

By: Senator(s) Huggins

To: Finance

SENATE BILL NO. 2147

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF EXPANSION OF THE  
3 PUBLIC HEALTH LABORATORY OF THE DEPARTMENT OF HEALTH AND  
4 RENOVATION AND EXPANSION OF THE UNDERWOOD BUILDING; AND FOR  
5 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 "Mississippi Public Health Laboratory and Underwood Building  
21 Expansion, Repair and Renovation Fund," is created within the  
22 State Treasury. The fund shall be maintained by the State  
23 Treasurer as a separate and special fund, separate and apart from  
24 the General Fund of the state. Unexpended amounts remaining in  
25 the fund at the end of a fiscal year shall not lapse into the  
26 State General Fund, and any interest earned or investment earnings  
27 on amounts in the fund shall be deposited to the credit of the



28 fund. Monies in the fund may not be used or expended for any  
29 purpose except as authorized under this act.

30 (b) Monies deposited into the fund shall be disbursed,  
31 in the discretion of the Department of Finance and Administration,  
32 to pay the costs of expanding the public health laboratory of the  
33 Department of Health, the cost of renovation and/or repair of the  
34 Underwood Building necessitated by such expansion and the cost of  
35 expansion of the Underwood Building to secure high quality  
36 teleconferencing and telemedicine capability related to public  
37 health preparedness and for additional office space for  
38 epidemiology staff.

39 (2) Amounts deposited into such special fund shall be  
40 disbursed to pay the costs of the projects described in subsection  
41 (1) of this section. Promptly after the commission has certified,  
42 by resolution duly adopted, that the projects described in  
43 subsection (1) of this section shall have been completed,  
44 abandoned, or cannot be completed in a timely fashion, any amounts  
45 remaining in such special fund shall be applied to pay debt  
46 service on the bonds issued under this act, in accordance with the  
47 proceedings authorizing the issuance of such bonds and as directed  
48 by the commission.

49 (3) The Department of Finance and Administration, acting  
50 through the Bureau of Building, Grounds and Real Property  
51 Management, is expressly authorized and empowered to receive and  
52 expend any local or other source funds in connection with the  
53 expenditure of funds provided for in this section. The  
54 expenditure of monies deposited into the special fund shall be  
55 under the direction of the Department of Finance and  
56 Administration, and such funds shall be paid by the State  
57 Treasurer upon warrants issued by such department, which warrants  
58 shall be issued upon requisitions signed by the Executive Director  
59 of the Department of Finance and Administration, or his designee.



60 (4) The Department of Finance and Administration is  
61 authorized to pay for the costs of capital improvements specified  
62 in subsection (1)(b) of this section.

63 **SECTION 3.** (1) The commission, at one time or from time to  
64 time, may declare by resolution the necessity for issuance of  
65 general obligation bonds of the State of Mississippi to provide  
66 funds for all costs incurred or to be incurred for the purposes  
67 described in Section 2 of this act. Upon the adoption of a  
68 resolution by the Department of Finance and Administration,  
69 declaring the necessity for the issuance of any part or all of the  
70 general obligation bonds authorized by this section, the  
71 Department of Finance and Administration shall deliver a certified  
72 copy of its resolution or resolutions to the commission. Upon  
73 receipt of such resolution, the commission, in its discretion, may  
74 act as the issuing agent, prescribe the form of the bonds,  
75 advertise for and accept bids, issue and sell the bonds so  
76 authorized to be sold and do any and all other things necessary  
77 and advisable in connection with the issuance and sale of such  
78 bonds. The total amount of bonds issued under this act shall not  
79 exceed Eight Million Dollars (\$8,000,000.00).

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

84 **SECTION 4.** The principal of and interest on the bonds  
85 authorized under this act shall be payable in the manner provided  
86 in this section. Such bonds shall bear such date or dates, be in  
87 such denomination or denominations, bear interest at such rate or  
88 rates (not to exceed the limits set forth in Section 75-17-101,  
89 Mississippi Code of 1972), be payable at such place or places  
90 within or without the State of Mississippi, shall mature  
91 absolutely at such time or times not to exceed twenty-five (25)  
92 years from date of issue, be redeemable before maturity at such



93 time or times and upon such terms, with or without premium, shall  
94 bear such registration privileges, and shall be substantially in  
95 such form, all as shall be determined by resolution of the  
96 commission.

97       **SECTION 5.** The bonds authorized by this act shall be signed  
98 by the chairman of the commission, or by his facsimile signature,  
99 and the official seal of the commission shall be affixed thereto,  
100 attested by the secretary of the commission. The interest  
101 coupons, if any, to be attached to such bonds may be executed by  
102 the facsimile signatures of such officers. Whenever any such  
103 bonds shall have been signed by the officials designated to sign  
104 the bonds who were in office at the time of such signing but who  
105 may have ceased to be such officers before the sale and delivery  
106 of such bonds, or who may not have been in office on the date such  
107 bonds may bear, the signatures of such officers upon such bonds  
108 and coupons shall nevertheless be valid and sufficient for all  
109 purposes and have the same effect as if the person so officially  
110 signing such bonds had remained in office until their delivery to  
111 the purchaser, or had been in office on the date such bonds may  
112 bear. However, notwithstanding anything herein to the contrary,  
113 such bonds may be issued as provided in the Registered Bond Act of  
114 the State of Mississippi.

