

By: Representatives Fredericks, Peranich

To: Ways and Means

HOUSE BILL NO. 1603

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR ARCHITECTURAL PLANNING AND MUSEUM
3 CONSULTANTS FOR THE JOHN C. ROBINSON MISSISSIPPI AVIATION MUSEUM
4 IN GULFPORT, MISSISSIPPI; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** (1) As used in this section, the following words
7 shall 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 (2) (a) (i) A special fund, to be designated as the "John
19 C. Robinson Mississippi Aviation Museum Fund" is created within
20 the State Treasury. The fund shall be maintained by the State
21 Treasurer as a separate and special fund, separate and apart from
22 the General Fund of the state. Unexpended amounts remaining in
23 the fund at the end of a fiscal year shall not lapse into the
24 State General Fund, and any interest earned or investment earnings
25 on amounts in the fund shall be deposited into such fund.

26 (ii) Monies deposited into the fund shall be
27 disbursed by the Department of Finance and Administration to the
28 John C. Robinson "Brown Condor" Association to pay the costs of

29 architectural planning and museum consultants for the John C.
30 Robinson Mississippi Aviation Museum in Gulfport, Mississippi.

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

41 (3) (a) The commission, at one time, or from time to time,
42 may declare by resolution the necessity for issuance of general
43 obligation bonds of the State of Mississippi to provide funds for
44 all costs incurred or to be incurred for the purposes described in
45 subsection (2) of this section. Upon the adoption of a resolution
46 by the Department of Finance and Administration, declaring the
47 necessity for the issuance of any part or all of the general
48 obligation bonds authorized by this subsection, the department
49 shall deliver a certified copy of its resolution or resolutions to
50 the commission. Upon receipt of such resolution, the commission,
51 in its discretion, may act as the issuing agent, prescribe the
52 form of the bonds, advertise for and accept bids, issue and sell
53 the bonds so authorized to be sold and do any and all other things
54 necessary and advisable in connection with the issuance and sale
55 of such bonds. The total amount of bonds issued under this
56 section shall not exceed Two Hundred Fifty Thousand Dollars
57 (\$250,000.00). No bonds shall be issued under this section from
58 and after July 1, 2011.

59 (b) Any investment earnings on amounts deposited into
60 the special fund created in subsection (2) of this section shall
61 be used to pay debt service on bonds issued under this section, in

62 accordance with the proceedings authorizing issuance of such
63 bonds.

64 (4) The principal of and interest on the bonds authorized
65 under this section shall be payable in the manner provided in this
66 subsection. Such bonds shall bear such date or dates, be in such
67 denomination or denominations, bear interest at such rate or rates
68 (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-five (25)
72 years from date of issue, be redeemable before maturity at such
73 time or times and upon such terms, with or without premium, shall
74 bear such registration privileges, and shall be substantially in
75 such form, all as shall be determined by resolution of the
76 commission.

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

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

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

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

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

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

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

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

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

157 (11) The bonds authorized under the authority of this
158 section may be validated in the Chancery Court of the First
159 Judicial District of Hinds County, Mississippi, in the manner and
160 with the force and effect provided by Chapter 13, Title 31,

161 Mississippi Code of 1972, for the validation of county, municipal,
162 school district and other bonds. The notice to taxpayers required
163 by such statutes shall be published in a newspaper published or
164 having a general circulation in the City of Jackson, Mississippi.

165 (12) Any holder of bonds issued under the provisions of this
166 section or of any of the interest coupons pertaining thereto may,
167 either at law or in equity, by suit, action, mandamus or other
168 proceeding, protect and enforce any and all rights granted under
169 this section, or under such resolution, and may enforce and compel
170 performance of all duties required by this section to be
171 performed, in order to provide for the payment of bonds and
172 interest thereon.

173 (13) All bonds issued under the provisions of this section
174 shall be legal investments for trustees and other fiduciaries, and
175 for savings banks, trust companies and insurance companies
176 organized under the laws of the State of Mississippi, and such
177 bonds shall be legal securities which may be deposited with and
178 shall be received by all public officers and bodies of this state
179 and all municipalities and political subdivisions for the purpose
180 of securing the deposit of public funds.

181 (14) Bonds issued under the provisions of this section and
182 income therefrom shall be exempt from all taxation in the State of
183 Mississippi.

184 (15) The proceeds of the bonds issued under this section
185 shall be used solely for the purposes herein provided, including
186 the costs incident to the issuance and sale of such bonds.

187 (16) The State Treasurer is authorized, without further
188 process of law, to certify to the Department of Finance and
189 Administration the necessity for warrants, and the Department of
190 Finance and Administration is authorized and directed to issue
191 such warrants, in such amounts as may be necessary to pay when due
192 the principal of, premium, if any, and interest on, or the
193 accreted value of, all bonds issued under this section; and the

194 State Treasurer shall forward the necessary amount to the
195 designated place or places of payment of such bonds in ample time
196 to discharge such bonds, or the interest thereon, on the due dates
197 thereof.

198 (17) This section shall be deemed to be full and complete
199 authority for the exercise of the powers herein granted, but this
200 section shall not be deemed to repeal or to be in derogation of
201 any existing law of this state.

202 **SECTION 2.** This act shall take effect and be in force from
203 and after July 1, 2007.