

By: Senator(s) Farris

To: Finance

SENATE BILL NO. 3084
(As Sent to Governor)

1 AN ACT TO AMEND SECTIONS 1 THROUGH 14, CHAPTER 589, LAWS OF
2 1999, TO REDUCE THE AMOUNT OF BONDS THAT MAY BE ISSUED TO FUND
3 CERTAIN IMPROVEMENTS TO THE WALTHALL SCHOOL BUILDING IN
4 HATTIESBURG, MISSISSIPPI; TO CLARIFY CERTAIN PROVISIONS REGARDING
5 THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR
6 IMPROVEMENTS TO THE WALTHALL SCHOOL BUILDING; TO AUTHORIZE SUCH
7 BONDS TO BE ISSUED IN INCREMENTS OF NOT LESS THAN \$250,000.00
8 UNDER CERTAIN CIRCUMSTANCES; AND FOR RELATED PURPOSES.

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

10 SECTION 1. Sections 1 through 14, Chapter 589, Laws of 1999,
11 are amended as follows:

12 Section 1. (1) Upon the receipt of matching funds or
13 verification that the matching funds described in this subsection
14 are forthcoming, the Department of Finance and Administration, at
15 one time or from time to time, may declare by resolution the
16 necessity for issuance of general obligation bonds of the State of
17 Mississippi in an amount not to exceed Two Million Four Hundred
18 Thousand Dollars (\$2,400,000.00) to provide funds for necessary
19 improvements to convert the Walthall School Building in
20 Hattiesburg, Mississippi, into a regional children's discovery
21 center to be known as the "Interaction Factory." Such
22 improvements shall include the repair and renovation of the
23 Walthall School Building, improvement of parking facilities at the
24 Walthall School Building and other necessary improvements to such
25 facility and the grounds of such facility that are necessary to
26 convert such facility into a regional children's discovery center
27 including, but not limited to, the construction of additions, the
28 creation and installation of exhibits, and the purchase of
29 necessary furnishings, equipment and fixtures. The issuance of

30 the bonds described in this subsection and the allocation of such
31 funds are conditioned upon the private sector or local or federal
32 government providing matching funds as provided in this section.
33 The bonds authorized to be issued pursuant to this section may be
34 issued in increments of not less than Two Hundred Fifty Thousand
35 Dollars (\$250,000.00) upon matching funds being provided in the
36 amount of the bonds to be issued. The matching funds required
37 pursuant to this subsection may be provided in the form of cash or
38 in kind contributions or any combination of cash or in kind
39 contributions. Title to the Walthall School Building shall be
40 vested in "The Interaction Factory, Inc.," or any successor
41 corporation or legal entity thereto, and the value of the land and
42 buildings, as determined by a "use value appraisal" or other
43 appraisal, may be utilized as an in kind contribution.

44 (2) Upon the adoption of a resolution by the Department of
45 Finance and Administration, declaring the necessity for the
46 issuance of any part or all of the general obligation bonds
47 authorized by this section, the department shall deliver a
48 certified copy of its resolution or resolutions to the State Bond
49 Commission. Upon receipt of such resolution, the State Bond
50 Commission, in its discretion, may act as the issuing agent,
51 prescribe the form of the bonds, advertise for and accept bids,
52 issue and sell the bonds so authorized to be sold, and do any and
53 all other things necessary and advisable in connection with the
54 issuance and sale of such bonds.

55 (3) The amount of bonds issued under Sections 1 through 14
56 of this act shall not exceed Two Million Four Hundred Thousand
57 Dollars (\$2,400,000.00) for the project described in subsection
58 (1) of this section.

59 Section 2. The principal of and interest on the bonds
60 authorized under Sections 1 through 14 of this act shall be
61 payable in the manner provided in this section. Such bonds shall
62 bear such date or dates, be in such denomination or denominations,

63 bear interest at such rate or rates not exceeding the limits set
64 forth in Section 75-17-101, be payable at such place or places
65 within or without the State of Mississippi, shall mature
66 absolutely at such time or times not to exceed twenty (20) years
67 from date of issue, be redeemable before maturity at such time or
68 times and upon such terms, with or without premium, shall bear
69 such registration privileges, and shall be substantially in such
70 form, all as determined by resolution of the State Bond
71 Commission.

