

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

Senate Bill NO. 3316

By Representative(s) Committee

34 **Amend by striking all after the enacting clause and inserting**
35 **in lieu thereof the following:**

36
37 SECTION 1. Section 65-4-25, Mississippi Code of 1972, is
38 amended as follows:
39 65-4-25. The Mississippi Department of Economic and
40 Community Development, acting through its executive director, is
41 authorized, at one time or from time to time, to declare by
42 resolution the necessity for issuance of negotiable general
43 obligation bonds of the State of Mississippi to provide funds for
44 the Economic Development Highway Fund established in Section
45 65-4-15, Mississippi Code of 1972. Upon the adoption of a
46 resolution by the Executive Director of the Mississippi Department
47 of Economic and Community Development, declaring the necessity for
48 the issuance of any part or all of the general obligation bonds
49 authorized by Sections 65-4-25 through 65-4-45, Mississippi Code
50 of 1972, the executive director shall deliver a certified copy of
51 his resolution or resolutions to the State Bond Commission. Upon
52 receipt of same, the State Bond Commission, in its discretion,
53 shall act as the issuing agent, prescribe the form of the bonds,
54 advertise for and accept bids, issue and sell the bonds so
55 authorized to be sold, and do any and all other things necessary
56 and advisable in connection with the issuance and sale of such

57 bonds. The principal amount of bonds issued under Sections
58 65-4-25 through 65-4-45, Mississippi Code of 1972, shall not
59 exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in the
60 aggregate. However, an additional amount of bonds may be issued
61 under Sections 65-4-25 through 65-4-45, Mississippi Code of 1972,
62 in an amount not to exceed Seven Million Dollars (\$7,000,000.00),
63 and the proceeds of any such additional bonds issued shall be used
64 to provide funding for a high economic benefit project as defined
65 in Section 65-4-5(1)(c)(vi), Mississippi Code of 1972.

66 SECTION 2. Section 57-1-307, Mississippi Code of 1972, is
67 amended as follows:

68 57-1-307. (1) The State Bond Commission, at one time, or
69 from time to time, may declare by resolution the necessity for
70 issuance of general obligation bonds of the State of Mississippi
71 to provide funds for all costs incurred or to be incurred for the
72 purposes described in Section 57-1-303. Upon the adoption of a
73 resolution by the Department of Economic and Community
74 Development, declaring the necessity for the issuance of any part
75 or all of the general obligation bonds authorized by this section,
76 the Department of Economic and Community Development shall deliver
77 a certified copy of its resolution or resolutions to the State
78 Bond Commission. Upon receipt of such resolution, the State Bond
79 Commission, in its discretion, may act as the issuing agent,
80 prescribe the form of the bonds, advertise for and accept bids,
81 issue and sell the bonds so authorized to be sold and do any and
82 all other things necessary and advisable in connection with the
83 issuance and sale of such bonds. The total amount of bonds issued
84 under Sections 57-1-307 through 57-1-335 shall not exceed One
85 Hundred Three Million Five Hundred Thousand Dollars
86 (\$103,500,000.00); provided, however, that an additional amount of
87 bonds may be issued under Sections 57-1-307 and 57-1-335 in an
88 amount not to exceed Five Million Dollars (\$5,000,000.00), and the
89 proceeds of any such additional amount of bonds so issued shall be
90 utilized solely to provide loans for capital improvements that
91 would qualify for the issuance of bonds whose interest is exempt

92 from income taxation under the provisions of the Internal Revenue
93 Code.

94 (2) Proceeds from the sale of bonds shall be deposited in
95 the special fund created in Section 57-1-303. Any investment
96 earnings on amounts deposited into the special fund created in
97 Section 57-1-303 shall be used to pay debt service on bonds issued
98 under Sections 57-1-307 through 57-1-335, in accordance with the
99 proceedings authorizing issuance of such bonds.

