

By: Representatives Cockerham, Smith,  
Calhoun

To: Ways and Means

HOUSE BILL NO. 1416

1 AN ACT TO AMEND SECTION 1, CHAPTER 511, LAWS OF 2016, TO  
2 REVISE THE PURPOSES FOR WHICH THE PROCEEDS OF BONDS AUTHORIZED TO  
3 BE ISSUED FOR CAPITAL IMPROVEMENTS AT JACKSON STATE UNIVERSITY MAY  
4 BE USED; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 1, Chapter 511, Laws of 2016, is amended  
7 as follows:

8 Section 1. (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 "2016  
21 IHL Capital Improvements Fund," is created within the State  
22 Treasury. The fund shall be maintained by the State Treasurer as  
23 a separate and special fund, separate and apart from the General  
24 Fund of the state. Unexpended amounts remaining in the fund at  
25 the end of a fiscal year shall not lapse into the State General  
26 Fund, and any interest earned or investment earnings on amounts in  
27 the fund shall be deposited into such fund.

28 (ii) Monies deposited into the fund shall be  
29 disbursed, in the discretion of the Department of Finance and  
30 Administration, with the approval of the Board of Trustees of  
31 State Institutions of Higher Learning on those projects related to  
32 the universities under its management and control to pay the costs  
33 of capital improvements, renovation and/or repair of existing  
34 facilities, furnishings and/or equipping facilities for public  
35 facilities as hereinafter described:

36		AMOUNT
37	NAME PROJECT	ALLOCATED
38	Alcorn State University.....	\$7,700,000.00
39	Phase I of construction, furnishing and	
40	equipping of new buildings	
41	and related facilities for	
42	university faculty and	
43	staff housing.....	\$ 7,500,000.00
44	Construction,	



45       furnishing and equipping of  
46       a new building and related  
47       facilities to house the  
48       Socially Disadvantaged  
49       Farmers and Ranchers  
50       Policy Center.....\$   200,000.00  
51 Delta State University.....\$   7,942,500.00  
52       Repair, renovation,  
53       furnishing and equipping  
54       of Zeigel Hall.....\$ 7,942,500.00  
55 Jackson State University.....\$ 6,000,000.00  
56       Repair, renovation,  
57       furnishing and equipping  
58       of the Stewart Hall Dormitory.....\$ 5,500,000.00  
59       Planning of repair, renovation,  
60       furnishing, equipping and  
61       expansion of and additions  
62       to the College of  
63       Education and Human  
64       Development building  
65       and related facilities.....\$ \* \* \*   500,000.00  
66 Mississippi University for Women.....\$ 7,140,000.00  
67       Repair, renovation,  
68       furnishing, equipping and  
69       expansion of and additions



70 to the Demonstration School.....\$ 7,140,000.00  
 71 Mississippi State University.....\$ 10,000,000.00  
 72 Phase I of construction, furnishing and  
 73 equipping of a new building  
 74 and related facilities to  
 75 house the Music Department....\$ 10,000,000.00  
 76 Mississippi State University/Division of  
 77 Agriculture, Forestry and Veterinary Medicine.....\$ 4,000,000.00  
 78 Phase II of construction,  
 79 furnishing and equipping of  
 80 a new building and related  
 81 facilities to house the  
 82 Departments of Animal and  
 83 Dairy Science and Poultry  
 84 Science..... \$ 4,000,000.00  
 85 Mississippi Valley State University.....\$ 7,500,000.00  
 86 Repair, renovation,  
 87 furnishing and equipping  
 88 of Edna Horton Hall, and continuation and completion of  
 89 previously authorized projects.....\$ 7,500,000.00  
 90 University of Mississippi.....\$ 10,000,000.00  
 91 Phase I construction, furnishing  
 92 and equipping of  
 93 a new Science building  
 94 and related facilities.....\$ 10,000,000.00



95 IHL Education and Research Center.....\$ 1,615,000.00  
96 Repair and renovation of campus  
97 buildings and facilities, and  
98 repair, renovation, replacement  
99 and improvement of campus  
100 infrastructure.....\$ 1,615,000.00  
101 **TOTAL..... \$ 61,897,500.00**

102 (b) (i) Amounts deposited into such special fund shall  
103 be disbursed to pay the costs of projects described in paragraph  
104 (a) of this subsection. If any monies in such special fund are  
105 not used within four (4) years after the date the proceeds of the  
106 bonds authorized under this section are deposited into the special  
107 fund, then the institution of higher learning for which any unused  
108 monies are allocated under paragraph (a) of this subsection shall  
109 provide an accounting of such unused monies to the commission.  
110 Promptly after the commission has certified, by resolution duly  
111 adopted, that the projects described in paragraph (a) of this  
112 subsection shall have been completed, abandoned, or cannot be  
113 completed in a timely fashion, any amounts remaining in such  
114 special fund shall be applied to pay debt service on the bonds  
115 issued under this section, in accordance with the proceedings  
116 authorizing the issuance of such bonds and as directed by the  
117 commission.

