

By: Representatives Ellis, Watson

To: Ways and Means

HOUSE BILL NO. 1638

1 AN ACT TO AUTHORIZE THE ISSUANCE OF \$50,000,000.00 IN STATE
2 GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE DESIGN OF,
3 PURCHASE OF EQUIPMENT FOR, AND CONSTRUCTION OF A STATEWIDE
4 WIRELESS COMMUNICATION SYSTEM; TO PROVIDE THAT THE BOND PROCEEDS
5 SHALL BE DEPOSITED INTO THE INTEGRATED PUBLIC SAFETY
6 COMMUNICATIONS FUND; TO AUTHORIZE THE ISSUANCE OF \$10,000,000.00
7 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE
8 CONSTRUCTION OF A COOPERATIVE DATA CENTER FOR THE MISSISSIPPI
9 DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES; AND FOR RELATED
10 PURPOSES.

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

12 **SECTION 1.** As used in Sections 1 through 16 of this act, the
13 following words shall have the meanings ascribed herein unless the
14 context clearly requires otherwise:

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

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

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

24 (d) "This act" means Sections 1 through 16 of this act.

25 **SECTION 2.** (1) The commission, at one time, or from time to
26 time, may declare by resolution the necessity for issuance of
27 general obligation bonds of the State of Mississippi to provide
28 funds for the design of, purchase of equipment for, and
29 construction of a statewide wireless communications system that
30 will be interoperable to the extent practical with existing
31 communications systems and for related purposes. Upon the

32 adoption of a resolution by the Wireless Communications Commission
33 created in Section 25-53-171 declaring the necessity for the
34 issuance of any part or all of the general obligation bonds
35 authorized by this section, the Wireless Communication Commission
36 shall deliver a certified copy of its resolution or resolutions to
37 the commission. Upon receipt of such resolution, the commission,
38 in its discretion, may act as the issuing agent, prescribe the
39 form of the bonds, advertise for and accept bids, issue and sell
40 the bonds so authorized to be sold and do any and all other things
41 necessary and advisable in connection with the issuance and sale
42 of such bonds. The total amount of bonds issued under this act
43 shall not exceed Fifty Million Dollars (\$50,000,000.00).

44 (2) The proceeds of bonds issued pursuant to this act shall
45 be deposited into the Integrated Public Safety Communications Fund
46 created pursuant to Section 25-53-171. Any investment earnings on
47 bonds issued pursuant to this act shall be used to pay debt
48 service on bonds issued under this act, in accordance with the
49 proceedings authorizing issuance of such bonds.

50 **SECTION 3.** The principal of and interest on the bonds
51 authorized under this act shall be payable in the manner provided
52 in this section. Such bonds shall bear such date or dates, be in
53 such denomination or denominations, bear interest at such rate or
54 rates (not to exceed the limits set forth in Section 75-17-101,
55 Mississippi Code of 1972), be payable at such place or places
56 within or without the State of Mississippi, shall mature
57 absolutely at such time or times not to exceed twenty-five (25)
58 years from date of issue, be redeemable before maturity at such
59 time or times and upon such terms, with or without premium, shall
60 bear such registration privileges, and shall be substantially in
61 such form, all as shall be determined by resolution of the
62 commission.

63 **SECTION 4.** The bonds authorized by this act shall be signed
64 by the chairman of the commission, or by his facsimile signature,

65 and the official seal of the commission shall be affixed thereto,
66 attested by the secretary of the commission. The interest
67 coupons, if any, to be attached to such bonds may be executed by
68 the facsimile signatures of such officers. Whenever any such
69 bonds shall have been signed by the officials designated to sign
70 the bonds who were in office at the time of such signing but who
71 may have ceased to be such officers before the sale and delivery
72 of such bonds, or who may not have been in office on the date such
73 bonds may bear, the signatures of such officers upon such bonds
74 and coupons shall nevertheless be valid and sufficient for all
75 purposes and have the same effect as if the person so officially
76 signing such bonds had remained in office until their delivery to
77 the purchaser, or had been in office on the date such bonds may
78 bear. However, notwithstanding anything herein to the contrary,
79 such bonds may be issued as provided in the Registered Bond Act of
80 the State of Mississippi.

