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Chapter No. 353
13/SS02/R953CS
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SENATE BILL NO. 2728

Originated in Senate *John Welch* Secretary

SENATE BILL NO. 2728

AN ACT TO AMEND SECTION 1, CHAPTER 557, LAWS OF 2009, TO REVISE THE PURPOSES FOR WHICH THE PROCEEDS OF BONDS AUTHORIZED TO BE ISSUED FOR THE GULF COAST CAMPUSES OF THE UNIVERSITY OF SOUTHERN MISSISSIPPI MAY BE USED; TO EXTEND UNTIL JULY 1, 2015, THE AUTHORITY TO ISSUE STATE GENERAL OBLIGATION BONDS FOR CERTAIN PURPOSES; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 1, Chapter 557, Laws of 2009, is amended as follows:

Section 1. (1) As used in this section, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

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

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

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

(2) (a) (i) A special fund, to be designated as the "2009 IHL Capital Improvements Fund," is created within the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

(ii) Monies deposited into the fund shall be disbursed, in the discretion of the Department of Finance and Administration, with the approval of the Board of Trustees of State Institutions of Higher Learning on those projects related to the universities under its management and control to pay the costs of capital improvements, renovation and/or repair of existing facilities, furnishings and/or equipping facilities for public facilities as hereinafter described:

| NAME | PROJECT | AMOUNT ALLOCATED |
|------------------------------|--|-----------------------------|
| Alcorn State University..... | | \$ 2,500,000.00 |
| | Repair and renovation of campus buildings and facilities, repair, renovation, replacement and improvement of campus | |

infrastructure and
 continuation/completion
 of previously authorized
 projects.....\$2,500,000.00
 Delta State University..... \$ 3,300,000.00
 Repair and renovation of campus
 buildings and facilities, repair,
 renovation, replacement and
 improvement of campus
 infrastructure and
 continuation/completion of
 previously authorized
 projects.....\$3,300,000.00
 Jackson State University..... \$ 3,600,000.00
 Repair and renovation of campus
 buildings and facilities, repair,
 renovation, replacement and
 improvement of campus
 infrastructure and
 continuation/completion of
 previously authorized
 projects.....\$3,600,000.00
 Mississippi University for Women..... \$ 1,500,000.00
 Repair and renovation of campus
 buildings and facilities, repair,

renovation, replacement and
improvement of campus
infrastructure including fire
suppression systems and
continuation/completion
of previously authorized
projects.....\$1,500,000.00
Mississippi State University..... \$ 4,700,000.00
Repair and renovation of campus
buildings and facilities,
repair, renovation, replacement
and improvement of campus
infrastructure and
continuation/completion of
previously authorized
projects.....\$4,700,000.00
Mississippi State University/Division of
Agriculture, Forestry and Veterinary Medicine... \$ 3,500,000.00
Repair and renovation of campus
buildings and facilities,
repair, renovation, replacement
and improvement of campus
infrastructure and
continuation/completion
of previously authorized

projects.....\$3,500,000.00
 Mississippi Valley State University \$ 2,500,000.00
 Repair and renovation of campus
 buildings and facilities,
 repair, renovation, replacement
 and improvement of campus
 infrastructure and
 continuation/completion of
 previously authorized
 projects.....\$2,500,000.00
 University of Mississippi \$ 4,700,000.00
 Repair and renovation of
 campus buildings and facilities,
 repair, renovation, replacement
 and improvement of campus
 infrastructure and
 continuation/completion of
 previously authorized
 projects.....\$4,700,000.00
 University of Mississippi Medical Center \$ 2,500,000.00
 Repair and renovation of campus
 buildings and facilities, repair,
 renovation, replacement and
 improvement of campus infrastructure
 and continuation/completion of

previously authorized
 projects.....\$2,500,000.00
 University of Southern Mississippi \$ 4,700,000.00
 Repair and renovation of
 campus buildings and facilities,
 repair, renovation, replacement and
 improvement of campus
 infrastructure and
 continuation/completion
 of previously authorized
 projects.....\$4,700,000.00
 University of Southern Mississippi/
 Gulf Coast Campuses \$ 1,000,000.00
 * * * Purchase of a research
vessel for the Gulf Coast Research
Laboratory.....\$1,000,000.00
 IHL Education and Research Center \$ 500,000.00
 Repair and renovation of campus
 buildings and facilities, repair,
 renovation, replacement and
 improvement of campus
 infrastructure and
 continuation/completion
 of previously authorized
 projects.....\$ 500,000.00

TOTAL **\$35,000,000.00**

(b) (i) Amounts deposited into such special fund shall be disbursed to pay the costs of projects described in paragraph (a) of this subsection. If any monies in such special fund are not used within four (4) years after the date the proceeds of the bonds authorized under this section are deposited into the special fund, then the institution of higher learning for which any unused monies are allocated under paragraph (a) of this subsection shall provide an accounting of such unused monies to the commission. Promptly after the commission has certified, by resolution duly adopted, that the projects described in paragraph (a) of this subsection 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 section, in accordance with the proceedings authorizing the issuance of such bonds and as directed by the commission.

