

By: Senator(s) Robertson

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3081

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS IN THE AMOUNT OF \$28,474,000.00 TO BE UTILIZED FOR CAPITAL
3 IMPROVEMENTS FOR THE DEPARTMENT OF PUBLIC SAFETY; AND FOR RELATED
4 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 bonds 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 as the
19 "2006 Department of Public Safety Improvements Fund" is created
20 within the State Treasury. The fund shall be maintained by the
21 State Treasurer as a separate and special fund, separate and apart
22 from the General Fund of the state. Unexpended amounts remaining
23 in the fund at the end of a fiscal year shall not lapse into the
24 State General Fund, and investment earnings on amounts in the fund
25 shall be deposited into 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 preplanning, capital improvements, additions,

renovation and/or repair of existing facilities, exhibits,
furnishing, and/or equipping facilities, and purchasing real
property for the following public facilities for the Department of
Public Safety as recommended by the Commissioner of Public Safety:

(i) Furnishing and equipping of the new Bureau of
Narcotics Building located in West Point in Highway Safety Patrol
District 5;

(ii) Furnishing and equipping of the new Highway
Safety Patrol Substation located in Highway Safety Patrol District
4;

(iii) Construction of a Highway Safety Patrol
maintenance shop located in Highway Safety Patrol District 4;

(iv) Furnishing and equipping the new Highway
Safety Patrol Substation located in the Jackson metropolitan area;

(v) Purchase of emergency generators for the
Mississippi Bureau of Narcotics buildings located in West Point,
Newton and the Guntown/Tupelo area;

(vi) Repairs to a roof and construction of fencing
at the Mississippi Law Enforcement Officer's Training Academy;

(vii) Construction, furnishing and equipping of a
new Highway Safety Patrol Substation in Lauderdale County in
Highway Safety Patrol District 6;

(viii) Construction, furnishing and equipping of a
new Highway Safety Patrol Substation in Highway Safety Patrol
District 2;

(ix) Construction, furnishing and equipping of a
new Department of Public Safety Law Enforcement Complex in
Harrison County;

(x) Construction, furnishing and equipping of a
Mississippi Bureau of Narcotics/Mississippi Bureau of
Investigation Office in Highway Safety Patrol District 9;

(xi) Construction, furnishing and equipping of a
high wind resistance facility to house the Department of Public

Safety information technology infrastructure in Highway Safety
Patrol District 1.

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

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

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

act as the issuing agent, prescribe the form of the bonds, advertise for and accept bids, issue and sell the bonds so authorized to be sold and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this act shall not exceed Twenty-eight Million Four Hundred Seventy-four Thousand Dollars (\$28,474,000.00).

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

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

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

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

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

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

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

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

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

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

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

193 resolution providing for the issuance of bonds under the
194 provisions of this act shall become effective immediately upon its
195 adoption by the commission, and any such resolution may be adopted
196 at any regular or special meeting of the commission by a majority
197 of its members.

198 **SECTION 11.** The bonds authorized under the authority of this
199 act may be validated in the Chancery Court of the First Judicial
200 District of Hinds County, Mississippi, in the manner and with the
201 force and effect provided by Chapter 13, Title 31, Mississippi
202 Code of 1972, for the validation of county, municipal, school
203 district and other bonds. The notice to taxpayers required by
204 such statutes shall be published in a newspaper published or
205 having a general circulation in the City of Jackson, Mississippi.

206 **SECTION 12.** Any holder of bonds issued under the provisions
207 of this act or of any of the interest coupons pertaining thereto
208 may, either at law or in equity, by suit, action, mandamus or
209 other proceeding, protect and enforce any and all rights granted
210 under this act, or under such resolution, and may enforce and
211 compel performance of all duties required by this act to be
212 performed, in order to provide for the payment of bonds and
213 interest thereon.

214 **SECTION 13.** All bonds issued under the provisions of this
215 act shall be legal investments for trustees and other fiduciaries,
216 and for savings banks, trust companies and insurance companies
217 organized under the laws of the State of Mississippi, and such
218 bonds shall be legal securities which may be deposited with and
219 shall be received by all public officers and bodies of this state
220 and all municipalities and political subdivisions for the purpose
221 of securing the deposit of public funds.

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

225 **SECTION 15.** The proceeds of the bonds issued under this act
226 shall be used solely for the purposes therein provided, including
227 the costs incident to the issuance and sale of such bonds.

228 **SECTION 16.** The State Treasurer is authorized, without
229 further process of law, to certify to the Department of Finance
230 and Administration the necessity for warrants, and the Department
231 of Finance and Administration is authorized and directed to issue
232 such warrants, in such amounts as may be necessary to pay when due
233 the principal of, premium, if any, and interest on, or the
234 accreted value of, all bonds issued under this act; and the State
235 Treasurer shall forward the necessary amount to the designated
236 place or places of payment of such bonds in ample time to
237 discharge such bonds, or the interest thereon, on the due dates
238 thereof.

239 **SECTION 17.** This act shall be deemed to be full and complete
240 authority for the exercise of the powers therein granted, but this
241 act shall not be deemed to repeal or to be in derogation of any
242 existing law of this state.

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