

By: Minor

To: Finance

SENATE BILL NO. 3008

1 AN ACT TO AMEND SECTION 43-33-704, MISSISSIPPI CODE OF 1972,
2 TO RECONSTITUTE THE MEMBERSHIP OF THE MISSISSIPPI HOME CORPORATION
3 EFFECTIVE JULY 1, 2000; TO END THE TERM OF OFFICE OF EXISTING
4 MEMBERS EFFECTIVE JUNE 30, 2000; TO PROVIDE THAT THE GOVERNOR
5 SHALL APPOINT TEN MEMBERS OF THE RECONSTITUTED MEMBERSHIP OF THE
6 CORPORATION, WITH THE ADVICE AND CONSENT OF THE SENATE; TO PROVIDE
7 THAT THE LIEUTENANT GOVERNOR SHALL APPOINT THREE MEMBERS OF THE
8 RECONSTITUTED MEMBERSHIP OF THE CORPORATION, WITH THE ADVICE AND
9 CONSENT OF THE SENATE; TO AMEND SECTION 43-33-729, MISSISSIPPI
10 CODE OF 1972, TO INCREASE FROM \$190,000,000.00 TO \$290,000,000 THE
11 AMOUNT OF NEGOTIABLE BONDS AND NOTES THAT THE MISSISSIPPI HOME
12 CORPORATION MAY ISSUE; AND FOR RELATED PURPOSES.

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

14 SECTION 1. Section 43-33-704, Mississippi Code of 1972, is
15 amended as follows:[WAN1]

16 43-33-704. (1) There is created by this article the
17 Mississippi Home Corporation, which shall be a continuation of the
18 corporate existence of the Mississippi Housing Finance Corporation
19 and (a) all property, rights and powers of the Mississippi Housing
20 Finance Corporation are vested in, and shall be exercised by, the
21 corporation, subject, however, to all pledges, covenants,
22 agreements, undertakings and trusts made or created by the
23 Mississippi Housing Finance Corporation; (b) all references to the
24 Mississippi Housing Finance Corporation in any other law or
25 regulation shall be deemed to refer to and apply to the
26 corporation; and (c) all regulations of the Mississippi Housing
27 Finance Corporation shall continue to be in effect as the
28 regulations of the corporation until amended, supplemented or
29 rescinded by the corporation in accordance with law.

30 (2) The corporation is created with power to: raise funds
31 from private investors in order to make such private funds

32 available to finance the acquisition, construction, rehabilitation
33 and improvement of residential and rental housing for persons of
34 low or moderate income within the state; provide financing to
35 qualified sponsors or individuals for a wide range of loans
36 including, but not limited to, housing development, mortgage,
37 rehabilitation or energy conservation loans; make loans to private
38 lenders to finance any of these loans; purchase any of these loans
39 from private lenders; refinance, insure or guarantee any of these
40 loans; provide for temporary or partial financing for any of these
41 purposes; develop, operate and administer housing programs which
42 further its stated goals of improving the availability,
43 affordability and quality of low and moderate income housing in
44 the state; and make grants or loans to private nonprofit
45 developers, local governments or private persons in furtherance of
46 these goals;

47 (3) (a) The corporation shall be composed of thirteen (13)
48 members. The Governor, with the advice and consent of the Senate,
49 shall appoint the members of the corporation, who shall be
50 residents of the state and shall not hold other public office.
51 There shall be at least one (1) member and not more than three (3)
52 members appointed from each of the five (5) congressional
53 districts in existence on January 1, 1989, and, in addition, (a)
54 from and after September 1, 1980, (i) at least one (1) member
55 shall have at least three (3) years' experience and background in
56 the savings and loan association business, the commercial banking
57 business or the mortgage banking business, (ii) at least one (1)
58 member shall have at least three (3) years' experience and
59 background in the residential housing construction industry, (iii)
60 at least one (1) member shall have at least three (3) years'
61 experience and background in the licensed residential housing
62 brokerage business, and (iv) at least one (1) member shall be a
63 member of the general public not engaged in any business, industry
64 or activity described in clauses (i) through (iii) of this
65 subparagraph; from and after September 1, 1989, (i) at least one
66 (1) member shall have at least three (3) years' experience and
67 background in the manufactured housing business; (ii) at least one
68 (1) member shall have at least three (3) years' experience and