115       **SECTION 6.** All bonds and interest coupons issued under the  
116 provisions of this act have all the qualities and incidents of  
117 negotiable instruments under the provisions of the Uniform  
118 Commercial Code, and in exercising the powers granted by this act,  
119 the commission shall not be required to and need not comply with  
120 the provisions of the Uniform Commercial Code.

121       **SECTION 7.** The commission shall act as the issuing agent for  
122 the bonds authorized under this act, prescribe the form of the  
123 bonds, advertise for and accept bids, issue and sell the bonds so  
124 authorized to be sold, pay all fees and costs incurred in such  
125 issuance and sale, and do any and all other things necessary and



126 advisable in connection with the issuance and sale of such bonds.  
127 The commission is authorized and empowered to pay the costs that  
128 are incident to the sale, issuance and delivery of the bonds  
129 authorized under this act from the proceeds derived from the sale  
130 of such bonds. The commission shall sell such bonds on sealed  
131 bids at public sale, and for such price as it may determine to be  
132 for the best interest of the State of Mississippi, but no such  
133 sale shall be made at a price less than par plus accrued interest  
134 to the date of delivery of the bonds to the purchaser. All  
135 interest accruing on such bonds so issued shall be payable  
136 semiannually or annually; however, the first interest payment may  
137 be for any period of not more than one (1) year.

138 Notice of the sale of any such bond shall be published at  
139 least one (1) time, not less than ten (10) days before the date of  
140 sale, and shall be so published in one or more newspapers  
141 published or having a general circulation in the City of Jackson,  
142 Mississippi, and in one or more other newspapers or financial  
143 journals with a national circulation, to be selected by the  
144 commission.

145 The commission, when issuing any bonds under the authority of  
146 this act, may provide that bonds, at the option of the State of  
147 Mississippi, may be called in for payment and redemption at the  
148 call price named therein and accrued interest on such date or  
149 dates named therein.

150 **SECTION 8.** The bonds issued under the provisions of this act  
151 are general obligations of the State of Mississippi, and for the  
152 payment thereof the full faith and credit of the State of  
153 Mississippi is irrevocably pledged. If the funds appropriated by  
154 the Legislature are insufficient to pay the principal of and the  
155 interest on such bonds as they become due, then the deficiency  
156 shall be paid by the State Treasurer from any funds in the State  
157 Treasury not otherwise appropriated. All such bonds shall contain



158 recitals on their faces substantially covering the provisions of  
159 this section.

160         **SECTION 9.** Upon the issuance and sale of bonds under the  
161 provisions of this act, the commission shall transfer the proceeds  
162 of any such sale or sales to the special fund created in Section 2  
163 of this act. The proceeds of such bonds shall be disbursed solely  
164 upon the order of the Department of Finance and Administration  
165 under such restrictions, if any, as may be contained in the  
166 resolution providing for the issuance of the bonds.

167         **SECTION 10.** The bonds authorized under this act may be  
168 issued without any other proceedings or the happening of any other  
169 conditions or things other than those proceedings, conditions and  
170 things which are specified or required by this act. Any  
171 resolution providing for the issuance of bonds under the  
172 provisions of this act shall become effective immediately upon its  
173 adoption by the commission, and any such resolution may be adopted  
174 at any regular or special meeting of the commission by a majority  
175 of its members.

176         **SECTION 11.** The bonds authorized under the authority of this  
177 act may be validated in the Chancery Court of the First Judicial  
178 District of Hinds County, Mississippi, in the manner and with the  
179 force and effect provided by Chapter 13, Title 31, Mississippi  
180 Code of 1972, for the validation of county, municipal, school  
181 district and other bonds. The notice to taxpayers required by  
182 such statutes shall be published in a newspaper published or  
183 having a general circulation in the City of Jackson, Mississippi.

184         **SECTION 12.** Any holder of bonds issued under the provisions  
185 of this act or of any of the interest coupons pertaining thereto  
186 may, either at law or in equity, by suit, action, mandamus or  
187 other proceeding, protect and enforce any and all rights granted  
188 under this act, or under such resolution, and may enforce and  
189 compel performance of all duties required by this act to be



190 performed, in order to provide for the payment of bonds and  
191 interest thereon.

192       **SECTION 13.** All bonds issued under the provisions of this  
193 act shall be legal investments for trustees and other fiduciaries,  
194 and for savings banks, trust companies and insurance companies  
195 organized under the laws of the State of Mississippi, and such  
196 bonds shall be legal securities which may be deposited with and  
197 shall be received by all public officers and bodies of this state  
198 and all municipalities and political subdivisions for the purpose  
199 of securing the deposit of public funds.

200       **SECTION 14.** Bonds issued under the provisions of this act  
201 and income therefrom shall be exempt from all taxation in the  
202 State of Mississippi.

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

206       **SECTION 16.** The State Treasurer is authorized, without  
207 further process of law, to certify to the Department of Finance  
208 and Administration the necessity for warrants, and the Department  
209 of Finance and Administration is authorized and directed to issue  
210 such warrants, in such amounts as may be necessary to pay when due  
211 the principal of, premium, if any, and interest on, or the  
212 accreted value of, all bonds issued under this act; and the State  
213 Treasurer shall forward the necessary amount to the designated  
214 place or places of payment of such bonds in ample time to  
215 discharge such bonds, or the interest thereon, on the due dates  
216 thereof.

217       **SECTION 17.** This act shall be deemed to be full and complete  
218 authority for the exercise of the powers herein granted, but this  
219 act shall not be deemed to repeal or to be in derogation of any  
220 existing law of this state.

221       **SECTION 18.** This act shall take effect and be in force from  
222 and after its passage.

