

By: Senator(s) Jackson

To: Finance

SENATE BILL NO. 2484

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF REPAIR AND  
3 RENOVATION OF STATE-OWNED BUILDINGS; AND FOR RELATED PURPOSES.

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

5 SECTION 1. As used in this act, the following words shall  
6 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 SECTION 2. (1) (a) A special fund, to be designated as the  
18 "Mississippi State-Owned Buildings Repair and Renovation Fund" is  
19 created within the State Treasury. The fund shall be maintained  
20 by the State Treasurer as a separate and special fund, separate  
21 and apart from the General Fund of the state. Unexpended amounts  
22 remaining in the fund at the end of a fiscal year shall not lapse  
23 into the State General Fund, and any interest earned or  
24 investment earnings on amounts in the fund shall be deposited into  
25 such fund.

26 (b) Monies deposited into the fund shall be disbursed,  
27 in the discretion of the Department of Finance and Administration,

28 to pay the costs of repair and renovation of state-owned buildings  
29 and facilities.

30 (2) Amounts deposited into such special fund shall be  
31 disbursed to pay the costs of the projects described in subsection  
32 (1) of this section. Promptly after the commission has certified,  
33 by resolution duly adopted, that the projects described in  
34 subsection (1) of this section shall have been completed,  
35 abandoned, or cannot be completed in a timely fashion, any amounts  
36 remaining in such special fund shall be applied to pay debt  
37 service on the bonds issued under this act, in accordance with the  
38 proceedings authorizing the issuance of such bonds and as directed  
39 by the commission.

40 (3) The Department of Finance and Administration, acting  
41 through the Bureau of Building, Grounds and Real Property  
42 Management, is expressly authorized and empowered to receive and  
43 expend any local or other source funds in connection with the  
44 expenditure of funds provided for in this section. The  
45 expenditure of monies deposited into the special fund shall be  
46 under the direction of the Department of Finance and  
47 Administration, and such funds shall be paid by the State  
48 Treasurer upon warrants issued by such department, which warrants  
49 shall be issued upon requisitions signed by the Executive Director  
50 of the Department of Finance and Administration or his designee.

51 SECTION 3. (1) The commission, at one time, or from time to  
52 time, may declare by resolution the necessity for issuance of  
53 general obligation bonds of the State of Mississippi to provide  
54 funds for all costs incurred or to be incurred for the purposes  
55 described in Section 2 of this act. Upon the adoption of a  
56 resolution by the Department of Finance and Administration,  
57 declaring the necessity for the issuance of any part or all of the  
58 general obligation bonds authorized by this section, the  
59 Department of Finance and Administration shall deliver a certified  
60 copy of its resolution or resolutions to the commission. Upon

61 receipt of such resolution, the commission, in its discretion, may  
62 act as the issuing agent, prescribe the form of the bonds,  
63 advertise for and accept bids, issue and sell the bonds so  
64 authorized to be sold and do any and all other things necessary  
65 and advisable in connection with the issuance and sale of such  
66 bonds. The total amount of bonds issued under this act shall not  
67 exceed Twenty-five Million Dollars (\$25,000,000.00).

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

72 SECTION 4. The principal of and interest on the bonds  
73 authorized under this act shall be payable in the manner provided  
74 in this section. Such bonds shall bear such date or dates, be in  
75 such denomination or denominations, bear interest at such rate or  
76 rates (not to exceed the limits set forth in Section 75-17-101,  
77 Mississippi Code of 1972), be payable at such place or places  
78 within or without the State of Mississippi, shall mature  
79 absolutely at such time or times not to exceed twenty-five (25)  
80 years from date of issue, be redeemable before maturity at such  
81 time or times and upon such terms, with or without premium, shall  
82 bear such registration privileges, and shall be substantially in  
83 such form, all as shall be determined by resolution of the  
84 commission.

85 SECTION 5. The bonds authorized by this act shall be signed  
86 by the chairman of the commission, or by his facsimile signature,  
87 and the official seal of the commission shall be affixed thereto,  
88 attested by the secretary of the commission. The interest  
89 coupons, if any, to be attached to such bonds may be executed by  
90 the facsimile signatures of such officers. Whenever any such  
91 bonds shall have been signed by the officials designated to sign  
92 the bonds who were in office at the time of such signing but who  
93 may have ceased to be such officers before the sale and delivery

94 of such bonds, or who may not have been in office on the date such  
95 bonds may bear, the signatures of such officers upon such bonds  
96 and coupons shall nevertheless be valid and sufficient for all  
97 purposes and have the same effect as if the person so officially  
98 signing such bonds had remained in office until their delivery to  
99 the purchaser, or had been in office on the date such bonds may  
100 bear. However, notwithstanding anything herein to the contrary,  
101 such bonds may be issued as provided in the Registered Bond Act of  
102 the State of Mississippi.

103 SECTION 6. All bonds and interest coupons issued under the  
104 provisions of this act have all the qualities and incidents of  
105 negotiable instruments under the provisions of the Mississippi  
106 Uniform Commercial Code, and in exercising the powers granted by  
107 this act, the commission shall not be required to and need not  
108 comply with the provisions of the Mississippi Uniform Commercial  
109 Code.

