

By: Senator(s) Brumfield

To: Finance

SENATE BILL NO. 2838

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
 2 BONDS TO PROVIDE FUNDS TO ASSIST SOUTHEAST MISSISSIPPI COMMUNITY
 3 COLLEGE IN PAYING THE COSTS ASSOCIATED WITH THE CONSTRUCTION OF A
 4 NEW WOMEN'S RESIDENCE HALL AND CAMPUS INFRASTRUCTURE UPGRADES AND
 5 MAINTENANCE, INCLUDING, BUT NOT LIMITED TO, THE WASTEWATER
 6 TREATMENT PLANT, WATER SYSTEM, FIBER, AND EMERGENCY GENERATORS;
 7 AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) The provisions of this section shall apply
 10 to every section of this act that relates to the issuance of bonds
 11 unless otherwise provided in this act.

12 (2) As used in this act, the following words shall have the
 13 meanings ascribed herein unless the context clearly requires
 14 otherwise:

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

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

17 (3) The principal of and interest on the bonds authorized
 18 under this act shall be payable in the manner provided in this
 19 subsection. Such bonds shall bear such date or dates, be in such
 20 denomination or denominations, bear interest at such rate or rates



21 (not to exceed the limits set forth in Section 75-17-101,
22 Mississippi Code of 1972), be payable at such place or places
23 within or without the State of Mississippi, shall mature
24 absolutely at such time or times not to exceed twenty-five (25)
25 years from date of issue, be redeemable before maturity at such
26 time or times and upon such terms, with or without premium, shall
27 bear such registration privileges, and shall be substantially in
28 such form, all as shall be determined by resolution of the
29 commission.

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



46 issued as provided in the Registered Bond Act of the State of
47 Mississippi.

48 (5) All bonds and interest coupons issued under the
49 provisions of this act have all the qualities and incidents of
50 negotiable instruments under the provisions of the Uniform
51 Commercial Code, and in exercising the powers granted by this act,
52 the commission shall not be required to and need not comply with
53 the provisions of the Uniform Commercial Code.

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

69 If such bonds are sold by sealed bids at public sale, notice
70 of the sale shall be published at least one time, not less than



71 ten (10) days before the date of sale, and shall be so published
72 in one or more newspapers published or having a general
73 circulation in the City of Jackson, Mississippi, selected by the
74 commission.

75 The commission, when issuing any bonds under the authority of
76 this act, may provide that bonds, at the option of the State of
77 Mississippi, may be called in for payment and redemption at the
78 call price named therein and accrued interest on such date or
79 dates named therein.

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

90 (8) Upon the issuance and sale of bonds under the provisions
91 of this act, the commission shall transfer the proceeds of any
92 such sale or sales to the special fund created in subsection (1)
93 of the applicable section of this act. The proceeds of such bonds
94 shall be disbursed from the special fund under such restrictions,



95 if any, as may be contained in the resolution providing for the
96 issuance of the bonds.

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

106 (10) The bonds authorized under the authority of this act
107 may be validated in the Chancery Court of the First Judicial
108 District of Hinds County, Mississippi, in the manner and with the
109 force and effect provided by Title 31, Chapter 13, Mississippi
110 Code of 1972, for the validation of county, municipal, school
111 district and other bonds. The notice to taxpayers required by
112 such statutes shall be published in a newspaper published or
113 having a general circulation in the City of Jackson, Mississippi.

114 (11) Any holder of bonds issued under the provisions of this
115 act or of any of the interest coupons pertaining thereto may,
116 either at law or in equity, by suit, action, mandamus or other
117 proceeding, protect and enforce any and all rights granted under
118 this act, or under such resolution, and may enforce and compel



119 performance of all duties required by this act to be performed, in
120 order to provide for the payment of bonds and interest thereon.

