

By: Representatives Harness, Holloway,
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Thompson

To: Ways and Means

HOUSE BILL NO. 1350

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 act, the following words
6 shall have the meanings ascribed herein unless the context clearly
7 requires otherwise:

8 (a) "State" means the State of Mississippi.

9 (b) "Commission" means the State Bond Commission.

10 (2) The principal of and interest on the bonds authorized
11 under this act shall be payable in the manner provided in this
12 subsection. Such bonds shall bear such date or dates, be in such
13 denomination or denominations, bear interest at such rate or rates
14 (not to exceed the limits set forth in Section 75-17-101,
15 Mississippi Code of 1972), be payable at such place or places
16 within or without the State of Mississippi, shall mature
17 absolutely at such time or times not to exceed twenty-five (25)
18 years from date of issue, be redeemable before maturity at such



19 time or times and upon such terms, with or without premium, shall
20 bear such registration privileges, and shall be substantially in
21 such form, all as shall be determined by resolution of the
22 commission.

23 (3) The bonds authorized by this act shall be signed by the
24 chairman of the commission, or by his facsimile signature, and the
25 official seal of the commission shall be affixed thereto, attested
26 by the secretary of the commission. The interest coupons, if any,
27 to be attached to such bonds may be executed by the facsimile
28 signatures of such officers. Whenever any such bonds shall have
29 been signed by the officials designated to sign the bonds who were
30 in office at the time of such signing but who may have ceased to
31 be such officers before the sale and delivery of such bonds, or
32 who may not have been in office on the date such bonds may bear,
33 the signatures of such officers upon such bonds and coupons shall
34 nevertheless be valid and sufficient for all purposes and have the
35 same effect as if the person so officially signing such bonds had
36 remained in office until their delivery to the purchaser, or had
37 been in office on the date such bonds may bear. However,
38 notwithstanding anything herein to the contrary, such bonds may be
39 issued as provided in the Registered Bond Act of the State of
40 Mississippi.

41 (4) All bonds and interest coupons issued under the
42 provisions of this act have all the qualities and incidents of
43 negotiable instruments under the provisions of the Uniform



44 Commercial Code, and in exercising the powers granted by this act,
45 the commission shall not be required to and need not comply with
46 the provisions of the Uniform Commercial Code.

47 (5) The commission shall act as issuing agent for the bonds
48 authorized under this act, prescribe the form of the bonds,
49 determine the appropriate method for sale of the bonds, advertise
50 for and accept bids or negotiate the sale of the bonds, issue and
51 sell the bonds so authorized to be sold, pay all fees and costs
52 incurred in such issuance and sale, and do any and all other
53 things necessary and advisable in connection with the issuance and
54 sale of such bonds. The commission is authorized and empowered to
55 pay the costs that are incident to the sale, issuance and delivery
56 of the bonds authorized under this act from the proceeds derived
57 from the sale of such bonds. The commission may sell such bonds
58 on sealed bids at public sale or may negotiate the sale of the
59 bonds for such price as it may determine to be for the best
60 interest of the State of Mississippi. All interest accruing on
61 such bonds so issued shall be payable semiannually or annually.

62 If such bonds are sold by sealed bids at public sale, notice
63 of the sale shall be published at least one time, not less than
64 ten (10) days before the date of sale, and shall be so published
65 in one or more newspapers published or having a general
66 circulation in the City of Jackson, Mississippi, selected by the
67 commission.



68 The commission, when issuing any bonds under the authority of
69 this act, may provide that bonds, at the option of the State of
70 Mississippi, may be called in for payment and redemption at the
71 call price named therein and accrued interest on such date or
72 dates named therein.

73 (6) The bonds issued under the provisions of this act are
74 general obligations of the State of Mississippi, and for the
75 payment thereof the full faith and credit of the State of
76 Mississippi is irrevocably pledged. If the funds appropriated by
77 the Legislature are insufficient to pay the principal of and the
78 interest on such bonds as they become due, then the deficiency
79 shall be paid by the State Treasurer from any funds in the State
80 Treasury not otherwise appropriated. All such bonds shall contain
81 recitals on their faces substantially covering the provisions of
82 this subsection.

83 (7) Upon the issuance and sale of bonds under the provisions
84 of this act, the commission shall transfer the proceeds of any
85 such sale or sales to the special fund created in Section 2(1) of
86 this act. The proceeds of such bonds shall be disbursed from the
87 special fund under such restrictions, if any, as may be contained
88 in the resolution providing for the issuance of the bonds.

89 (8) The bonds authorized under this act may be issued
90 without any other proceedings or the happening of any other
91 conditions or things other than those proceedings, conditions and
92 things which are specified or required by this act. Any



93 resolution providing for the issuance of bonds under the
94 provisions of this act shall become effective immediately upon its
95 adoption by the commission, and any such resolution may be adopted
96 at any regular or special meeting of the commission by a majority
97 of its members.

98 (9) The bonds authorized under the authority of this act may
99 be validated in the Chancery Court of the First Judicial District
100 of Hinds County, Mississippi, in the manner and with the force and
101 effect provided by Chapter 13, Title 31, Mississippi Code of 1972,
102 for the validation of county, municipal, school district and other
103 bonds. The notice to taxpayers required by such statutes shall be
104 published in a newspaper published or having a general circulation
105 in the City of Jackson, Mississippi.

