

By: Senator(s) Harden

To: Finance

SENATE BILL NO. 2285

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS
2 OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF MAKING CAPITAL
3 IMPROVEMENTS ON THE CAMPUS OF JACKSON STATE UNIVERSITY; AND FOR
4 RELATED PURPOSES.

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

6 **SECTION 1.** As used in this act, the following words shall
7 have the meanings ascribed herein unless the context clearly
8 requires otherwise:

9 (a) "Accreted value" of any bond means, as of any date
10 of computation, an amount equal to the sum of (i) the stated
11 initial value of such bond, plus (ii) the interest accrued thereon
12 from the issue date to the date of computation at the rate,
13 compounded semiannually, that is necessary to produce the
14 approximate yield to maturity shown for bonds of the same
15 maturity.

16 (b) "State" means the State of Mississippi.

17 (c) "Commission" means the State Bond Commission.

18 **SECTION 2.** (1) (a) A special fund, to be designated the
19 "2006 Jackson State University Capital Improvements and Land
20 Acquisition Fund," is created within the State Treasury. The fund
21 shall be maintained by the State Treasurer as a separate and
22 special fund, separate and apart from the General Fund of the
23 state. Unexpended amounts remaining in the fund at the end of a
24 fiscal year shall not lapse into the State General Fund, and any
25 interest earned or investment earnings on amounts in the fund
26 shall be deposited to the credit of the fund. Monies in the fund
27 may not be used or expended for any purpose except as authorized
28 under this act.

29 (b) Monies deposited into the fund shall be disbursed,
30 in the discretion of the Department of Finance and Administration,
31 to pay the costs of capital improvements, repairs and renovations
32 on the campus of Jackson State University, as follows:

33	Phase II of repairs and renovations to	
34	Charles F. Moore Building	\$ 4,000,000.00
35	Lynch Street Corridor Phase III	1,000,000.00
36	Phase II of repairs and renovations to	
37	Dansby Hall	5,000,000.00
38	Land Acquisition	5,000,000.00
39	ADA Compliance	1,000,000.00
40	Phase II of E-City Center for Economic	
41	and Community Development	500,000.00
42	Preplanning of improvements to the	
43	Terry Road entrance	100,000.00
44	Preplanning for a campus football	
45	stadium	<u>900,000.00</u>
46	TOTAL	\$17,500,000.00

47 (2) Amounts deposited into such special fund shall be
48 disbursed to pay the costs of the project described in subsection
49 (1) of this section. Promptly after the commission has certified,
50 by resolution duly adopted, that the projects described in
51 subsection (1) of this section shall have been completed,
52 abandoned, or cannot be completed in a timely fashion, any amounts
53 remaining in such special fund shall be applied to pay debt
54 service on the bonds issued under this act, in accordance with the
55 proceedings authorizing the issuance of such bonds and as directed
56 by the commission.

57 (3) The Department of Finance and Administration, acting
58 through the Bureau of Building, Grounds and Real Property
59 Management, is expressly authorized and empowered to receive and
60 expend any local or other source funds in connection with the
61 expenditure of funds provided for in this section. The

62 expenditure of monies deposited into the special fund shall be
63 under the direction of the Department of Finance and
64 Administration, and such funds shall be paid by the State
65 Treasurer upon warrants issued by such department, which warrants
66 shall be issued upon requisitions signed by the Executive Director
67 of the Department of Finance and Administration, or his designee.

68 (4) The Department of Finance and Administration is
69 authorized to pay for the costs of capital improvements specified
70 in subsection (1)(b) of this section on the campus of Jackson
71 State University.

72 **SECTION 3.** (1) The commission, at one time, or from time to
73 time, may declare by resolution the necessity for issuance of
74 general obligation bonds of the State of Mississippi to provide
75 funds for all costs incurred or to be incurred for the purposes
76 described in Section 2 of this act. Upon the adoption of a
77 resolution by the Department of Finance and Administration,
78 declaring the necessity for the issuance of any part or all of the
79 general obligation bonds authorized by this section, the
80 Department of Finance and Administration shall deliver a certified
81 copy of its resolution or resolutions to the commission. Upon
82 receipt of such resolution, the commission, in its discretion, may
83 act as the issuing agent, prescribe the form of the bonds,
84 advertise for and accept bids, issue and sell the bonds so
85 authorized to be sold and do any and all other things necessary
86 and advisable in connection with the issuance and sale of such
87 bonds. The total amount of bonds issued under this act shall not
88 exceed Seventeen Million Five Hundred Thousand Dollars
89 (\$17,500,000.00).

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

94 **SECTION 4.** The principal of and interest on the bonds
95 authorized under this act shall be payable in the manner provided
96 in this section. Such bonds shall bear such date or dates, be in
97 such denomination or denominations, bear interest at such rate or
98 rates (not to exceed the limits set forth in Section 75-17-101,
99 Mississippi Code of 1972), be payable at such place or places
100 within or without the State of Mississippi, shall mature
101 absolutely at such time or times not to exceed twenty-five (25)
102 years from date of issue, be redeemable before maturity at such
103 time or times and upon such terms, with or without premium, shall
104 bear such registration privileges, and shall be substantially in
105 such form, all as shall be determined by resolution of the
106 commission.

