

By: Senator(s) Gollott, Hewes

To: Finance

SENATE BILL NO. 2971

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS TO PROVIDE FUNDS FOR CONSTRUCTION OF THE OHR-O'KEEFE MUSEUM  
3 OF ART IN BILOXI, MISSISSIPPI, WHICH INCLUDES CONSTRUCTION OF THE  
4 AFRICAN-AMERICAN ART CENTER AT THE MUSEUM AND RESTORATION OF THE  
5 PLEASANT REED HOUSE; 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 in this section unless the context  
9 clearly 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 the bond, plus (ii) the interest accrued on the  
13 bond 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) "Commission" means the State Bond Commission.

18 (c) "State" means the State of Mississippi.

19 **SECTION 2.** (1) The Department of Finance and  
20 Administration, at one time or from time to time, may declare by  
21 resolution the necessity for issuance of general obligation bonds  
22 of the State of Mississippi in an amount not to exceed Two Million  
23 Dollars (\$2,000,000.00) to provide funds to pay the costs of  
24 construction of the Ohr-O'Keefe Museum of Art in Biloxi,  
25 Mississippi, which includes construction of the African-American  
26 Art Center at the museum and restoration of the Pleasant Reed  
27 House.



28           (2) (a) A special fund, to be designated as the  
29 "Ohr-O'Keefe Museum of Art Fund," is created in the State  
30 Treasury. The fund shall be maintained by the State Treasurer  
31 separate and apart from the General Fund of the state. Unexpended  
32 amounts remaining in the fund at the end of a fiscal year shall  
33 not lapse into the State General Fund, and any interest earned or  
34 investment earnings on amounts in the fund shall be deposited into  
35 the fund.

36           (b) Monies deposited into the fund shall be disbursed,  
37 in the discretion of the Department of Finance and Administration,  
38 to pay all costs incurred or to be incurred in connection with the  
39 project described in subsection (1) of this section.

40           (c) Any investment earnings on amounts deposited into  
41 the fund shall be used to pay debt service on bonds issued under  
42 this act, in accordance with the proceedings authorizing issuance  
43 of the bonds.

44           (d) After the commission has certified, by resolution  
45 duly adopted, that the project described in subsection (1) has  
46 been completed, abandoned, or cannot be completed in a timely  
47 fashion, any amounts remaining in the fund shall be applied to pay  
48 debt service on the bonds issued under this act, in accordance  
49 with the proceedings authorizing the issuance of the bonds and as  
50 directed by the commission.

51           **SECTION 3.** Upon the adoption of a resolution by the  
52 Department of Finance and Administration, declaring the necessity  
53 for the issuance of any part or all of the general obligation  
54 bonds authorized by this act, the Department of Finance and  
55 Administration shall deliver a certified copy of its resolution or  
56 resolutions to the commission. Upon receipt of the resolution,  
57 the commission, in its discretion, may act as the issuing agent,  
58 prescribe the form of the bonds, advertise for and accept bids,  
59 issue and sell the bonds so authorized to be sold and do any and  
60 all other things necessary and advisable in connection with the



61 issuance and sale of the bonds. The total amount of bonds issued  
62 under this act shall not exceed Two Million Dollars  
63 (\$2,000,000.00).

64 **SECTION 4.** The principal of and interest on the bonds  
65 authorized under this act shall be payable in the manner provided  
66 in this section. The bonds shall bear such date or dates, be in  
67 such denomination or denominations, bear interest at such rate or  
68 rates (not to exceed the limits set forth in Section 75-17-101,  
69 Mississippi Code of 1972), be payable at such place or places  
70 within or without the State of Mississippi, shall mature  
71 absolutely at such time or times not to exceed twenty (20) years  
72 from date of issue, be redeemable before maturity at such time or  
73 times and upon such terms, with or without premium, shall bear  
74 such registration privileges, and shall be substantially in such  
75 form, all as shall be determined by resolution of the commission.

76 **SECTION 5.** The bonds authorized by this act shall be signed  
77 by the chairman of the commission, or by his facsimile signature,  
78 and the official seal of the commission shall be affixed to the  
79 bonds, attested by the secretary of the commission. The interest  
80 coupons, if any, to be attached to the bonds may be executed by  
81 the facsimile signatures of those officers. Whenever any of the  
82 bonds have been signed by the officials designated to sign the  
83 bonds who were in office at the time of the signing, but who may  
84 have ceased to be those officers before the sale and delivery of  
85 the bonds, or who may not have been in office on the date the  
86 bonds may bear, the signatures of those officers upon the bonds  
87 and coupons nevertheless shall be valid and sufficient for all  
88 purposes and have the same effect as if the person so officially  
89 signing the bonds had remained in office until their delivery to  
90 the purchaser, or had been in office on the date the bonds may  
91 bear. However, notwithstanding anything in this act to the  
92 contrary, the bonds may be issued as provided in the Registered  
93 Bond Act of the State of Mississippi.