81 **SECTION 5.** All bonds and interest coupons issued under the
82 provisions of this act have all the qualities and incidents of
83 negotiable instruments under the provisions of the Uniform
84 Commercial Code, and in exercising the powers granted by this act,
85 the commission shall not be required to and need not comply with
86 the provisions of the Uniform Commercial Code.

87 **SECTION 6.** The commission shall act as the issuing agent for
88 the bonds authorized under this act, prescribe the form of the
89 bonds, advertise for and accept bids, issue and sell the bonds so
90 authorized to be sold, pay all fees and costs incurred in such
91 issuance and sale, and do any and all other things necessary and
92 advisable in connection with the issuance and sale of such bonds.
93 The commission is authorized and empowered to pay the costs that
94 are incident to the sale, issuance and delivery of the bonds
95 authorized under this act from the proceeds derived from the sale
96 of such bonds. The commission shall sell such bonds on sealed
97 bids at public sale, and for such price as it may determine to be

98 for the best interest of the State of Mississippi, but no such
99 sale shall be made at a price less than par plus accrued interest
100 to the date of delivery of the bonds to the purchaser. All
101 interest accruing on such bonds so issued shall be payable
102 semiannually or annually; however, the first interest payment may
103 be for any period of not more than one (1) year.

104 Notice of the sale of any such bonds shall be published at
105 least one time, not less than ten (10) days before the date of
106 sale, and shall be so published in one or more newspapers
107 published or having a general circulation in the City of Jackson,
108 Mississippi, and in one or more other newspapers or financial
109 journals with a national circulation, to be selected by the
110 commission.

111 The commission, when issuing any bonds under the authority of
112 this act, may provide that bonds, at the option of the State of
113 Mississippi, may be called in for payment and redemption at the
114 call price named therein and accrued interest on such date or
115 dates named therein.

116 **SECTION 7.** The bonds issued under the provisions of this act
117 are general obligations of the State of Mississippi, and for the
118 payment thereof the full faith and credit of the State of
119 Mississippi is irrevocably pledged. If the funds appropriated by
120 the Legislature are insufficient to pay the principal of and the
121 interest on such bonds as they become due, then the deficiency
122 shall be paid by the State Treasurer from any funds in the State
123 Treasury not otherwise appropriated. All such bonds shall contain
124 recitals on their faces substantially covering the provisions of
125 this section.

126 **SECTION 8.** Upon the issuance and sale of bonds under the
127 provisions of this act, the commission shall transfer the proceeds
128 of any such sale or sales to the Integrated Public Safety
129 Communications Fund created in Section 23-53-171. The proceeds of
130 such bonds shall be disbursed as provided for in Section 23-53-171

131 under such restrictions, if any, as may be contained in the
132 resolution providing for the issuance of the bonds.

133 **SECTION 9.** The bonds authorized under this act may be issued
134 without any other proceedings or the happening of any other
135 conditions or things other than those proceedings, conditions and
136 things which are specified or required by this act. Any
137 resolution providing for the issuance of bonds under the
138 provisions of this act shall become effective immediately upon its
139 adoption by the commission, and any such resolution may be adopted
140 at any regular or special meeting of the commission by a majority
141 of its members.

142 **SECTION 10.** The bonds authorized under the authority of this
143 act may be validated in the Chancery Court of the First Judicial
144 District of Hinds County, Mississippi, in the manner and with the
145 force and effect provided by Chapter 13, Title 31, Mississippi
146 Code of 1972, for the validation of county, municipal, school
147 district and other bonds. The notice to taxpayers required by
148 such statutes shall be published in a newspaper published or
149 having a general circulation in the City of Jackson, Mississippi.

150 **SECTION 11.** Any holder of bonds issued under the provisions
151 of this act or of any of the interest coupons pertaining thereto
152 may, either at law or in equity, by suit, action, mandamus or
153 other proceeding, protect and enforce any and all rights granted
154 under this act, or under such resolution, and may enforce and
155 compel performance of all duties required by this act to be
156 performed, in order to provide for the payment of bonds and
157 interest thereon.