100 SECTION 3. Section 57-61-36, Mississippi Code of 1972, is
101 amended as follows:

102 57-61-36. (1) Notwithstanding any provision of this chapter
103 to the contrary, the Department of Economic and Community
104 Development shall utilize not more than Ten Million Five Hundred
105 Thousand Dollars (\$10,500,000.00) out of the proceeds of bonds
106 authorized to be issued in this chapter for the purpose of making
107 grants to municipalities through a development infrastructure
108 grant fund to complete infrastructure related to new or expanded
109 industry.

110 (2) Notwithstanding any provision of this chapter to the
111 contrary, the Department of Economic and Community Development may
112 utilize not more than Seven Million Dollars (\$7,000,000.00) out of
113 the proceeds of bonds authorized to be issued in this chapter for
114 the purpose of making interest-bearing loans to any agency,
115 department, institution, instrumentality or political subdivision
116 of the state; or any agency, department, institution or
117 instrumentality of any political subdivision of the state; or any
118 business, organization, corporation, association or other legal
119 entity meeting criteria established by the department, through a
120 housing development revolving loan fund, to construct or repair
121 housing for low or moderate income earners; provided, however,
122 that the department may not utilize any bond proceeds authorized
123 under this chapter for the purpose of making any loans to the
124 Mississippi Home Corporation for any purpose whatsoever. No more
125 than forty percent (40%) of the additional bonds authorized by
126 this section in House Bill No. 1694, 1998 Regular Session [Laws,

127 1998, Chapter 559], may be used for multiple family housing
128 activities. Funds authorized under this subsection may be
129 deposited in the Mississippi Affordable Housing Development Fund
130 authorized in Section 43-33-759 and used for purposes authorized
131 by that section. This subsection (2) shall be repealed from and
132 after July 1, 2001.

133 (3) Notwithstanding any provision of this chapter to the
134 contrary, the Department of Economic and Community Development
135 shall utilize not more than Five Million Dollars (\$5,000,000.00)
136 out of the proceeds of bonds authorized to be issued in this
137 chapter for the purpose of making grants to municipalities through
138 an equipment and public facilities grant fund to aid in
139 infrastructure-related improvements as determined by the
140 Department of Economic and Community Development, the purchase of
141 equipment and in the purchase, construction or repair and
142 renovation of public facilities. Any bonds previously issued for
143 the Development Infrastructure Revolving Loan Program which have
144 not been loaned or applied for are eligible to be administered as
145 grants.

146 The requirements of Section 57-61-9 shall not apply to any
147 grant made under this subsection. The Department of Economic and
148 Community Development may establish criteria and guidelines to
149 govern grants made pursuant to this subsection.

150 (4) Notwithstanding any provision of this chapter to the
151 contrary, the Department of Economic and Community Development
152 shall utilize not more than Seven Hundred Fifty Thousand Dollars
153 (\$750,000.00) out of the proceeds of bonds authorized to be issued
154 in this chapter in order to match federal funds available from the
155 United States Department of Agriculture for the purpose of
156 establishing an intermediary relending program to be administered
157 by the Department of Economic and Community Development. The
158 Department of Economic and Community Development may establish
159 criteria and guidelines to govern loans made under such program.

160 SECTION 4. Section 69-2-13, Mississippi Code of 1972, is
161 amended as follows:

162 69-2-13. (1) There is hereby established in the State
163 Treasury a fund to be known as the "Emerging Crops Fund," which
164 shall be used to pay the interest on loans made to farmers for
165 nonland capital costs of establishing production of emerging crops
166 on land in Mississippi, and to make loans and grants which are
167 authorized under this section to be made from the fund. The fund
168 shall be administered by the Mississippi Department of Economic
169 and Community Development. A board comprised of the directors of
170 the department, the Mississippi Cooperative Extension Service, the
171 Mississippi Small Farm Development Center and the Mississippi
172 Agricultural and Forestry Experiment Station, or their designees,
173 shall develop definitions, guidelines and procedures for the
174 implementation of this chapter. Funds for the Emerging Crops Fund
175 shall be provided from the issuance of bonds or notes under
176 Sections 69-2-19 through 69-2-37 and from repayment of interest
177 loans made from the fund.

