

By: Representative Blackmon

To: Ways and Means

HOUSE BILL NO. 341

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR THE PURPOSE OF FURNISHING, EQUIPPING,  
3 REPAIRING AND RENOVATING THE FREEDOM HOUSE IN CANTON, MISSISSIPPI;  
4 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 Freedom House Repair and Renovation Fund," is created within the



20 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 pay the costs of furnishing, equipping,  
29 repairing and renovating the Freedom House in Canton, Mississippi.

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

40 (c) The Department of Finance and Administration,  
41 acting through the Bureau of Building, Grounds and Real Property  
42 Management, is expressly authorized and empowered to receive and  
43 expend any local or other source funds in connection with the  
44 expenditure of funds provided for in this subsection. The



45 expenditure of monies deposited into the special fund shall be  
46 under the direction of the Department of Finance and  
47 Administration, and such funds shall be paid by the State  
48 Treasurer upon warrants issued by such department, which warrants  
49 shall be issued upon requisitions signed by the Executive Director  
50 of the Department of Finance and Administration, or his designee.

51 (3) (a) The commission, at one time, or from time to time,  
52 may declare by resolution the necessity for issuance of general  
53 obligation bonds of the State of Mississippi to provide funds for  
54 all costs incurred or to be incurred for the purposes described in  
55 subsection (2) of this section. Upon the adoption of a resolution  
56 by the Department of Finance and Administration, declaring the  
57 necessity for the issuance of any part or all of the general  
58 obligation bonds authorized by this subsection, the department  
59 shall deliver a certified copy of its resolution or resolutions to  
60 the commission. Upon receipt of such resolution, the commission,  
61 in its discretion, may act as the issuing agent, prescribe the  
62 form of the bonds, determine the appropriate method for sale of  
63 the bonds, advertise for and accept bids or negotiate the sale of  
64 the bonds, issue and sell the bonds so authorized to be sold, and  
65 do any and all other things necessary and advisable in connection  
66 with the issuance and sale of such bonds. The total amount of  
67 bonds issued under this section shall not exceed Five Hundred  
68 Thousand Dollars (\$500,000.00).



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

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

87           (5) The bonds authorized by this section shall be signed by  
88 the chairman of the commission, or by his facsimile signature, and  
89 the official seal of the commission shall be affixed thereto,  
90 attested by the secretary of the commission. The interest  
91 coupons, if any, to be attached to such bonds may be executed by  
92 the facsimile signatures of such officers. Whenever any such  
93 bonds shall have been signed by the officials designated to sign



94 the bonds who were in office at the time of such signing but who  
95 may have ceased to be such officers before the sale and delivery  
96 of such bonds, or who may not have been in office on the date such  
97 bonds may bear, the signatures of such officers upon such bonds  
98 and coupons shall nevertheless be valid and sufficient for all  
99 purposes and have the same effect as if the person so officially  
100 signing such bonds had remained in office until their delivery to  
101 the purchaser, or had been in office on the date such bonds may  
102 bear. However, notwithstanding anything herein to the contrary,  
103 such bonds may be issued as provided in the Registered Bond Act of  
104 the State of Mississippi.

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

111 (7) The commission shall act as the issuing agent for the  
112 bonds authorized under this section, prescribe the form of the  
113 bonds, determine the appropriate method for sale of the bonds,  
114 advertise for and accept bids or negotiate the sale of the bonds,  
115 issue and sell the bonds so authorized to be sold, pay all fees  
116 and costs incurred in such issuance and sale, and do any and all  
117 other things necessary and advisable in connection with the  
118 issuance and sale of such bonds. The commission is authorized and



119 empowered to pay the costs that are incident to the sale, issuance  
120 and delivery of the bonds authorized under this section from the  
121 proceeds derived from the sale of such bonds. The commission may  
122 sell such bonds on sealed bids at public sale or may negotiate the  
123 sale of the bonds for such price as it may determine to be for the  
124 best interest of the State of Mississippi. All interest accruing  
125 on such bonds so issued shall be payable semiannually or annually.

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

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

137 (8) The bonds issued under the provisions of this section  
138 are general obligations of the State of Mississippi, and for the  
139 payment thereof the full faith and credit of the State of  
140 Mississippi is irrevocably pledged. If the funds appropriated by  
141 the Legislature are insufficient to pay the principal of and the  
142 interest on such bonds as they become due, then the deficiency  
143 shall be paid by the State Treasurer from any funds in the State



144 Treasury not otherwise appropriated. All such bonds shall contain  
145 recitals on their faces substantially covering the provisions of  
146 this subsection.

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

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

164 (11) The bonds authorized under the authority of this  
165 section may be validated in the Chancery Court of the First  
166 Judicial District of Hinds County, Mississippi, in the manner and  
167 with the force and effect provided by Chapter 13, Title 31,  
168 Mississippi Code of 1972, for the validation of county, municipal,



169 school district and other bonds. The notice to taxpayers required  
170 by such statutes shall be published in a newspaper published or  
171 having a general circulation in the City of Jackson, Mississippi.

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

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

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

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





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

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

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