69 background in nonprofit housing development in a Metropolitan
70 Statistical Area (MSA); (iii) at least one (1) member shall have
71 at least three (3) years' experience and background in nonprofit
72 housing development outside a MSA; and (iv) at least (1) member
73 shall be a low or moderate income person qualified for assistance
74 under this article.

75 (b) The term of office of the members of the corporation who
76 are serving pursuant to this subsection (3) shall terminate on
77 June 30, 2000.

78 (4) From and after July 1, 2000, the membership of the
79 corporation is hereby reconstituted as follows:

80 (a) (i) The Governor, with the advice and consent of
81 the Senate, shall appoint ten (10) members of the corporation, who
82 shall be residents of the state. The Governor shall appoint three
83 (3) members from each Supreme Court District and one (1) member
84 from the state at-large. One (1) member from each Supreme Court
85 District shall be appointed by the Governor for an initial term of
86 two (2) years, one (1) member from each Supreme Court District
87 shall be appointed by the Governor for an initial term of four (4)
88 years, and the remaining members shall be appointed by the
89 Governor for initial terms of six (6) years. Thereafter the term
90 of members of the corporation appointed by the Governor shall be
91 as provided in subsection (5) of this section.

92 (ii) The Lieutenant Governor, with the advise and
93 consent of the Senate, shall appoint three (3) members of the
94 corporation, who shall be residents of the state. The Lieutenant
95 Governor shall appoint one (1) member from each Supreme Court
96 District. The initial terms of the members appointed by the
97 Lieutenant Governor shall be for two (2), four (4) and six (6)
98 years. Thereafter the term of members of the corporation
99 appointed by the Lieutenant Governor shall be as provided in
100 subsection (5) of this section.

101 (5) Except as otherwise provided in subsection (2)(b) of

102 this section, appointments shall be for terms of six (6) years.
103 Each member shall hold office until his successor has been
104 appointed and qualified. Vacancies shall be filled by appointment
105 by the appropriate appointing authority, subject to the advice and
106 consent of the Senate, for the length of the unexpired term only.

107 Any member of the corporation shall be eligible for
108 reappointment. Any member of the corporation may be removed by
109 the appointing authority for misfeasance, malfeasance or willful
110 neglect of duty after reasonable notice and a public hearing,
111 unless the same are expressly waived in writing. Each member of
112 the corporation shall before entering upon his duty take an oath
113 of office to administer the duties of his office faithfully and
114 impartially, and a record of such oath shall be filed in the
115 office of the Secretary of State. The corporation shall annually
116 elect from its membership a chairman who shall be eligible for
117 reelection. The corporation shall annually elect from its
118 membership a vice chairman who shall be eligible for reelection.
119 The corporation shall also elect or appoint, and prescribe the
120 duties of, such other officers (who need not be members) as the
121 corporation deems necessary or advisable, and the corporation
122 shall fix the compensation of such officers. The corporation may
123 delegate to one or more of its members, officers, employees or
124 agents such powers and duties as it may deem proper, not
125 inconsistent with this article or other provisions of law.

126 * * *

127 (6) In accomplishing its purposes, the corporation is acting
128 in all respects for the benefit of the people of the state and the
129 performance of essential public functions and is serving a vital
130 public purpose in approving and otherwise promoting their health,
131 welfare and prosperity, and the enactment of the provisions
132 hereinafter set forth is for a valid public purpose and is hereby
133 so declared to be such as a matter of express legislative
134 determination.

