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To: Ways and Means

HOUSE BILL NO. 1678  
(As Passed the House)

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF CAPITAL  
3 IMPROVEMENTS FOR INSTITUTIONS OF HIGHER LEARNING; TO AUTHORIZE  
4 PREPLANNING FOR CONSTRUCTION OF A CLASSROOM FACILITY AT THE  
5 UNIVERSITY MEDICAL CENTER; AND FOR RELATED PURPOSES.

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

7 SECTION 1. As used in this act, the following words shall  
8 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 SECTION 2. (1) (a) A special fund, to be designated as the  
20 "2000 IHL Capital Improvements Fund," is created within the State  
21 Treasury. The fund shall be maintained by the State Treasurer as  
22 a separate and special fund, separate and apart from the General  
23 Fund of the state. Unexpended amounts remaining in the fund at  
24 the end of a fiscal year shall not lapse into the State General  
25 Fund, and any interest earned or investment earnings on amounts in  
26 the fund shall be deposited into such fund.

27 (b) Monies deposited into the fund shall be disbursed,

28 in the discretion of the Department of Finance and Administration,  
 29 to pay the costs of the following projects for agencies or their  
 30 successors as hereinafter described:

31	<b>NAME</b>	<b>AMOUNT ALLOCATED</b>
32	<b>INSTITUTIONS OF HIGHER LEARNING</b>	
33	Alcorn State University.....	\$10,500,000.00
34		
35	Constructing, equipping and	
36	furnishing a business	
37	school building suitable	
38	to house an MBA program.....	\$10,500,000.00
39	Mississippi State University.....	\$ 3,500,000.00
40		
41	Continuation of Hand	
42	Chemical Laboratory	
43	repair and renovation.....	\$ 3,500,000.00
44	Mississippi Valley State University.....	\$ 850,000.00
45		
46	Waste water treatment system	
47	improvements.....	\$ 850,000.00
48	University of Southern Mississippi/	
49	Gulf Park Campus.....	\$ 1,800,000.00
50		
51	Repair, renovation, replacement,	
52	and improvement of	
53	campus infrastructure.....	\$ 1,800,000.00
54	University of Southern Mississippi/	
55	Gulf Coast Research Laboratory at Cedar	
56	Point in Jackson County, Mississippi .....	\$ 900,000.00
57		
58	Matching funds for federal	
59	infrastructure grant.....	\$ 900,000.00
60	<b>TOTAL.....</b>	<b>\$17,550,000.00</b>

61           (2) Amounts deposited into such special fund shall be  
62 disbursed to pay the costs of projects described in subsection (1)  
63 of this section. If any monies in such special fund are not used  
64 within four (4) years after the date the proceeds of the bonds  
65 authorized under this act are deposited into the special fund,  
66 then the institution of higher learning to which any unused monies  
67 are allocated under subsection (1) of this act shall provide an  
68 accounting of such unused monies to the commission. Promptly  
69 after the commission has certified, by resolution duly adopted,  
70 that the projects described in subsection (1) of this section  
71 shall have been completed, abandoned, or cannot be completed in a  
72 timely fashion, any amounts remaining in such special fund shall  
73 be applied to pay debt service on the bonds issued under this act,  
74 in accordance with the proceedings authorizing the issuance of  
75 such bonds and as directed by the commission.

76           (3) The Department of Finance and Administration, acting  
77 through the Bureau of Building, Grounds and Real Property  
78 Management, is expressly authorized and empowered to receive and  
79 expend any local or other source funds in connection with the  
80 expenditure of funds provided for in this section. The  
81 expenditure of monies deposited into the special fund shall be  
82 under the direction of the Department of Finance and  
83 Administration, and such funds shall be paid by the State  
84 Treasurer upon warrants issued by such department, which warrants  
85 shall be issued upon requisitions signed by the Executive Director  
86 of the Department of Finance and Administration or his designee.

87           (4) Any amounts allocated to an institution of higher  
88 learning that are in excess of that needed to complete the  
89 projects at such institution of higher learning that are described  
90 in subsection (1) of this section may be used for general repairs  
91 and renovations of the institution of higher learning to which  
92 such amount is allocated.

93           (5) Monies allocated to the University of Southern

94 Mississippi/Gulf Coast Research Laboratory at Cedar Point in  
95 Jackson County, Mississippi, shall not be used for any project at  
96 such institution of higher learning if the property conveyed to  
97 the Board of Trustees of State Institutions of Higher Learning,  
98 for the use and benefit of the University of Southern Mississippi  
99 and the Gulf Coast Research Laboratory, in the Warranty Deed  
100 recorded in Book 1075, pages 545-546, in the Office of the  
101 Chancery Clerk of Jackson County, Mississippi, reverts to Jackson  
102 County, Mississippi.