158 **SECTION 12.** All bonds issued under the provisions of this
159 act shall be legal investments for trustees and other fiduciaries,
160 and for savings banks, trust companies and insurance companies
161 organized under the laws of the State of Mississippi, and such
162 bonds shall be legal securities which may be deposited with and
163 shall be received by all public officers and bodies of this state

164 and all municipalities and political subdivisions for the purpose
165 of securing the deposit of public funds.

166 **SECTION 13.** Bonds issued under the provisions of this act
167 and income therefrom shall be exempt from all taxation in the
168 State of Mississippi.

169 **SECTION 14.** The proceeds of the bonds issued under this act
170 shall be used solely for the purposes therein provided, including
171 the costs incident to the issuance and sale of such bonds.

172 **SECTION 15.** The State Treasurer is authorized, without
173 further process of law, to certify to the Department of Finance
174 and Administration the necessity for warrants, and the Department
175 of Finance and Administration is authorized and directed to issue
176 such warrants, in such amounts as may be necessary to pay when due
177 the principal of, premium, if any, and interest on, or the
178 accreted value of, all bonds issued under this act; and the State
179 Treasurer shall forward the necessary amount to the designated
180 place or places of payment of such bonds in ample time to
181 discharge such bonds, or the interest thereon, on the due dates
182 thereof.

183 **SECTION 16.** This act shall be deemed to be full and complete
184 authority for the exercise of the powers therein granted, but this
185 act shall not be deemed to repeal or to be in derogation of any
186 existing law of this state.

187 **SECTION 17.** As used in Sections 17 through 33 of this act,
188 the following words shall have the meanings ascribed in this
189 section unless the context clearly requires otherwise:

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

197 (b) "Commission" means the State Bond Commission.

198 (c) "Department" means the Department of Finance and
199 Administration.

200 (d) "State" means the State of Mississippi.

201 (e) "This act" means Sections 17 through 33 of this
202 act.

203 **SECTION 18.** (1) (a) There is created in the State Treasury
204 a special fund to be known as the "Mississippi Department of
205 Information Technology Services Cooperative Data Center
206 Construction Fund." The fund shall be maintained by the State
207 Treasurer as a special fund, separate and apart from the State
208 General Fund. Unexpended amounts remaining in the special fund at
209 the end of a fiscal year shall not lapse into the State General
210 Fund, and any interest earned or investment earnings on amounts in
211 the special fund shall be deposited to the credit of the special
212 fund. Monies in the special fund may not be used or expended for
213 any purpose except as authorized under this act.

214 (b) Monies deposited into the special fund shall be
215 disbursed, in the discretion of the Department of Finance and
216 Administration, to pay the costs of construction, furnishing and
217 equipping of a cooperative data center for the Mississippi
218 Department of Information Technology Services (Project Number
219 527-003).

220 (2) Amounts deposited into the special fund shall be
221 disbursed to pay the costs of the project described in subsection
222 (1) of this section. Promptly after the commission has certified,
223 by resolution duly adopted, that the projects described in
224 subsection (1) of this section shall have been completed,
225 abandoned, or cannot be completed in a timely fashion, any amounts
226 remaining in the special fund shall be applied to pay debt service
227 on the bonds issued under this act, in accordance with the
228 proceedings authorizing the issuance of the bonds and as directed
229 by the commission.

230 (3) The department, acting through the Bureau of Building,
231 Grounds and Real Property Management, is expressly authorized and
232 empowered to receive and expend any local or other source funds in
233 connection with the expenditure of funds provided for in this
234 section.

235 (4) The expenditure of monies in the special fund shall be
236 under the direction of the department, and those monies shall be
237 paid by the State Treasurer upon warrants issued by the
238 department, which warrants shall be issued upon requisitions
239 signed by the executive director of the department or his
240 designee.