135 * * *

136 SECTION 2. Section 43-33-729, Mississippi Code of 1972, is
137 amended as follows:[WAN2]

138 43-33-729. (1) The corporation may from time to time issue
139 its negotiable bonds and notes in such principal amounts as, in
140 the opinion of the corporation, shall be necessary to provide
141 sufficient funds for achieving the corporate purposes thereof,
142 including operating expenses and reserves, the payment of interest
143 on bonds and notes of the corporation, establishment of reserves
144 to secure such bonds and notes, and all other expenditures of the
145 corporation incident to and necessary or convenient to carry out
146 its corporate purposes and powers. Provided, except as otherwise
147 authorized herein, bonds and notes shall not be issued under this
148 article in an aggregate principal amount exceeding Two Hundred
149 Ninety Million Dollars (\$290,000,000.00), excluding bonds and
150 notes issued to refund outstanding bonds and notes.

151 (2) The provisions of Sections 75-71-1 through 75-71-57,
152 Mississippi Code of 1972 (the "Mississippi Securities Act"), shall
153 not apply to bonds and notes issued under the authority of this
154 article, and no application for a formal exemption from the
155 provisions of such act shall be required with respect to such
156 bonds and notes.

157 (3) Except as may otherwise be expressly provided by the
158 corporation, all bonds and notes issued by the corporation shall
159 be general obligations of the corporation, secured by the full
160 faith and credit of the corporation and payable out of any monies,
161 assets or revenues of the corporation, subject only to any
162 agreement with the bondholders or noteholders pledging any
163 particular monies, assets or revenues.

164 The corporation may issue bonds or notes to which the
165 principal and interest are payable:

166 (a) Exclusively from the revenues of the corporation
167 resulting from the use of the proceeds of such bonds or notes; or

168 (b) Exclusively from any particular revenues of the
169 corporation, whether or not resulting from the use of the proceeds
170 of such bonds or notes.

171 (4) Any bonds or notes issued by the corporation may be
172 additionally secured:

173 (a) By private insurance, by a direct pay or standby
174 letter of credit, or by any other credit enhancement facility
175 procured by the corporation for the payment of any such bonds;

176 (b) By a pledge of any grant, subsidy or contribution
177 from the United States or any agency or instrumentality thereof,
178 or from the state or any agency, instrumentality or political
179 subdivision thereof, or from any person, firm or corporation; or

180 (c) By the pledge of any securities, funds or reserves
181 (or earnings thereon) available to the corporation.

182 (5) Bonds and notes issued by the corporation shall be
183 authorized by a resolution or resolutions of the corporation
184 adopted as provided for by this article; provided, that any such
185 resolution authorizing the issuance of bonds or notes may delegate
186 to an officer or officers of the corporation the power to issue
187 such bonds or notes from time to time and to fix the details of
188 any such issues of bonds or notes by an appropriate certification
189 of such authorized officer.

190 (6) Except as specifically provided in this article, no
191 notice, consent or approval by any governmental body or public
192 officer shall be required as a prerequisite to the issuance, sale
193 or delivery of any bonds or notes of the corporation pursuant to
194 the provisions of this article. However, all bonds or notes
195 issued pursuant to this article may be validated, except as
196 otherwise provided in this section, in accordance with the
197 provisions of Sections 31-13-1 through 31-13-11, Mississippi Code
198 of 1972, in the same manner as provided therein for bonds issued
199 by a municipality. Any such validation proceedings shall be held
200 in the First Judicial District of Hinds County, Mississippi.

201 Notice thereof shall be given by publication in any newspaper
202 published in the City of Jackson, Mississippi, and of general
203 circulation throughout the state.

204 (7) It is hereby determined that the corporation is the sole
205 entity in the state authorized to issue bonds or notes for the
206 purposes of financing low and moderate income rental or
207 residential housing as set forth in this article. In addition,
208 the corporation shall have the power to issue mortgage credit
209 certificates, as provided by Section 25 of the Internal Revenue
210 Code of 1954, as amended, and to comply with all of the terms and
211 conditions set forth in Section 25, as the same may be amended
212 from time to time.

213 SECTION 3. This act shall take effect and be in force from
214 and after its passage.