this section, or under such resolution, and may enforce and compel  
245 performance of all duties required by this section to be  
246 performed, in order to provide for the payment of bonds and  
247 interest thereon.

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

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

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

262 (16) The State Treasurer is authorized, without further  
263 process of law, to certify to the Department of Finance and  
264 Administration the necessity for warrants, and the Department of  
265 Finance and Administration is authorized and directed to issue  
266 such warrants, in such amounts as may be necessary to pay when due  
267 the principal of, premium, if any, and interest on, or the  
268 accreted value of, all bonds issued under this section; and the



269 State Treasurer shall forward the necessary amount to the  
270 designated place or places of payment of such bonds in ample time  
271 to discharge such bonds, or the interest thereon, on the due dates  
272 thereof.

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

277 **SECTION 2.** This act shall take effect and be in force from  
278 and after July 1, 2018.

