

By: Senator(s) Robertson

To: Finance

## SENATE BILL NO. 3081

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION  
2 BONDS IN THE AMOUNT OF \$27,144,000.00 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 New Albany in Highway Safety  
Patrol District 4;

(iii) Construction of a Highway Safety Patrol  
maintenance shop located in New Albany 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 of a new Highway Safety Patrol  
Substation in Meridian in Highway Safety Patrol District 6;

(viii) Construction of a new Highway Safety Patrol  
Substation in Greenwood in Highway Safety Patrol District 2;

(ix) Construction of a new Department of Public  
Safety Law Enforcement Complex in Harrison County.

(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

62 this act, in accordance with the proceedings authorizing the  
63 issuance of such bonds and as directed by the commission.

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

75 **SECTION 3.** (1) The commission, at one time, or from time to  
76 time, may declare by resolution the necessity for issuance of  
77 general obligation bonds of the State of Mississippi to provide  
78 funds for all costs incurred or to be incurred for the purposes  
79 described in Section 2 of this act. Upon the adoption of a  
80 resolution by the Department of Finance and Administration,  
81 declaring the necessity for the issuance of any part or all of the  
82 general obligation bonds authorized by this section, the  
83 Department of Finance and Administration shall deliver a certified  
84 copy of its resolution or resolutions to the commission. Upon  
85 receipt of such resolution, the commission, in its discretion, may  
86 act as the issuing agent, prescribe the form of the bonds,  
87 advertise for and accept bids, issue and sell the bonds so  
88 authorized to be sold and do any and all other things necessary  
89 and advisable in connection with the issuance and sale of such  
90 bonds. The total amount of bonds issued under this act shall not  
91 exceed Twenty-seven Million One Hundred Forty-four Thousand  
92 Dollars (\$27,144,000.00).

93 (2) Any investment earnings on amounts deposited into the  
94 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.

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

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

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

158       The commission, when issuing any bonds under the authority of  
159 this act, may provide that bonds, at the option of the State of  
160 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  
resolution providing for the issuance of bonds under the  
provisions of this act shall become effective immediately upon its  
adoption by the commission, and any such resolution may be adopted  
at any regular or special meeting of the commission by a majority  
of its members.

**SECTION 11.** The bonds authorized under the authority of this  
act may be validated in the Chancery Court of the First Judicial  
District of Hinds County, Mississippi, in the manner and with the  
force and effect provided by Chapter 13, Title 31, Mississippi  
Code of 1972, for the validation of county, municipal, school

district and other bonds. The notice to taxpayers required by such statutes shall be published in a newspaper published or having a general circulation in the City of Jackson, Mississippi.

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

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

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

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

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

227 place or places of payment of such bonds in ample time to  
228 discharge such bonds, or the interest thereon, on the due dates  
229 thereof.

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

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