72 Section 3. The bonds authorized under Sections 1 through 14
73 of this act shall be signed by the Chairman of the State Bond
74 Commission, or by his facsimile signature, and the official seal
75 of the State Bond Commission shall be affixed thereto, attested by
76 the Secretary of the State Bond Commission. The interest coupons,
77 if any, to be attached to such bonds may be executed by the
78 facsimile signatures of such officers. Whenever any such bonds
79 shall have been signed by the officials designated to sign the
80 bonds who were in office at the time of such signing but who may
81 have ceased to be such officers before the sale and delivery of
82 such bonds, or who may not have been in office on the date such
83 bonds may bear, the signatures of such officers upon such bonds
84 and coupons shall nevertheless be valid and sufficient for all
85 purposes and have the same effect as if the person so officially
86 signing such bonds had remained in office until their delivery to
87 the purchaser, or had been in office on the date such bonds may
88 bear. However, notwithstanding anything in Sections 1 through 14
89 of this act to the contrary, such bonds may be issued as provided
90 in the Registered Bond Act of the State of Mississippi.

91 Section 4. All bonds and interest coupons issued under the
92 provisions of Sections 1 through 14 of this act have all the
93 qualities and incidents of negotiable instruments under the
94 provisions of the Uniform Commercial Code, and in exercising the
95 powers granted by Sections 1 through 14 of this act, the State

96 Bond Commission shall not be required to and need not comply with
97 the provisions of the Uniform Commercial Code.

98 Section 5. The State Bond Commission shall act as the
99 issuing agent for the bonds authorized under Sections 1 through 14
100 of this act, prescribe the form of the bonds, advertise for and
101 accept bids, issue and sell the bonds so authorized to be sold,
102 pay all fees and costs incurred in such issuance and sale, and do
103 all other things necessary and advisable in connection with the
104 issuance and sale of the bonds. The State Bond Commission may pay
105 the costs that are incident to the sale, issuance and delivery of
106 the bonds authorized under Sections 1 through 14 of this act from
107 the proceeds derived from the sale of the bonds. The State Bond
108 Commission shall sell such bonds on sealed bids at public sale,
109 and for such price as it may determine to be for the best interest
110 of the State of Mississippi, but no such sale may be made at a
111 price less than par plus accrued interest to the date of delivery
112 of the bonds to the purchaser. All interest accruing on such
113 bonds so issued shall be payable semiannually or annually;
114 however, the first interest payment may be for any period of not
115 more than one (1) year.

116 Notice of the sale of any such bond shall be published at
117 least one time, not less than ten (10) days before the date of
118 sale, and shall be so published in one or more newspapers
119 published or having a general circulation in the City of Jackson,
120 Mississippi, and in one or more other newspapers or financial
121 journals with a national circulation, to be selected by the State
122 Bond Commission.

123 The State Bond Commission, when issuing any bonds under the
124 authority of Sections 1 through 14 of this act, may provide that
125 the bonds, at the option of the State of Mississippi, may be
126 called in for payment and redemption at the call price named
127 therein and accrued interest on such date or dates named therein.

128 Section 6. The bonds issued under the provisions of Sections
129 1 through 14 of this act are general obligations of the State of
130 Mississippi, and for the payment thereof the full faith and credit
131 of the State of Mississippi is irrevocably pledged. If the funds
132 appropriated by the Legislature are insufficient to pay the
133 principal of and the interest on such bonds as they become due,
134 then the deficiency shall be paid by the State Treasurer from any
135 funds in the State Treasury not otherwise appropriated. All such
136 bonds shall contain recitals on their faces substantially covering
137 the provisions of this section.

