

By: Senator(s) Carmichael

To: Finance

SENATE BILL NO. 2938

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS IN THE AMOUNT OF \$3,000,000.00 TO PROVIDE FUNDS FOR THE
3 CONSTRUCTION, FURNISHING AND EQUIPPING OF A CHILDREN'S MUSEUM IN
4 MERIDIAN, MISSISSIPPI; 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 Meridian Children's Museum Fund," is created within the State



Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

(ii) Monies deposited into the fund shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of construction, furnishing and equipping a children's museum in Meridian, Mississippi.

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

(3) (a) Upon the adoption of a resolution by the Department of Finance and Administration, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this section, the department shall deliver a certified copy of its resolution or resolutions to the commission.



45 Upon receipt of such resolution, the commission, in its
46 discretion, may act as the issuing agent, prescribe the form of
47 the bonds, determine the appropriate method for sale of the bonds,
48 advertise for and accept bids or negotiate the sale of the bonds,
49 issue and sell the bonds so authorized to be sold, and do any and
50 all other things necessary and advisable in connection with the
51 issuance and sale of such bonds. The amount of bonds issued under
52 this section shall not exceed Three Million Dollars
53 (\$3,000,000.00).

54 (b) Any investment earnings on amounts deposited into
55 the special fund created in subsection (2) of this section shall
56 be used to pay debt service on bonds issued under this section, in
57 accordance with the proceedings authorizing issuance of such
58 bonds.

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



70 such form, all as shall be determined by resolution of the
71 commission.

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

90 (6) All bonds and interest coupons issued under the
91 provisions of this section have all the qualities and incidents of
92 negotiable instruments under the provisions of the Uniform
93 Commercial Code, and in exercising the powers granted by this



94 section, the commission shall not be required to and need not
95 comply with the provisions of the Uniform Commercial Code.

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

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

117 The commission, when issuing any bonds under the authority of
118 this section, may provide that bonds, at the option of the State



of Mississippi, may be called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.

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



144 resolution providing for the issuance of bonds under the
145 provisions of this section shall become effective immediately upon
146 its adoption by the commission, and any such resolution may be
147 adopted at any regular or special meeting of the commission by a
148 majority of its members.

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

157 (12) Any holder of bonds issued under the provisions of this
158 section or of any of the interest coupons pertaining thereto may,
159 either at law or in equity, by suit, action, mandamus or other
160 proceeding, protect and enforce any and all rights granted under
161 this section, or under such resolution, and may enforce and compel
162 performance of all duties required by this section to be
163 performed, in order to provide for the payment of bonds and
164 interest thereon.

165 (13) All bonds issued under the provisions of this section
166 shall be legal investments for trustees and other fiduciaries, and
167 for savings banks, trust companies and insurance companies
168 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.

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

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



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

