

By: Representatives Guice, Haney

To: Ways and Means

HOUSE BILL NO. 1392

1 AN ACT TO AMEND SECTION 8, CHAPTER 580, LAWS OF 2007, TO
2 REVISE THE PURPOSES FOR WHICH BONDS AUTHORIZED TO BE ISSUED FOR
3 THE JOHN C. ROBINSON MISSISSIPPI AVIATION MUSEUM FUND MAY BE
4 UTILIZED; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 8, Chapter 580, Laws of 2007, is amended
7 as follows:

8 Section 8. (1) As used in this section, the following words
9 shall have the meanings ascribed herein unless the context clearly
10 requires otherwise:

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

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

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



20 (2) (a) (i) A special fund, to be designated as the "John
21 C. Robinson Mississippi Aviation Museum Fund" is created within
22 the State Treasury. The fund shall be maintained by the State
23 Treasurer as a separate and special fund, separate and apart from
24 the General Fund of the state. Unexpended amounts remaining in
25 the fund at the end of a fiscal year shall not lapse into the
26 State General Fund, and any interest earned or investment earnings
27 on amounts in the fund shall be deposited into such fund.

28 (ii) Monies deposited into the fund shall be
29 disbursed by the Department of Finance and Administration to the
30 John C. Robinson "Brown Condor" Association to pay the costs
31 of * * * construction, repair, renovation, furnishing and
32 equipping a building leased from the City of Gulfport for the John
33 C. Robinson Mississippi Aviation Museum in Gulfport, Mississippi.

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



44 (3) (a) The commission, at one time, or from time to time,
45 may declare by resolution the necessity for issuance of general
46 obligation bonds of the State of Mississippi to provide funds for
47 all costs incurred or to be incurred for the purposes described in
48 subsection (2) of this section. Upon the adoption of a resolution
49 by the Department of Finance and Administration, declaring the
50 necessity for the issuance of any part or all of the general
51 obligation bonds authorized by this subsection, the department
52 shall deliver a certified copy of its resolution or resolutions to
53 the commission. Upon receipt of such resolution, the commission,
54 in its discretion, may act as the issuing agent, prescribe the
55 form of the bonds, advertise for and accept bids, issue and sell
56 the bonds so authorized to be sold and do any and all other things
57 necessary and advisable in connection with the issuance and sale
58 of such bonds. The total amount of bonds issued under this
59 section shall not exceed Two Hundred Fifty Thousand Dollars
60 (\$250,000.00). No bonds shall be issued under this section from
61 and after July 1, 2011.

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

67 (4) The principal of and interest on the bonds authorized
68 under this section shall be payable in the manner provided in this



69 subsection. Such bonds shall bear such date or dates, be in such
70 denomination or denominations, bear interest at such rate or rates
71 (not to exceed the limits set forth in Section 75-17-101,
72 Mississippi Code of 1972), be payable at such place or places
73 within or without the State of Mississippi, shall mature
74 absolutely at such time or times not to exceed twenty-five (25)
75 years from date of issue, be redeemable before maturity at such
76 time or times and upon such terms, with or without premium, shall
77 bear such registration privileges, and shall be substantially in
78 such form, all as shall be determined by resolution of the
79 commission.

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



94 the purchaser, or had been in office on the date such bonds may
95 bear. However, notwithstanding anything herein to the contrary,
96 such bonds may be issued as provided in the Registered Bond Act of
97 the State of Mississippi.

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

104 (7) The commission shall act as the issuing agent for the
105 bonds authorized under this section, prescribe the form of the
106 bonds, advertise for and accept bids, issue and sell the bonds so
107 authorized to be sold, pay all fees and costs incurred in such
108 issuance and sale, and do any and all other things necessary and
109 advisable in connection with the issuance and sale of such bonds.
110 The commission is authorized and empowered to pay the costs that
111 are incident to the sale, issuance and delivery of the bonds
112 authorized under this section from the proceeds derived from the
113 sale of such bonds. The commission shall sell such bonds on
114 sealed bids at public sale, and for such price as it may determine
115 to be for the best interest of the State of Mississippi, but no
116 such sale shall be made at a price less than par plus accrued
117 interest to the date of delivery of the bonds to the purchaser.
118 All interest accruing on such bonds so issued shall be payable



119 semiannually or annually; however, the first interest payment may
120 be for any period of not more than one (1) year.

121 Notice of the sale of any such bonds shall be published at
122 least one time, not less than ten (10) days before the date of
123 sale, and shall be so published in one or more newspapers
124 published or having a general circulation in the City of Jackson,
125 Mississippi, and in one or more other newspapers or financial
126 journals with a national circulation, to be selected by the
127 commission.

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

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



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

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

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



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

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

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

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

190 (16) The State Treasurer is authorized, without further
191 process of law, to certify to the Department of Finance and
192 Administration the necessity for warrants, and the Department of



193 Finance and Administration is authorized and directed to issue
194 such warrants, in such amounts as may be necessary to pay when due
195 the principal of, premium, if any, and interest on, or the
196 accreted value of, all bonds issued under this section; and the
197 State Treasurer shall forward the necessary amount to the
198 designated place or places of payment of such bonds in ample time
199 to discharge such bonds, or the interest thereon, on the due dates
200 thereof.

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

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