106 (10) Any holder of bonds issued under the provisions of this
107 act or of any of the interest coupons pertaining thereto may,
108 either at law or in equity, by suit, action, mandamus or other
109 proceeding, protect and enforce any and all rights granted under
110 this act, or under such resolution, and may enforce and compel
111 performance of all duties required by this act to be performed, in
112 order to provide for the payment of bonds and interest thereon.

113 (11) All bonds issued under the provisions of this act shall
114 be legal investments for trustees and other fiduciaries, and for
115 savings banks, trust companies and insurance companies organized
116 under the laws of the State of Mississippi, and such bonds shall
117 be legal securities which may be deposited with and shall be



118 received by all public officers and bodies of this state and all
119 municipalities and political subdivisions for the purpose of
120 securing the deposit of public funds.

121 (12) Bonds issued under the provisions of this act and
122 income therefrom shall be exempt from all taxation in the State of
123 Mississippi.

124 (13) The proceeds of the bonds issued under this act shall
125 be used solely for the purposes herein provided, including the
126 costs incident to the issuance and sale of such bonds.

127 (14) The State Treasurer is authorized, without further
128 process of law, to certify to the Department of Finance and
129 Administration the necessity for warrants, and the Department of
130 Finance and Administration is authorized and directed to issue
131 such warrants, in such amounts as may be necessary to pay when due
132 the principal of, premium, if any, and interest on, or the
133 accreted value of, all bonds issued under this act; and the State
134 Treasurer shall forward the necessary amount to the designated
135 place or places of payment of such bonds in ample time to
136 discharge such bonds, or the interest thereon, on the due dates
137 thereof. As used in this section, the "accreted value" of any
138 bond means, as of any date of computation, an amount equal to the
139 sum of (i) the stated initial value of such bond, plus (ii) the
140 interest accrued thereon from the issue date to the date of
141 computation at the rate, compounded semiannually, that is



142 necessary to produce the approximate yield to maturity shown for
143 bonds of the same maturity.

144 (15) This act shall be deemed to be full and complete
145 authority for the exercise of the powers granted in this act that
146 relate to the issuance of bonds, but this act shall not be deemed
147 to repeal or to be in derogation of any existing law of this state
148 that relates to the issuance of bonds.

149 **SECTION 2.** (1) (a) (i) A special fund, to be designated
150 as the "2023 Alcorn State University Improvements Fund," is
151 created within the State Treasury. The fund shall be maintained
152 by the State Treasurer as a separate and special fund, separate
153 and apart from the General Fund of the state. Unexpended amounts
154 remaining in the fund at the end of a fiscal year shall not lapse
155 into the State General Fund, and any interest earned or investment
156 earnings on amounts in the fund shall be deposited into such fund.

157 (ii) Monies deposited into the fund shall be
158 disbursed, in the discretion of the Department of Finance and
159 Administration, to pay the costs of the following Alcorn State
160 University projects:

161 Repair, renovation and
162 expansion of and
163 upgrades and improvements
164 to the David L. Whitney
165 Arena Complex and Wellness
166 Center.....\$ 11,885,000.00



167 Phase I of repair and
 168 renovation of and upgrades
 169 and improvements to the
 170 Walter Washington
 171 Administration and
 172 Classroom Building.....\$ 8,610,000.00
 173 Phase I of repair and
 174 renovation of and upgrades
 175 and improvements to the
 176 K.L. Simmons Technology
 177 Building.....\$ 7,475,000.00
 178 Phase II of repairs and
 179 renovations for ADA
 180 compliance for buildings
 181 and facilities.....\$ 4,540,000.00
 182 Phase II of construction,
 183 furnishing and equipping
 184 of new buildings and
 185 related facilities for
 186 university faculty and
 187 staff housing.....\$ 13,450,000.00
 188 **TOTAL.....\$ 45,960,000.00.**
 189 (b) Amounts deposited into such special fund shall be
 190 disbursed to pay the costs of the projects described in paragraph
 191 (a) of this subsection. Promptly after the commission has



192 certified, by resolution duly adopted, that the projects described
193 in paragraph (a) of this subsection shall have been completed,
194 abandoned, or cannot be completed in a timely fashion, any amounts
195 remaining in such special fund shall be applied to pay debt
196 service on the bonds issued under this section, in accordance with
197 the proceedings authorizing the issuance of such bonds and as
198 directed by the commission.

199 (2) (a) The commission, at one time, or from time to time,
200 may declare by resolution the necessity for issuance of general
201 obligation bonds of the State of Mississippi to provide funds for
202 all costs incurred or to be incurred for the purposes described in
203 subsection (1) of this section. Upon the adoption of a resolution
204 by the Department of Finance and Administration, declaring the
205 necessity for the issuance of any part or all of the general
206 obligation bonds authorized by this section, the department shall
207 deliver a certified copy of its resolution or resolutions to the
208 commission. Upon receipt of such resolution, the commission is
209 authorized to proceed under the provisions of Section 1(5) of this
210 act. The total amount of bonds issued under this section shall
211 not exceed Forty-five Million Nine Hundred Sixty Thousand Dollars
212 (\$45,960,000.00). No bonds shall be issued under this section
213 after July 1, 2027.

214 (b) Any investment earnings on amounts deposited into
215 the special fund created in subsection (1) of this section shall
216 be used to pay debt service on bonds issued under this section, in



217 accordance with the proceedings authorizing issuance of such
218 bonds.

219 (3) The provisions of Section 1 of this act shall apply to
220 the issuance of bonds authorized under this section.

221 **SECTION 3.** This act shall take effect and be in force from
222 and after July 1, 2023.