121 (12) All bonds issued under the provisions of this act shall
122 be legal investments for trustees and other fiduciaries, and for
123 savings banks, trust companies and insurance companies organized
124 under the laws of the State of Mississippi, and such bonds shall
125 be legal securities which may be deposited with and shall be
126 received by all public officers and bodies of this state and all
127 municipalities and political subdivisions for the purpose of
128 securing the deposit of public funds.

129 (13) Bonds issued under the provisions of this act and
130 income therefrom shall be exempt from all taxation in the State of
131 Mississippi.

132 (14) The proceeds of the bonds issued under this act shall
133 be used solely for the purposes herein provided, including the
134 costs incident to the issuance and sale of such bonds.

135 (15) The State Treasurer is authorized, without further
136 process of law, to certify to the Department of Finance and
137 Administration the necessity for warrants, and the Department of
138 Finance and Administration is authorized and directed to issue
139 such warrants, in such amounts as may be necessary to pay when due
140 the principal of, premium, if any, and interest on, or the
141 accreted value of, all bonds issued under this act; and the State
142 Treasurer shall forward the necessary amount to the designated
143 place or places of payment of such bonds in ample time to



144 discharge such bonds, or the interest thereon, on the due dates
145 thereof. As used in this section, the "accreted value" of any
146 bond means, as of any date of computation, an amount equal to the
147 sum of (a) the stated initial value of such bond, plus (b) the
148 interest accrued thereon from the issue date to the date of
149 computation at the rate, compounded semiannually, that is
150 necessary to produce the approximate yield to maturity shown for
151 bonds of the same maturity.

152 (16) This act shall be deemed to be full and complete
153 authority for the exercise of the powers granted in this act that
154 relate to the issuance of bonds, but this act shall not be deemed
155 to repeal or to be in derogation of any existing law of this state
156 that relates to the issuance of bonds.

157 **SECTION 2.** (1) (a) (i) A special fund, to be designated
158 as the "2024 Southwest Mississippi Community College Improvements
159 Fund," is created within the State Treasury. The fund shall be
160 maintained by the State Treasurer as a separate and special fund,
161 separate and apart from the General Fund of the state. Unexpended
162 amounts remaining in the fund at the end of a fiscal year shall
163 not lapse into the State General Fund, and any interest earned or
164 investment earnings on amounts in the fund shall be deposited into
165 such fund.

166 (ii) Monies deposited into the fund shall be
167 disbursed, in the discretion of the Department of Finance and



168 Administration, to assist Southwest Mississippi Community College
169 in paying the costs associated with the following projects:

170 1. Eight Million Dollars (\$8,000,000.00) for
171 the construction of a new women's residence hall; and

172 2. Three Million Dollars (\$3,000,000.00) for
173 campus infrastructure upgrades and maintenance, including, but not
174 limited to, the wastewater treatment plant, water system, fiber,
175 and emergency generators.

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

186 (2) (a) The commission, at one time, or from time to time,
187 may declare by resolution the necessity for issuance of general
188 obligation bonds of the State of Mississippi to provide funds for
189 all costs incurred or to be incurred for the purposes described in
190 subsection (1) of this section. Upon the adoption of a resolution
191 by the Department of Finance and Administration, declaring the
192 necessity for the issuance of any part or all of the general



193 obligation bonds authorized by this section, the department shall
194 deliver a certified copy of its resolution or resolutions to the
195 commission. Upon receipt of such resolution, the commission is
196 authorized to proceed under the provisions of Section 1(6) of this
197 act. The total amount of bonds issued under this section shall
198 not exceed Eleven Million Dollars (\$11,000,000.00). No bonds
199 shall be issued under this section after July 1, 2028.

200 (b) Any investment earnings on amounts deposited into
201 the special fund created in subsection (1) of this section shall
202 be used to pay debt service on bonds issued under this section, in
203 accordance with the proceedings authorizing issuance of such
204 bonds.

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

207 **SECTION 3.** This act shall take effect and be in force from
208 and after its passage.