241 **SECTION 19.** (1) The commission, at one time or from time to
242 time, may declare by resolution the necessity for issuance of
243 general obligation bonds of the State of Mississippi to provide
244 funds for all costs incurred or to be incurred for the purposes
245 described in Section 18 of this act. Upon the adoption of a
246 resolution by the department declaring the necessity for the
247 issuance of any part or all of the bonds authorized by this
248 section, the department shall deliver a certified copy of its
249 resolution or resolutions to the commission. Upon receipt of the
250 resolution, the commission, in its discretion, may act as the
251 issuing agent, prescribe the form of the bonds, advertise for and
252 accept bids, issue and sell the bonds so authorized to be sold and
253 do any and all other things necessary and advisable in connection
254 with the issuance and sale of the bonds. The total amount of
255 bonds issued under this act shall not exceed Ten Million Dollars
256 (\$10,000,000.00).

257 (2) Any investment earnings on amounts deposited into the
258 special fund created in Section 18 of this act shall be used to
259 pay debt service on bonds issued under this act, in accordance
260 with the proceedings authorizing issuance of the bonds.

261 **SECTION 20.** The principal of and interest on the bonds
262 authorized under this act shall be payable in the manner provided

263 in this section. The bonds shall bear such date or dates, be in
264 such denomination or denominations, bear interest at such rate or
265 rates (not to exceed the limits set forth in Section 75-17-101,
266 Mississippi Code of 1972), be payable at such place or places
267 within or without the State of Mississippi, shall mature
268 absolutely at such time or times not to exceed twenty-five (25)
269 years from date of issue, be redeemable before maturity at such
270 time or times and upon such terms, with or without premium, shall
271 bear such registration privileges, and shall be substantially in
272 such form, all as determined by resolution of the commission.

273 **SECTION 21.** The bonds authorized by this act shall be signed
274 by the chairman of the commission, or by his facsimile signature,
275 and the official seal of the commission shall be affixed thereto,
276 attested by the secretary of the commission. The interest
277 coupons, if any, to be attached to the bonds may be executed by
278 the facsimile signatures of those officers. Whenever any such
279 bonds have been signed by the officials designated to sign the
280 bonds who were in office at the time of the signing but who may
281 have ceased to be those officers before the sale and delivery of
282 the bonds, or who may not have been in office on the date that the
283 bonds may bear, the signatures of those officers upon the bonds
284 and coupons shall nevertheless be valid and sufficient for all
285 purposes and have the same effect as if the person so officially
286 signing the bonds had remained in office until their delivery to
287 the purchaser, or had been in office on the date the bonds may
288 bear. However, notwithstanding anything in this act to the
289 contrary, the bonds may be issued as provided in the Registered
290 Bond Act of the State of Mississippi.

291 **SECTION 22.** All bonds and interest coupons issued under the
292 provisions of this act have all the qualities and incidents of
293 negotiable instruments under the provisions of the Uniform
294 Commercial Code, and in exercising the powers granted by this act,

295 the commission shall not be required to and need not comply with
296 the provisions of the Uniform Commercial Code.

297 **SECTION 23.** The commission shall act as the issuing agent
298 for the bonds authorized under this act, prescribe the form of the
299 bonds, advertise for and accept bids, issue and sell the bonds so
300 authorized to be sold, pay all fees and costs incurred in the
301 issuance and sale, and do any and all other things necessary and
302 advisable in connection with the issuance and sale of the bonds.
303 The commission is authorized and empowered to pay the costs that
304 are incident to the sale, issuance and delivery of the bonds
305 authorized under this act from the proceeds derived from the sale
306 of the bonds. The commission shall sell the bonds on sealed bids
307 at public sale, and for such price as it may determine to be for
308 the best interest of the State of Mississippi, but no such sale
309 shall be made at a price less than par plus accrued interest to
310 the date of delivery of the bonds to the purchaser. All interest
311 accruing on the bonds so issued shall be payable semiannually or
312 annually; however, the first interest payment may be for any
313 period of not more than one (1) year.

314 Notice of the sale of any such bonds shall be published at
315 least one time, not less than ten (10) days before the date of
316 sale, and shall be so published in one or more newspapers
317 published or having a general circulation in the City of Jackson,
318 Mississippi, and in one or more other newspapers or financial
319 journals with a national circulation, to be selected by the
320 commission.