110 SECTION 7. The commission shall act as the issuing agent for  
111 the bonds authorized under this act, prescribe the form of the  
112 bonds, advertise for and accept bids, issue and sell the bonds so  
113 authorized to be sold, pay all fees and costs incurred in such  
114 issuance and sale, and do any and all other things necessary and  
115 advisable in connection with the issuance and sale of such bonds.  
116 The commission is authorized and empowered to pay the costs that  
117 are incident to the sale, issuance and delivery of the bonds  
118 authorized under this act from the proceeds derived from the sale  
119 of such bonds. The commission shall sell such bonds on sealed  
120 bids at public sale, and for such price as it may determine to be  
121 for the best interest of the State of Mississippi, but no such  
122 sale shall be made at a price less than par plus accrued interest  
123 to the date of delivery of the bonds to the purchaser. All  
124 interest accruing on such bonds so issued shall be payable  
125 semiannually or annually; however, the first interest payment may  
126 be for any period of not more than one (1) year.

127 Notice of the sale of any such bonds shall be published at  
128 least one time, not less than ten (10) days before the date of  
129 sale, and shall be so published in one or more newspapers  
130 published or having a general circulation in the City of Jackson,  
131 Mississippi, and in one or more other newspapers or financial  
132 journals with a national circulation, to be selected by the  
133 commission.

134 The commission, when issuing any bonds under the authority of  
135 this act, may provide that bonds, at the option of the State of  
136 Mississippi, may be called in for payment and redemption at the  
137 call price named therein and accrued interest on such date or  
138 dates named therein.

139 SECTION 8. The bonds issued under the provisions of this act  
140 are general obligations of the State of Mississippi, and for the  
141 payment thereof the full faith and credit of the State of  
142 Mississippi is irrevocably pledged. If the funds appropriated by  
143 the Legislature are insufficient to pay the principal of and the  
144 interest on such bonds as they become due, then the deficiency  
145 shall be paid by the State Treasurer from any funds in the State  
146 Treasury not otherwise appropriated. All such bonds shall contain  
147 recitals on their faces substantially covering the provisions of  
148 this section.

149 SECTION 9. Upon the issuance and sale of bonds under the  
150 provisions of this act, the commission shall transfer the proceeds  
151 of any such sale or sales to the special fund created in Section 2  
152 of this act. The proceeds of such bonds shall be disbursed solely  
153 upon the order of the Department of Finance and Administration  
154 under such restrictions, if any, as may be contained in the  
155 resolution providing for the issuance of the bonds.

156 SECTION 10. The bonds authorized under this act may be  
157 issued without any other proceedings or the happening of any other  
158 conditions or things other than those proceedings, conditions and  
159 things which are specified or required by this act. Any

160 resolution providing for the issuance of bonds under the  
161 provisions of this act shall become effective immediately upon its  
162 adoption by the commission, and any such resolution may be adopted  
163 at any regular or special meeting of the commission by a majority  
164 of its members.

165 SECTION 11. The bonds authorized under the authority of this  
166 act may be validated in the Chancery Court of the First Judicial  
167 District of Hinds County, Mississippi, in the manner and with the  
168 force and effect provided by Chapter 13, Title 31, Mississippi  
169 Code of 1972, for the validation of county, municipal, school  
170 district and other bonds. The notice to taxpayers required by  
171 such statutes shall be published in a newspaper published or  
172 having a general circulation in the City of Jackson, Mississippi.

173 SECTION 12. Any holder of bonds issued under the provisions  
174 of this act or of any of the interest coupons pertaining thereto  
175 may, either at law or in equity, by suit, action, mandamus or  
176 other proceeding, protect and enforce any and all rights granted  
177 under this act, or under such resolution, and may enforce and  
178 compel performance of all duties required by this act to be  
179 performed, in order to provide for the payment of bonds and  
180 interest thereon.

181 SECTION 13. All bonds issued under the provisions of this  
182 act shall be legal investments for trustees and other fiduciaries,  
183 and for savings banks, trust companies and insurance companies  
184 organized under the laws of the State of Mississippi, and such  
185 bonds shall be legal securities which may be deposited with and  
186 shall be received by all public officers and bodies of this state  
187 and all municipalities and political subdivisions for the purpose  
188 of securing the deposit of public funds.

189 SECTION 14. Bonds issued under the provisions of this act  
190 and income therefrom shall be exempt from all taxation in the  
191 State of Mississippi.

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

195 SECTION 16. The State Treasurer is authorized, without  
196 further process of law, to certify to the Department of Finance  
197 and Administration the necessity for warrants, and the Department  
198 of Finance and Administration is authorized and directed to issue  
199 such warrants, in such amounts as may be necessary to pay when due  
200 the principal of, premium, if any, and interest on, or the  
201 accreted value of, all bonds issued under this act; and the State  
202 Treasurer shall forward the necessary amount to the designated  
203 place or places of payment of such bonds in ample time to  
204 discharge such bonds, or the interest thereon, on the due dates  
205 thereof.

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

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