

By: Representative Banks

To: Ways and Means

HOUSE BILL NO. 628

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR REPAIR AND RENOVATION OF ROSE E. MCCOY
3 AUDITORIUM AT JACKSON STATE UNIVERSITY; 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 as the "2018
18 Jackson State University Rose E. McCoy Auditorium Repair and



19 Renovation Fund," is created within the State Treasury. The fund
20 shall be maintained by the State Treasurer as a separate and
21 special fund, separate and apart from the General Fund of the
22 state. Unexpended amounts remaining in the fund at the end of a
23 fiscal year shall not lapse into the State General Fund, and any
24 interest earned or investment earnings on amounts in the fund
25 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 repair and renovation of Rose
29 E. McCoy Auditorium at Jackson State University.

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



44 subsection (2) of this section. Upon the adoption of a resolution
45 by the Department of Finance and Administration, declaring the
46 necessity for the issuance of any part or all of the general
47 obligation bonds authorized by this subsection, the department
48 shall deliver a certified copy of its resolution or resolutions to
49 the commission. Upon receipt of such resolution, the commission,
50 in its discretion, may act as issuing agent, prescribe the form of
51 the bonds, determine the appropriate method for sale of the bonds,
52 advertise for and accept bids or negotiate the sale of the bonds,
53 issue and sell the bonds so authorized to be sold and do any and
54 all other things necessary and advisable in connection with the
55 issuance and sale of such bonds. The total amount of bonds issued
56 under this section shall not exceed Two Million Dollars
57 (\$2,000,000.00). No bonds shall be issued under this section
58 after July 1, 2022.

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

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



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

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



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

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

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

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



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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