321 The commission, when issuing any bonds under the authority of
322 this act, may provide that bonds, at the option of the State of
323 Mississippi, may be called in for payment and redemption at the
324 call price named therein and accrued interest on such date or
325 dates named therein.

326 **SECTION 24.** The bonds issued under the provisions of this
327 act are general obligations of the State of Mississippi, and for

328 the payment thereof, the full faith and credit of the State of
329 Mississippi is irrevocably pledged. If the funds appropriated by
330 the Legislature for those purposes are insufficient to pay the
331 principal of and the interest on the bonds as they become due,
332 then the amount of the deficiency shall be paid by the State
333 Treasurer from any funds in the State Treasury not otherwise
334 appropriated. All those bonds shall contain recitals on their
335 faces substantially covering the provisions of this section.

336 **SECTION 25.** Upon the issuance and sale of bonds under the
337 provisions of this act, the commission shall transfer the proceeds
338 of any such sale or sales to the special fund created in Section
339 18 of this act. The proceeds of the bonds shall be disbursed
340 solely upon the order of the department under such restrictions,
341 if any, as may be contained in the resolution providing for the
342 issuance of the bonds.

343 **SECTION 26.** The bonds authorized under this act may be
344 issued without any other proceedings or the happening of any other
345 conditions or things other than those proceedings, conditions and
346 things that are specified or required by this act. Any resolution
347 providing for the issuance of bonds under the provisions of this
348 act shall become effective immediately upon its adoption by the
349 commission, and any such resolution may be adopted at any regular
350 or special meeting of the commission by a majority of its members.

351 **SECTION 27.** The bonds authorized under this act may be
352 validated in the Chancery Court of the First Judicial District of
353 Hinds County, Mississippi, in the manner and with the force and
354 effect provided by Chapter 13, Title 31, Mississippi Code of 1972,
355 for the validation of county, municipal, school district and other
356 bonds. The notice to taxpayers required by those statutes shall
357 be published in a newspaper published or having a general
358 circulation in the City of Jackson, Mississippi.

359 **SECTION 28.** Any holder of bonds issued under the provisions
360 of this act or of any of the interest coupons pertaining to those

361 bonds may, either at law or in equity, by suit, action, mandamus
362 or other proceeding, protect and enforce any and all rights
363 granted under this act, or under the resolution, and may enforce
364 and compel performance of all duties required by this act to be
365 performed, in order to provide for the payment of bonds and
366 interest on the bonds.

367 **SECTION 29.** All bonds issued under the provisions of this
368 act shall be legal investments for trustees and other fiduciaries,
369 and for savings banks, trust companies and insurance companies
370 organized under the laws of the State of Mississippi, and the
371 bonds shall be legal securities that may be deposited with and
372 shall be received by all public officers and bodies of this state
373 and all municipalities and political subdivisions for the purpose
374 of securing the deposit of public funds.

375 **SECTION 30.** Bonds issued under the provisions of this act
376 and income from the bonds shall be exempt from all taxation in the
377 State of Mississippi.

378 **SECTION 31.** The proceeds of the bonds issued under this act
379 shall be used solely for the purposes herein provided, including
380 the costs incident to the issuance and sale of such bonds.

381 **SECTION 32.** The State Treasurer is authorized, without
382 further process of law, to certify to the Department of Finance
383 and Administration the necessity for warrants, and the department
384 is authorized and directed to issue those warrants, in such
385 amounts as may be necessary to pay when due the principal of,
386 premium, if any, and interest on, or the accreted value of, all
387 bonds issued under this act; and the State Treasurer shall forward
388 the necessary amount to the designated place or places of payment
389 of those bonds in ample time to discharge the bonds, or the
390 interest on the bonds, on the due dates thereof.

391 **SECTION 33.** This act shall be deemed to be full and complete
392 authority for the exercise of the powers granted in this act, but

393 this act shall not be deemed to repeal or to be in derogation of
394 any existing law of this state.

395 **SECTION 34.** This act shall take effect and be in force from
396 and after its passage.