

By: Representatives Harness, Holloway,
Denton, Gibbs (36th), Thompson

To: Ways and Means

HOUSE BILL NO. 585

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR VARIOUS IMPROVEMENTS AT ALCORN STATE
3 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 the "2021
18 Alcorn State University Improvements Fund," is created within the



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

25 (ii) Monies deposited into the fund shall be
26 disbursed, in the discretion of the Department of Finance and
27 Administration, to pay the costs of the following Alcorn State
28 University projects:

29 Phase I of repair and
30 renovation of and upgrades
31 and improvements to
32 campus dormitories.....\$ 5,000,000.00

33 Phase I of repair and
34 renovation of and upgrades
35 and improvements to the
36 Walter Washington
37 Administration and
38 Classroom Building.....\$ 7,500,000.00

39 Phase I of repair and
40 renovation of and upgrades
41 and improvements to campus
42 buildings, facilities and
43 infrastructure at the Lorman,



44 Vicksburg and Natchez campuses..\$ 3,200,000.00
45 Repair and renovation of
46 and upgrades and improvements
47 to the K.L. Simmons
48 Technology Building.....\$ 3,500,000.00
49 Repair, renovation and
50 expansion of and
51 upgrades and improvements
52 to the David L. Whitney
53 Arena Complex and Wellness
54 Center.....\$ 875,000.00
55 **TOTAL.....\$ 20,075,000.00.**

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

66 (3) (a) The commission, at one time, or from time to time,
67 may declare by resolution the necessity for issuance of general
68 obligation bonds of the State of Mississippi to provide funds for



69 all costs incurred or to be incurred for the purposes described in
70 subsection (2) of this section. Upon the adoption of a resolution
71 by the Department of Finance and Administration, declaring the
72 necessity for the issuance of any part or all of the general
73 obligation bonds authorized by this subsection, the department
74 shall deliver a certified copy of its resolution or resolutions to
75 the commission. Upon receipt of such resolution, the commission,
76 in its discretion, may act as the issuing agent, prescribe the
77 form of the bonds, determine the appropriate method for sale of
78 the bonds, advertise for and accept bids or negotiate the sale of
79 the bonds, issue and sell the bonds so authorized to be sold and
80 do any and all other things necessary and advisable in connection
81 with the issuance and sale of such bonds. The total amount of
82 bonds issued under this section shall not exceed Twenty Million
83 Seventy-five Thousand Dollars (\$20,075,000.00). No bonds shall be
84 issued under this section after July 1, 2025.

85 (b) Any investment earnings on amounts deposited into
86 the special fund created in subsection (2) of this section shall
87 be used to pay debt service on bonds issued under this section, in
88 accordance with the proceedings authorizing issuance of such
89 bonds.

90 (4) The principal of and interest on the bonds authorized
91 under this section shall be payable in the manner provided in this
92 subsection. Such bonds shall bear such date or dates, be in such
93 denomination or denominations, bear interest at such rate or rates



94 (not to exceed the limits set forth in Section 75-17-101,
95 Mississippi Code of 1972), be payable at such place or places
96 within or without the State of Mississippi, shall mature
97 absolutely at such time or times not to exceed twenty-five (25)
98 years from date of issue, be redeemable before maturity at such
99 time or times and upon such terms, with or without premium, shall
100 bear such registration privileges, and shall be substantially in
101 such form, all as shall be determined by resolution of the
102 commission.

103 (5) The bonds authorized by this section shall be signed by
104 the chairman of the commission, or by his facsimile signature, and
105 the official seal of the commission shall be affixed thereto,
106 attested by the secretary of the commission. The interest
107 coupons, if any, to be attached to such bonds may be executed by
108 the facsimile signatures of such officers. Whenever any such
109 bonds shall have been signed by the officials designated to sign
110 the bonds who were in office at the time of such signing but who
111 may have ceased to be such officers before the sale and delivery
112 of such bonds, or who may not have been in office on the date such
113 bonds may bear, the signatures of such officers upon such bonds
114 and coupons shall nevertheless be valid and sufficient for all
115 purposes and have the same effect as if the person so officially
116 signing such bonds had remained in office until their delivery to
117 the purchaser, or had been in office on the date such bonds may
118 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 so authorized to be sold, 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 sale of such bonds. The commission may sell such bonds on sealed bids at public sale or may negotiate the sale of the bonds for such price as it may determine to be for the best interest of the State of Mississippi. All interest accruing on such bonds so issued shall be payable semiannually or annually.

If such bonds are sold by sealed bids at public sale, notice of the sale shall be published at least one (1) time, not less



144 than ten (10) days before the date of sale, and shall be so
145 published in one or more newspapers published or having a general
146 circulation in the City of Jackson, Mississippi, selected by the
147 commission.

148 The commission, when issuing any bonds under the authority of
149 this section, may provide that bonds, at the option of the State
150 of Mississippi, may be called in for payment and redemption at the
151 call price named therein and accrued interest on such date or
152 dates named therein.

153 (8) The bonds issued under the provisions of this section
154 are general obligations of the State of Mississippi, and for the
155 payment thereof the full faith and credit of the State of
156 Mississippi is irrevocably pledged. If the funds appropriated by
157 the Legislature are insufficient to pay the principal of and the
158 interest on such bonds as they become due, then the deficiency
159 shall be paid by the State Treasurer from any funds in the State
160 Treasury not otherwise appropriated. All such bonds shall contain
161 recitals on their faces substantially covering the provisions of
162 this subsection.

163 (9) Upon the issuance and sale of bonds under the provisions
164 of this section, the commission shall transfer the proceeds of any
165 such sale or sales to the special fund created in subsection (2)
166 of this section. The proceeds of such bonds shall be disbursed
167 solely upon the order of the Department of Finance and
168 Administration under such restrictions, if any, as may be



169 contained in the resolution providing for the issuance of the
170 bonds.

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

180 (11) The bonds authorized under the authority of this
181 section may be validated in the Chancery Court of the First
182 Judicial District of Hinds County, Mississippi, in the manner and
183 with the force and effect provided by Chapter 13, Title 31,
184 Mississippi Code of 1972, for the validation of county, municipal,
185 school district and other bonds. The notice to taxpayers required
186 by such statutes shall be published in a newspaper published or
187 having a general circulation in the City of Jackson, Mississippi.

188 (12) Any holder of bonds issued under the provisions of this
189 section or of any of the interest coupons pertaining thereto may,
190 either at law or in equity, by suit, action, mandamus or other
191 proceeding, protect and enforce any and all rights granted under
192 this section, or under such resolution, and may enforce and compel
193 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.

(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



219 to discharge such bonds, or the interest thereon, on the due dates
220 thereof.

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

225 **SECTION 2.** This act shall take effect and be in force from
226 and after July 1, 2021.

