

By: Senator(s) Burton

To: Finance

SENATE BILL NO. 3085

1 AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS  
2 OF THE STATE OF MISSISSIPPI IN THE AMOUNT OF \$6,000,000.00 FOR THE  
3 SOUTHERN ARTS AND ENTERTAINMENT CENTER; AND FOR RELATED PURPOSES.

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

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

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

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

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

17 **SECTION 2.** (1) (a) A special fund, to be designated as the  
18 "2006 Southern Arts and Entertainment Center Fund" is created  
19 within the State Treasury. The fund shall be maintained by the  
20 State Treasurer as a separate and special fund, separate and apart  
21 from the General Fund of the state. Unexpended amounts remaining  
22 in the fund at the end of a fiscal year shall not lapse into the  
23 State General Fund, and any interest earned or investment earnings  
24 on amounts in the fund shall be deposited into such fund.

25 (b) Money deposited into the fund shall be disbursed,  
26 in the discretion of the Department of Finance and Administration,  
27 to pay the costs of construction, furnishing, equipping and

28 repairs and renovations at the Southern Arts and Entertainment  
29 Center created in Section 39-25-1.

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

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

51 **SECTION 3.** (1) The commission, at one time, or from time to  
52 time, may declare by resolution the necessity for issuance of  
53 general obligation bonds of the State of Mississippi to provide  
54 funds for all costs incurred or to be incurred for the purposes  
55 described in Section 2 of this act. No bonds shall be issued  
56 under this act until the Department of Finance and Administration  
57 is provided proof that the matching funds described in this  
58 subsection from private, local or federal sources have been  
59 irrevocably dedicated and are readily available to the project in  
60 the amount of not less than Six Million Dollars (\$6,000,000.00).

61 The matching funds may be provided in the form of cash or in-kind  
62 contributions or any combination of cash or in-kind contributions.  
63 Upon the adoption of a resolution by the Department of Finance and  
64 Administration, declaring that funds have been irrevocably  
65 dedicated and are readily available in the required amount and  
66 declaring the necessity for the issuance of any part or all of the  
67 general obligation bonds authorized by this section, the  
68 department shall deliver a certified copy of its resolution or  
69 resolutions to the commission. Upon receipt of such resolution,  
70 the commission, in its discretion, may act as the issuing agent,  
71 prescribe the form of the bonds, advertise for and accept bids,  
72 issue and sell the bonds so authorized to be sold and do any and  
73 all other things necessary and advisable in connection with the  
74 issuance and sale of such bonds. The total amount of bonds issued  
75 under this act shall not exceed Six Million Dollars  
76 (\$6,000,000.00). No bonds shall be issued under this act from and  
77 after July 1, 2010.

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

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

93 such form, all as shall be determined by resolution of the  
94 commission.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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