94           **SECTION 6.** All bonds and interest coupons issued under the  
95 provisions of this act have all the qualities and incidents of  
96 negotiable instruments under the provisions of the Uniform  
97 Commercial Code, and in exercising the powers granted by this act,  
98 the commission shall not be required to and need not comply with  
99 the provisions of the Uniform Commercial Code.

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

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

124           The commission, when issuing any bonds under the authority of  
125 this act, may provide that bonds, at the option of the State of  
126 Mississippi, may be called in for payment and redemption at the



127 call price named therein and accrued interest on such date or  
128 dates named therein.

129       **SECTION 8.** The bonds issued under the provisions of this act  
130 are general obligations of the State of Mississippi, and for the  
131 payment of the bonds the full faith and credit of the State of  
132 Mississippi is irrevocably pledged. If the funds appropriated by  
133 the Legislature are insufficient to pay the principal of and the  
134 interest on the bonds as they become due, then the deficiency  
135 shall be paid by the State Treasurer from any funds in the State  
136 Treasury not otherwise appropriated. All such bonds shall contain  
137 recitals on their faces substantially covering the provisions of  
138 this section.

139       **SECTION 9.** Upon the issuance and sale of bonds under the  
140 provisions of this act, the commission shall transfer the proceeds  
141 of any such sale or sales to the special fund created in Section 2  
142 of this act. The proceeds of the bonds shall be disbursed solely  
143 upon the order of the Department of Finance and Administration  
144 under such restrictions, if any, as may be contained in the  
145 resolution providing for the issuance of the bonds.

146       **SECTION 10.** The bonds authorized under this act may be  
147 issued without any other proceedings or the happening of any other  
148 conditions or things other than those proceedings, conditions and  
149 things that are specified or required by this act. Any resolution  
150 providing for the issuance of bonds under the provisions of this  
151 act shall become effective immediately upon its adoption by the  
152 commission, and any such resolution may be adopted at any regular  
153 or special meeting of the commission by a majority of its members.

154       **SECTION 11.** The bonds authorized under the authority of this  
155 act may be validated in the Chancery Court of the First Judicial  
156 District of Hinds County, Mississippi, in the manner and with the  
157 force and effect provided by Chapter 13, Title 31, Mississippi  
158 Code of 1972, for the validation of county, municipal, school  
159 district and other bonds. The notice to taxpayers required by



160 those statutes shall be published in a newspaper published or  
161 having a general circulation in the City of Jackson, Mississippi.

162       **SECTION 12.** Any holder of bonds issued under the provisions  
163 of this act or of any of the interest coupons pertaining to the  
164 bonds may, either at law or in equity, by suit, action, mandamus  
165 or other proceeding, protect and enforce any and all rights  
166 granted under this act, or under the resolution, and may enforce  
167 and compel performance of all duties required by this act to be  
168 performed, in order to provide for the payment of bonds and  
169 interest on the bonds.

170       **SECTION 13.** All bonds issued under the provisions of this  
171 act shall be legal investments for trustees and other fiduciaries,  
172 and for savings banks, trust companies and insurance companies  
173 organized under the laws of the State of Mississippi, and the  
174 bonds shall be legal securities that may be deposited with and  
175 shall be received by all public officers and bodies of this state  
176 and all municipalities and political subdivisions for the purpose  
177 of securing the deposit of public funds.

178       **SECTION 14.** Bonds issued under the provisions of this act  
179 and income from the bonds shall be exempt from all taxation in the  
180 State of Mississippi.

181       **SECTION 15.** The proceeds of the bonds issued under this act  
182 shall be used solely for the purposes provided in this act,  
183 including the costs incident to the issuance and sale of the  
184 bonds.

185       **SECTION 16.** The State Treasurer may, without further process  
186 of law, certify to the Department of Finance and Administration  
187 the necessity for warrants, and the Department of Finance and  
188 Administration shall issue those warrants, in such amounts as may  
189 be necessary to pay when due the principal of, premium, if any,  
190 and interest on, or the accreted value of, all bonds issued under  
191 this act; and the State Treasurer shall forward the necessary  
192 amount to the designated place or places of payment of the bonds



193 in ample time to discharge the bonds, or the interest on the  
194 bonds, on the due dates thereof.

195       **SECTION 17.** This act shall be deemed to be full and complete  
196 authority for the exercise of the powers granted in this act, but  
197 this act shall not be deemed to repeal or to be in derogation of  
198 any existing law of this state.

199       **SECTION 18.** This act shall take effect and be in force from  
200 and after July 1, 2003.