(ii) Monies in the special fund may be used to reimburse reasonable actual and necessary costs incurred by the Department of Finance and Administration, acting through the Bureau of Building, Grounds and Real Property Management, in administering or providing assistance directly related to a project described in paragraph (a) of this subsection. An accounting of actual costs incurred for which reimbursement is sought shall be maintained for each project by the Department of

Finance and Administration, Bureau of Building, Grounds and Real Property Management. Reimbursement of reasonable actual and necessary costs for a project shall not exceed two percent (2%) of the proceeds of bonds issued for such project. Monies authorized for a particular project may not be used to reimburse administrative costs for unrelated projects.

(c) 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 subsection. The expenditure of monies deposited into the special fund shall be under the direction of the Department of Finance and Administration, and such funds shall be paid by the State Treasurer upon warrants issued by such department, which warrants shall be issued upon requisitions signed by the Executive Director of the Department of Finance and Administration, or his designee.

(3) (a) (i) A special fund, to be designated as the "2009 Bureau of Building State-Owned Buildings Discretionary Fund" is created within the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

(ii) Monies deposited into the fund shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of site improvements, general weatherization, demolition and roofing, environmental, mechanical, electrical and structural repairs required for state-owned facilities, repair and renovation of state-owned facilities necessary for compliance with the Americans with Disabilities Act, purchase and installation of necessary furniture and equipment, completion of previously authorized projects, costs associated with the state's Enterprise Resource Planning System, and payment of lease-purchase agreements; however, of the money authorized to be deposited into the fund Five Hundred Thousand Dollars (\$500,000.00) shall be allocated to the Mississippi Sports Hall of Fame, Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be allocated for the Fallen Officers Monument and Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000.00) shall be allocated for repair and renovation and Phase I of construction of improvements and additions to Caylor-White and Walters Halls at Delta State University.

(b) Amounts deposited into such special fund shall be disbursed to pay the costs of the projects described in paragraph (a) of this subsection. Promptly after the commission has certified, by resolution duly adopted, that the projects described in paragraph (a) of this subsection 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 section, in accordance with the proceedings authorizing the issuance of such bonds and as directed by the commission.

(c) 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 subsection. The expenditure of monies deposited into the special fund shall be under the direction of the Department of Finance and Administration, and such funds shall be paid by the State Treasurer upon warrants issued by such department, which warrants shall be issued upon requisitions signed by the Executive Director of the Department of Finance and Administration, or his designee.

(4) (a) (i) A special fund, to be designated as the "2009 Community and Junior Colleges Capital Improvements Fund" is created within the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund may not be used or expended for any purpose except as authorized under this act.

(ii) Monies deposited into the fund shall be disbursed as follows:

1. Two Million Dollars (\$2,000,000.00) shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of preplanning, construction, furnishing and equipping of a new building and related facilities to house the State Board for Community and Junior Colleges in Jackson, Mississippi;

2. One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00) shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of construction, furnishing and equipping of dormitories at Coahoma Community College;

3. One Million Six Hundred Thousand Dollars (\$1,600,000.00) shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of repair and renovation of dormitories at Mississippi Delta Community College;

4. Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of repair, renovation, replacement and improvement of buildings and related facilities at the Greenville Higher Education Center/Mississippi Delta Community College; and

5. The remainder of the monies in the special fund shall be disbursed to pay the costs of acquisition of real property, construction of new facilities, equipping and furnishing facilities, including furniture and technology equipment and infrastructure, and addition to or renovation of existing facilities for community and junior college campuses as recommended by the State Board for Community and Junior Colleges and shall be disbursed to community and junior colleges according to the formula used for such purposes in Section 1(5), Chapter 506, Laws of 2008.

(b) Amounts deposited into such special fund shall be disbursed to pay the costs of projects described in paragraph (a) of this subsection. If any monies in such special fund are not used within four (4) years after the date the proceeds of the bonds authorized under this section are deposited into the special fund, then the community college or junior college for which any such monies are allocated under paragraph (a) of this subsection shall provide an accounting of such unused monies to the commission. Promptly after the commission has certified, by resolution duly adopted, that the projects described in paragraph (a) of this section 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 section, in accordance with the

proceedings authorizing the issuance of such bonds and as directed by the commission.

