

By: Senator(s) Harden, Butler, Frazier,
Jackson (11th), Jackson (32nd), Jordan,
Simmons, Thomas, Walls, Williamson, Dawkins,
Horhn

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3186

1 AN ACT TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION
2 BONDS TO PROVIDE FUNDS FOR IMPROVEMENTS TO THE JACKSON ZOO; AND
3 FOR RELATED PURPOSES.

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

5 **SECTION 1.** (1) As used in this section, the following words
6 shall 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 (2) (a) (i) A special fund, to be designated as the "2007
18 Jackson Zoo Improvements Fund," is created within the State
19 Treasury. The fund shall be maintained by the State Treasurer as
20 a separate and special fund, separate and apart from the General
21 Fund of the state. Unexpended amounts remaining in the fund at
22 the end of a fiscal year shall not lapse into the State General
23 Fund, and any interest earned or investment earnings on amounts in
24 the fund shall be deposited into such fund.

25 (ii) Monies deposited into the fund shall be
26 disbursed, in the discretion of the Department of Finance and
27 Administration, to pay the costs of construction, repair,

28 renovation, replacement and improvement of buildings, facilities,
29 exhibits and infrastructure at the Jackson Zoo in Jackson,
30 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 Million Dollars (\$2,000,000.00). No
57 bonds shall be issued under this section after July 1, 2011.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

201 **SECTION 2.** This act shall take effect and be in force from
202 and after July 1, 2007, and shall stand repealed from and after
203 June 30, 2007.