118 (ii) Monies in the special fund may be used to  
119 reimburse reasonable actual and necessary costs incurred by the



Department of Finance and Administration, acting through the Bureau of Building, Grounds and Real Property Management, in administering or providing assistance directly related to a project described in paragraph (a) of this subsection. An accounting of actual costs incurred for which reimbursement is sought shall be maintained for each project by the Department of Finance and Administration, Bureau of Building, Grounds and Real Property Management. Reimbursement of reasonable actual and necessary costs for a project shall not exceed two percent (2%) of the proceeds of bonds issued for such project. Monies authorized for a particular project may not be used to reimburse administrative costs for unrelated projects.

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

(d) Any amounts allocated to an institution of higher learning that are in excess of that needed to complete the



145 projects at such institution of higher learning that are described  
146 in paragraph (a) of this subsection may be used for general  
147 repairs and renovations at the institution of higher learning.

148       (3) (a) The commission, at one time, or from time to time,  
149 may declare by resolution the necessity for issuance of general  
150 obligation bonds of the State of Mississippi to provide funds for  
151 all costs incurred or to be incurred for the purposes described in  
152 subsection (2) of this section. Upon the adoption of a resolution  
153 by the Department of Finance and Administration declaring the  
154 necessity for the issuance of any part or all of the general  
155 obligation bonds authorized by this section, the Department of  
156 Finance and Administration shall deliver a certified copy of its  
157 resolution or resolutions to the commission. Upon receipt of such  
158 resolution, the commission, in its discretion, may act as issuing  
159 agent, prescribe the form of the bonds, determine the appropriate  
160 method for sale of the bonds, advertise for and accept bids or  
161 negotiate the sale of the bonds, issue and sell the bonds so  
162 authorized to be sold, and do any and all other things necessary  
163 and advisable in connection with the issuance and sale of such  
164 bonds. The total amount of bonds issued under this section shall  
165 not exceed Sixty-one Million Eight Hundred Ninety-seven Thousand  
166 Five Hundred Dollars (\$61,897,500.00). No bonds shall be issued  
167 under this section after July 1, 2020.

168       (b) Any investment earnings on amounts deposited into  
169 the special fund created in subsection (2) of this section shall



be used to pay debt service on bonds issued under this section, in accordance with the proceedings authorizing issuance of such bonds.

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

(5) The bonds authorized by this section shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery





of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may 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, 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



220 sale of such bonds. The commission may sell such bonds on sealed  
221 bids at public sale or may negotiate the sale of the bonds for  
222 such price as it may determine to be for the best interest of the  
223 State of Mississippi. All interest accruing on such bonds so  
224 issued shall be payable semiannually or annually.

225 If such bonds are sold by sealed bids at public sale, notice  
226 of the sale shall be published at least one time, not less than  
227 ten (10) days before the date of sale, and shall be so published  
228 in one or more newspapers published or having a general  
229 circulation in the City of Jackson, Mississippi, selected by the  
230 commission.

231 The commission, when issuing any bonds under the authority of  
232 this section, may provide that bonds, at the option of the State  
233 of Mississippi, may be called in for payment and redemption at the  
234 call price named therein and accrued interest on such date or  
235 dates named therein.

236 (8) The bonds issued under the provisions of this section  
237 are general obligations of the State of Mississippi, and for the  
238 payment thereof the full faith and credit of the State of  
239 Mississippi is irrevocably pledged. If the funds appropriated by  
240 the Legislature are insufficient to pay the principal of and the  
241 interest on such bonds as they become due, then the deficiency  
242 shall be paid by the State Treasurer from any funds in the State  
243 Treasury not otherwise appropriated. All such bonds shall contain



recitals on their faces substantially covering the provisions of this subsection.

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

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

(11) The bonds authorized under the authority of this section may be validated in the Chancery Court of the First Judicial District of Hinds County, Mississippi, in the manner and with the force and effect provided by Chapter 13, Title 31, Mississippi Code of 1972, for the validation of county, municipal, school district and other bonds. The notice to taxpayers required



by such statutes shall be published in a newspaper published or  
having a general circulation in the City of Jackson, Mississippi.

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



293           (16) The State Treasurer is authorized, without further  
294 process of law, to certify to the Department of Finance and  
295 Administration the necessity for warrants, and the Department of  
296 Finance and Administration is authorized and directed to issue  
297 such warrants, in such amounts as may be necessary to pay when due  
298 the principal of, premium, if any, and interest on, or the  
299 accreted value of, all bonds issued under this section; and the  
300 State Treasurer shall forward the necessary amount to the  
301 designated place or places of payment of such bonds in ample time  
302 to discharge such bonds, or the interest thereon, on the due dates  
303 thereof.

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

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