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

125 **SECTION 6.** All bonds and interest coupons issued under the
126 provisions of this act have all the qualities and incidents of

127 negotiable instruments under the provisions of the Uniform
128 Commercial Code, and in exercising the powers granted by this act,
129 the commission shall not be required to and need not comply with
130 the provisions of the Uniform Commercial Code.

131 **SECTION 7.** The commission shall act as the issuing agent for
132 the bonds authorized under this act, prescribe the form of the
133 bonds, advertise for and accept bids, issue and sell the bonds so
134 authorized to be sold, pay all fees and costs incurred in such
135 issuance and sale, and do any and all other things necessary and
136 advisable in connection with the issuance and sale of such bonds.
137 The commission is authorized and empowered to pay the costs that
138 are incident to the sale, issuance and delivery of the bonds
139 authorized under this act from the proceeds derived from the sale
140 of such bonds. The commission shall sell such bonds on sealed
141 bids at public sale, and for such price as it may determine to be
142 for the best interest of the State of Mississippi, but no such
143 sale shall be made at a price less than par plus accrued interest
144 to the date of delivery of the bonds to the purchaser. All
145 interest accruing on such bonds so issued shall be payable
146 semiannually or annually; however, the first interest payment may
147 be for any period of not more than one (1) year.

148 Notice of the sale of any such bond shall be published at
149 least one time, not less than ten (10) days before the date of
150 sale, and shall be so published in one or more newspapers
151 published or having a general circulation in the City of Jackson,
152 Mississippi, and in one or more other newspapers or financial
153 journals with a national circulation, to be selected by the
154 commission.

155 The commission, when issuing any bonds under the authority of
156 this act, may provide that bonds, at the option of the State of
157 Mississippi, may be called in for payment and redemption at the
158 call price named therein and accrued interest on such date or
159 dates named therein.

160 **SECTION 8.** The bonds issued under the provisions of this act
161 are general obligations of the State of Mississippi, and for the
162 payment thereof the full faith and credit of the State of
163 Mississippi is irrevocably pledged. If the funds appropriated by
164 the Legislature are insufficient to pay the principal of and the
165 interest on such bonds as they become due, then the deficiency
166 shall be paid by the State Treasurer from any funds in the State
167 Treasury not otherwise appropriated. All such bonds shall contain
168 recitals on their faces substantially covering the provisions of
169 this section.

170 **SECTION 9.** Upon the issuance and sale of bonds under the
171 provisions of this act, the commission shall transfer the proceeds
172 of any such sale or sales to the special fund created in Section 2
173 of this act. The proceeds of such bonds shall be disbursed solely
174 upon the order of the Department of Finance and Administration
175 under such restrictions, if any, as may be contained in the
176 resolution providing for the issuance of the bonds.

177 **SECTION 10.** The bonds authorized under this act may be
178 issued without any other proceedings or the happening of any other
179 conditions or things other than those proceedings, conditions and
180 things which are specified or required by this act. Any
181 resolution providing for the issuance of bonds under the
182 provisions of this act shall become effective immediately upon its
183 adoption by the commission, and any such resolution may be adopted
184 at any regular or special meeting of the commission by a majority
185 of its members.

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

192 such statutes shall be published in a newspaper published or
193 having a general circulation in the City of Jackson, Mississippi.

194 **SECTION 12.** Any holder of bonds issued under the provisions
195 of this act or of any of the interest coupons pertaining thereto
196 may, either at law or in equity, by suit, action, mandamus or
197 other proceeding, protect and enforce any and all rights granted
198 under this act, or under such resolution, and may enforce and
199 compel performance of all duties required by this act to be
200 performed, in order to provide for the payment of bonds and
201 interest thereon.

202 **SECTION 13.** All bonds issued under the provisions of this
203 act shall be legal investments for trustees and other fiduciaries,
204 and for savings banks, trust companies and insurance companies
205 organized under the laws of the State of Mississippi, and such
206 bonds shall be legal securities which may be deposited with and
207 shall be received by all public officers and bodies of this state
208 and all municipalities and political subdivisions for the purpose
209 of securing the deposit of public funds.

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

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

216 **SECTION 16.** The State Treasurer is authorized, without
217 further process of law, to certify to the Department of Finance
218 and Administration the necessity for warrants, and the Department
219 of Finance and Administration is authorized and directed to issue
220 such warrants, in such amounts as may be necessary to pay when due
221 the principal of, premium, if any, and interest on, or the
222 accreted value of, all bonds issued under this act; and the State
223 Treasurer shall forward the necessary amount to the designated
224 place or places of payment of such bonds in ample time to

225 discharge such bonds, or the interest thereon, on the due dates
226 thereof.

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

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