103 (6) The Department of Finance and Administration, acting  
104 through the Bureau of Building, Grounds and Real Property  
105 Management, is authorized to preplan the construction of a  
106 classroom facility at the University Medical Center. The project  
107 authorized in this subsection (6) shall be in addition to the  
108 projects authorized in subsection (1) of this section.

109 SECTION 3. (1) The commission, at one time, or from time to  
110 time, may declare by resolution the necessity for issuance of  
111 general obligation bonds of the State of Mississippi to provide  
112 funds for all costs incurred or to be incurred for the purposes  
113 described in Section 2 of this act. Upon the adoption of a  
114 resolution by the Department of Finance and Administration,  
115 declaring the necessity for the issuance of any part or all of the  
116 general obligation bonds authorized by this section, the  
117 Department of Finance and Administration shall deliver a certified  
118 copy of its resolution or resolutions to the commission. Upon  
119 receipt of such resolution, the commission, in its discretion, may  
120 act as the issuing agent, prescribe the form of the bonds,  
121 advertise for and accept bids, issue and sell the bonds so  
122 authorized to be sold and do any and all other things necessary  
123 and advisable in connection with the issuance and sale of such  
124 bonds. The total amount of bonds issued under this act shall not  
125 exceed Seventeen Million Five Hundred Fifty Thousand Dollars  
126 (\$17,550,000.00). The bonds authorized under this act may not be

127 issued after July 1, 2003.

128 (2) Any investment earnings on amounts deposited into the  
129 special fund created in Section 2 of this act shall be used to pay  
130 debt service on bonds issued under this act, in accordance with  
131 the proceedings authorizing issuance of such bonds.

132 SECTION 4. The principal of and interest on the bonds  
133 authorized under this act shall be payable in the manner provided  
134 in this section. Such bonds shall bear such date or dates, be in  
135 such denomination or denominations, bear interest at such rate or  
136 rates (not to exceed the limits set forth in Section 75-17-101,  
137 Mississippi Code of 1972), be payable at such place or places  
138 within or without the State of Mississippi, shall mature  
139 absolutely at such time or times not to exceed twenty-five (25)  
140 years from date of issue, be redeemable before maturity at such  
141 time or times and upon such terms, with or without premium, shall  
142 bear such registration privileges, and shall be substantially in  
143 such form, all as shall be determined by resolution of the  
144 commission.

145 SECTION 5. The bonds authorized by this act shall be signed  
146 by the chairman of the commission, or by his facsimile signature,  
147 and the official seal of the commission shall be affixed thereto,  
148 attested by the secretary of the commission. The interest  
149 coupons, if any, to be attached to such bonds may be executed by  
150 the facsimile signatures of such officers. Whenever any such  
151 bonds shall have been signed by the officials designated to sign  
152 the bonds who were in office at the time of such signing but who  
153 may have ceased to be such officers before the sale and delivery  
154 of such bonds, or who may not have been in office on the date such  
155 bonds may bear, the signatures of such officers upon such bonds  
156 and coupons shall nevertheless be valid and sufficient for all  
157 purposes and have the same effect as if the person so officially  
158 signing such bonds had remained in office until their delivery to  
159 the purchaser, or had been in office on the date such bonds may

160 bear. However, notwithstanding anything herein to the contrary,  
161 such bonds may be issued as provided in the Registered Bond Act of  
162 the State of Mississippi.

163 SECTION 6. All bonds and interest coupons issued under the  
164 provisions of this act have all the qualities and incidents of  
165 negotiable instruments under the provisions of the Mississippi  
166 Uniform Commercial Code, and in exercising the powers granted by  
167 this act, the commission shall not be required to and need not  
168 comply with the provisions of the Mississippi Uniform Commercial  
169 Code.

170 SECTION 7. The commission shall act as the issuing agent for  
171 the bonds authorized under this act, prescribe the form of the  
172 bonds, advertise for and accept bids, issue and sell the bonds so  
173 authorized to be sold, pay all fees and costs incurred in such  
174 issuance and sale, and do any and all other things necessary and  
175 advisable in connection with the issuance and sale of such bonds.

176 The commission is authorized and empowered to pay the costs that  
177 are incident to the sale, issuance and delivery of the bonds  
178 authorized under this act from the proceeds derived from the sale  
179 of such bonds. The commission shall sell such bonds on sealed  
180 bids at public sale, and for such price as it may determine to be  
181 for the best interest of the State of Mississippi, but no such  
182 sale shall be made at a price less than par plus accrued interest  
183 to the date of delivery of the bonds to the purchaser. All  
184 interest accruing on such bonds so issued shall be payable  
185 semiannually or annually; however, the first interest payment may  
186 be for any period of not more than one (1) year.

