

By: Representative Hudson

To: Ways and Means

HOUSE BILL NO. 43

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS TO ASSIST IN PAYING COSTS ASSOCIATED WITH
3 ESTABLISHING A BUSINESS IMPACT CENTER AT THE ALCORN STATE
4 UNIVERSITY EXTENSION/RESEARCH FARM AND TECHNOLOGY TRANSFER CENTER
5 IN MOUND BAYOU, MISSISSIPPI; AND FOR RELATED PURPOSES.

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

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

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

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

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



19 (2) (a) (i) A special fund, to be designated the "2019
20 Alcorn State University Business Impact Center Fund," is created
21 within the State Treasury. The fund shall be maintained by the
22 State Treasurer as a separate and special fund, separate and apart
23 from the General Fund of the state. Unexpended amounts remaining
24 in the fund at the end of a fiscal year shall not lapse into the
25 State General Fund, and any interest earned or investment earnings
26 on amounts in the fund shall be deposited into such fund.

27 (ii) Monies deposited into the fund shall be
28 disbursed, in the discretion of the Department of Finance and
29 Administration, to assist in paying costs associated with
30 establishing a Business Impact Center at the Alcorn State
31 University Extension/Research Farm and Technology Transfer Center
32 in Mound Bayou, Mississippi.

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



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

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



67 Thousand Dollars (\$300,000.00). No bonds shall be issued under
68 this section after July 1, 2023.

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 issuing agent for the bonds
112 authorized under this section, prescribe the form of the bonds,
113 determine the appropriate method for sale of the bonds, advertise
114 for and accept bids or negotiate the sale of the bonds, issue and
115 sell the bonds so authorized to be sold, pay all fees and costs
116 incurred in such issuance and sale, and do any and all other



117 things necessary and advisable in connection with the issuance and
118 sale of such bonds. The commission is authorized and empowered to
119 pay the costs that are incident to the sale, issuance and delivery
120 of the bonds authorized under this section from the proceeds
121 derived from the sale of such bonds. The commission may sell such
122 bonds on sealed bids at public sale or may negotiate the sale of
123 the bonds for such price as it may determine to be for the best
124 interest of the State of Mississippi. All interest accruing on
125 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 shall be published at least one (1) time, not less
128 than ten (10) days before the date of sale, and shall be so
129 published in one or more newspapers published or having a general
130 circulation in the City of Jackson, Mississippi, selected by the
131 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.