138 Section 7. The State Treasurer is authorized to certify to
139 the Executive Director of the Department of Finance and
140 Administration the necessity for warrants, and the Executive
141 Director of the Department of Finance and Administration is
142 authorized and directed to issue such warrants, in such amounts as
143 may be necessary to pay when due the principal of, premium, if
144 any, and interest on, or the accreted value of, all bonds issued
145 under Sections 1 through 14 of this act; and the State Treasurer
146 shall forward the necessary amount to the designated place or
147 places of payment of such bonds in ample time to discharge such
148 bonds, or the interest on the bonds, on their due dates.

149 Section 8. Upon the issuance and sale of bonds under
150 Sections 1 through 14 of this act, the State Bond Commission shall
151 deposit the proceeds of any such sale or sales in a special fund
152 created in the State Treasury to be known as the "Regional
153 Children's Discovery Center Fund." Such fund shall be maintained
154 by the State Treasurer as a separate and special fund, separate
155 and apart from the General Fund of the state * * *. Unexpended
156 amounts remaining in the fund at the end of a fiscal year shall
157 not lapse into the State General Fund, and any interest earned or
158 investment earnings on amounts in the fund shall be deposited into
159 such fund. The proceeds of such bonds shall be used solely for
160 the purposes provided in Sections 1 through 14 of this act,

161 including the costs incident to the issuance and sale of such
162 bonds. The costs incident to the issuance and sale of such bonds
163 shall be disbursed by warrant upon requisition of the State Bond
164 Commission, signed by the chairman of the commission. The
165 remaining monies in the fund shall be expended solely under the
166 direction of the Department of Finance and Administration under
167 such restrictions, if any, as may be contained in the resolution
168 providing for the issuance of the bonds, and such funds shall be
169 paid by the State Treasurer upon warrants issued by the Executive
170 Director of the Department of Finance and Administration.

171 Section 9. The bonds authorized under Sections 1 through 14
172 of this act may be issued without any other proceedings or the
173 happening of any other conditions or things other than those
174 proceedings, conditions and things that are specified or required
175 by Sections 1 through 14 of this act. Any resolution providing
176 for the issuance of bonds under Sections 1 through 14 of this act
177 shall become effective immediately upon its adoption by the State
178 Bond Commission, and any such resolution may be adopted at any
179 regular or special meeting of the State Bond Commission by a
180 majority of its members.

181 Section 10. The bonds authorized under the authority of
182 Sections 1 through 14 of this act may be validated in the Chancery
183 Court of the First Judicial District of Hinds County, Mississippi,
184 in the manner and with the force and effect provided by Chapter
185 13, Title 31, Mississippi Code of 1972, for the validation of
186 county, municipal, school district and other bonds. The notice to
187 taxpayers required by such statutes shall be published in a
188 newspaper published or having a general circulation in the City of
189 Jackson, Mississippi.

190 Section 11. Any holder of bonds issued under Sections 1
191 through 14 of this act or of any of the interest coupons
192 pertaining to the bonds may, either at law or in equity, by suit,
193 action, mandamus or other proceeding, protect and enforce all

194 rights granted under Sections 1 through 14 of this act, or under
195 such resolution, and may enforce and compel performance of all
196 duties required by Sections 1 through 14 of this act to be
197 performed, in order to provide for the payment of bonds and
198 interest on the bonds.

199 Section 12. All bonds issued under Sections 1 through 14 of
200 this act shall be legal investments for trustees and other
201 fiduciaries, and for savings banks, trust companies and insurance
202 companies organized under the laws of the State of Mississippi,
203 and such bonds shall be legal securities that may be deposited
204 with and shall be received by all public officers and bodies of
205 this state and all municipalities and political subdivisions for
206 the purpose of securing the deposit of public funds.

207 Section 13. Bonds issued under Sections 1 through 14 of this
208 act and income from the bonds shall be exempt from all taxation in
209 the State of Mississippi.

210 Section 14. Sections 1 through 14 of this act shall be
211 deemed to be full and complete authority for the exercise of the
212 powers granted, but Sections 1 through 14 of this act shall not be
213 deemed to repeal or to be in derogation of any existing law of
214 this state.

215 SECTION 2. This act shall take effect and be in force from
216 and after its passage.