187 Notice of the sale of any such bonds shall be published at  
188 least one time, not less than ten (10) days before the date of  
189 sale, and shall be so published in one or more newspapers  
190 published or having a general circulation in the City of Jackson,  
191 Mississippi, and in one or more other newspapers or financial  
192 journals with a national circulation, to be selected by the

193 commission.

194         The commission, when issuing any bonds under the authority of  
195 this act, may provide that bonds, at the option of the State of  
196 Mississippi, may be called in for payment and redemption at the  
197 call price named therein and accrued interest on such date or  
198 dates named therein.

199         SECTION 8. The bonds issued under the provisions of this act  
200 are general obligations of the State of Mississippi, and for the  
201 payment thereof the full faith and credit of the State of  
202 Mississippi is irrevocably pledged. If the funds appropriated by  
203 the Legislature are insufficient to pay the principal of and the  
204 interest on such bonds as they become due, then the deficiency  
205 shall be paid by the State Treasurer from any funds in the State  
206 Treasury not otherwise appropriated. All such bonds shall contain  
207 recitals on their faces substantially covering the provisions of  
208 this section.

209         SECTION 9. Upon the issuance and sale of bonds under the  
210 provisions of this act, the commission shall transfer the proceeds  
211 of any such sale or sales to the special fund created in Section 2  
212 of this act. The proceeds of such bonds shall be disbursed solely  
213 upon the order of the Department of Finance and Administration  
214 under such restrictions, if any, as may be contained in the  
215 resolution providing for the issuance of the bonds.

216         SECTION 10. The bonds authorized under this act may be  
217 issued without any other proceedings or the happening of any other  
218 conditions or things other than those proceedings, conditions and  
219 things which are specified or required by this act. Any  
220 resolution providing for the issuance of bonds under the  
221 provisions of this act shall become effective immediately upon its  
222 adoption by the commission, and any such resolution may be adopted  
223 at any regular or special meeting of the commission by a majority  
224 of its members.

225         SECTION 11. The bonds authorized under the authority of this

226 act may be validated in the Chancery Court of the First Judicial  
227 District of Hinds County, Mississippi, in the manner and with the  
228 force and effect provided by Chapter 13, Title 31, Mississippi  
229 Code of 1972, for the validation of county, municipal, school  
230 district and other bonds. The notice to taxpayers required by  
231 such statutes shall be published in a newspaper published or  
232 having a general circulation in the City of Jackson, Mississippi.

233 SECTION 12. Any holder of bonds issued under the provisions  
234 of this act or of any of the interest coupons pertaining thereto  
235 may, either at law or in equity, by suit, action, mandamus or  
236 other proceeding, protect and enforce any and all rights granted  
237 under this act, or under such resolution, and may enforce and  
238 compel performance of all duties required by this act to be  
239 performed, in order to provide for the payment of bonds and  
240 interest thereon.

241 SECTION 13. All bonds issued under the provisions of this  
242 act shall be legal investments for trustees and other fiduciaries,  
243 and for savings banks, trust companies and insurance companies  
244 organized under the laws of the State of Mississippi, and such  
245 bonds shall be legal securities which may be deposited with and  
246 shall be received by all public officers and bodies of this state  
247 and all municipalities and political subdivisions for the purpose  
248 of securing the deposit of public funds.

249 SECTION 14. Bonds issued under the provisions of this act  
250 and income therefrom shall be exempt from all taxation in the  
251 State of Mississippi.

252 SECTION 15. The proceeds of the bonds issued under this act  
253 shall be used solely for the purposes herein provided, including  
254 the costs incident to the issuance and sale of such bonds.

255 SECTION 16. The State Treasurer is authorized, without  
256 further process of law, to certify to the Department of Finance  
257 and Administration the necessity for warrants, and the Department  
258 of Finance and Administration is authorized and directed to issue



259 such warrants, in such amounts as may be necessary to pay when due  
260 the principal of, premium, if any, and interest on, or the  
261 accreted value of, all bonds issued under this act; and the State  
262 Treasurer shall forward the necessary amount to the designated  
263 place or places of payment of such bonds in ample time to  
264 discharge such bonds, or the interest thereon, on the due dates  
265 thereof.

266 SECTION 17. This act shall be deemed to be full and complete  
267 authority for the exercise of the powers herein granted, but this  
268 act shall not be deemed to repeal or to be in derogation of any  
269 existing law of this state.

270 SECTION 18. This act shall take effect and be in force from  
271 and after its passage.