(c) 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 such funds shall be paid by the State Treasurer upon warrants issued by such department, which warrants shall be issued upon requisitions signed by the Executive Director of the Department of Finance and Administration, or his designee.

(5) (a) (i) A special fund, to be designated as the "2009 Bureau of Building Department of Mental Health Discretionary Fund" is created within the State Treasury. The fund shall be maintained by the State Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited into such fund.

(ii) Monies deposited into the fund shall be disbursed, in the discretion of the Department of Finance and Administration, to pay the costs of site improvements, general

weatherization, demolition and roofing, environmental, mechanical, electrical and structural repairs required for facilities of the Department of Mental Health, repair and renovation of facilities of the Department of Mental Health necessary for compliance with the Americans with Disabilities Act, purchase and installation of necessary furniture and equipment and completion of previously authorized projects for the Department of Mental Health.

(b) Amounts deposited into such special fund shall be disbursed to pay the costs of the projects described in paragraph (a) of this subsection. Promptly after the commission has certified, by resolution duly adopted, that the projects described in paragraph (a) of this subsection 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 section, in accordance with the proceedings authorizing the issuance of such bonds and as directed by the commission.

(c) 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 subsection. The expenditure of monies deposited into the special fund shall be under the direction of the Department of Finance and Administration, and such funds shall be paid by the State

Treasurer upon warrants issued by such department, which warrants shall be issued upon requisitions signed by the Executive Director of the Department of Finance and Administration, or his designee.

(6) (a) 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 subsections (2), (3), (4) and (5) of this section. 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 issuing agent, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, 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 section shall not exceed Eighty-six Million Two Hundred Fifty Thousand Dollars (\$86,250,000.00). No bonds shall be issued under this section after July 1, * * * 2015.

(b) The proceeds of the bonds issued pursuant to this act shall be deposited into the following special funds in not more than the following amounts:

(i) The 2009 IHL Capital Improvements Fund created pursuant to subsection (2) of this section..... \$35,000,000.00.

(ii) The 2009 Bureau of Building State-Owned Buildings Discretionary Fund created pursuant to subsection (3) of this section..... \$34,000,000.00.

(iii) The 2009 Community and Junior Colleges Capital Improvements Fund created pursuant to subsection (4) of this section..... \$12,250,000.00.

(iv) The 2009 Bureau of Building Department of Mental Health Discretionary Fund created pursuant to subsection (5) of this section..... \$ 5,000,000.00.

(c) Any investment earnings on amounts deposited into the special funds created in subsections (2), (3), (4) and (5) of this section shall be used to pay debt service on bonds issued under this section, in accordance with the proceedings authorizing issuance of such bonds.

(7) The principal of and interest on the bonds authorized under this section shall be payable in the manner provided in this subsection. 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.

(8) The bonds authorized by this section 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.

(9) All bonds and interest coupons issued under the provisions of this section 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 section, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

(10) The commission shall act as issuing agent for the bonds authorized under this section, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds, 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 section from the proceeds derived from the sale of such bonds. The commission may sell such bonds on sealed bids at public sale or may negotiate the sale of the bonds for such price as it may determine to be for the best interest of the State of Mississippi. All interest accruing on such bonds so issued shall be payable semiannually or annually.

If such bonds are sold by sealed bids at public sale, notice of the sale shall be published at least one 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, selected by the commission.

The commission, when issuing any bonds under the authority of this section, 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.

(11) The bonds issued under the provisions of this section 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 subsection.

(12) Upon the issuance and sale of bonds under the provisions of this section, the commission shall transfer the proceeds of any such sale or sales to the special funds created in subsections (2), (3), (4) and (5) of this section in the amounts provided for in subsection (6)(b) of this section. 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.

(13) The bonds authorized under this section 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 section. Any resolution providing for the issuance of bonds under the provisions of this section 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.

(14) The bonds authorized under the authority of this section 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.

(15) Any holder of bonds issued under the provisions of this section 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 section, or under such resolution, and may enforce and compel performance of all duties required by this section to be

performed, in order to provide for the payment of bonds and interest thereon.

(16) All bonds issued under the provisions of this section 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.

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

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

(19) 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 section; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time

to discharge such bonds, or the interest thereon, on the due dates thereof.

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

SECTION 2. This act shall take effect and be in force from and after July 1, 2013.

PASSED BY THE SENATE
February 12, 2013



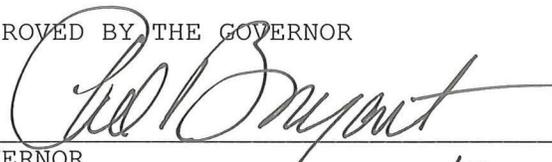
PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 6, 2013



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

3/18/13
4:55pm