178 (2) (a) The Mississippi Business Finance Corporation shall
179 develop a program which gives fair consideration to making loans
180 for the processing and manufacturing of goods and services by
181 agribusiness and small business concerns. It is the policy of the
182 State of Mississippi that such corporation shall give due
183 recognition to and shall aid, counsel, assist and protect, insofar
184 as is possible, the interests of agribusiness and small business
185 concerns. To ensure that the purposes of this subsection are
186 carried out, the corporation shall loan not more than One Million
187 Dollars (\$1,000,000.00) to finance any single agribusiness or
188 small business concern. Loans made pursuant to this subsection
189 shall be made in accordance with the criteria established in
190 Section 57-71-11.

191 (b) The Mississippi Business Finance Corporation may,
192 out of the total amount of bonds authorized to be issued under
193 this chapter, make available funds to any planning and development
194 district in accordance with the criteria established in Section
195 57-71-11. Planning and development districts which receive monies
196 pursuant to this provision shall use such monies to make loans to

197 private companies for purposes consistent with this subsection.

198 (c) The Mississippi Business Finance Corporation is
199 hereby authorized to engage legal services, financial advisors,
200 appraisers and consultants if needed to review and close loans
201 made hereunder and to establish and assess reasonable fees
202 including, but not limited to, liquidation expenses.

203 (3) The department shall, in addition to the other programs
204 described in this section, provide for a program of loans to be
205 made to agribusiness enterprises for the purpose of encouraging
206 thereby the extension of conventional financing and the issuance
207 of letters of credit to such agribusiness enterprises by private
208 institutions. Monies to make such loans by the department shall
209 be drawn from the Emerging Crops Fund. The amount of a loan to
210 any single agribusiness enterprise shall not exceed twenty percent
211 (20%) of the total cost of the project for which financing is
212 sought or Two Hundred Thousand Dollars (\$200,000.00), whichever is
213 less. No interest shall be charged on such loans, and only the
214 amount actually loaned shall be required to be repaid. Repayments
215 shall be deposited into the Emerging Crops Fund.

216 (4) Through June 30, 2001, the Mississippi Business Finance
217 Corporation may loan or grant to qualified planning and
218 development districts, and to small business investment
219 corporations, bank-based community development corporations, the
220 Recruitment and Training Program, Inc., the City of Jackson
221 Business Development Loan Fund, the Lorman Southwest Mississippi
222 Development Corporation, the West Jackson Community Development
223 Corporation, the East Mississippi Development Corporation, and
224 other entities meeting the criteria established by the Mississippi
225 Business Corporation (all referred to hereinafter as "qualified
226 entities"), funds for the purpose of establishing loan revolving
227 funds to assist in providing financing for minority economic
228 development. The monies loaned or granted by the Mississippi
229 Business Finance Corporation shall be drawn from the Emerging
230 Crops Fund and shall not exceed Eighteen Million Dollars
231 (\$18,000,000.00) in the aggregate. Planning and development

232 districts or qualified entities which receive monies pursuant to
233 this provision shall use such monies to make loans to minority
234 business enterprises consistent with criteria established by the
235 Mississippi Business Finance Corporation. Such criteria shall
236 include, at a minimum, the following:

237 (a) The business enterprise must be a private,
238 for-profit enterprise.

239 (b) If the business enterprise is a proprietorship, the
240 borrower must be a resident citizen of the State of Mississippi;
241 if the business enterprise is a corporation or partnership, at
242 least fifty percent (50%) of the owners must be resident citizens
243 of the State of Mississippi.

244 (c) The borrower must have at least five percent (5%)
245 equity interest in the business enterprise.

246 (d) The borrower must demonstrate ability to repay the
247 loan.

248 (e) The borrower must not be in default of any previous
249 loan from the state or federal government.

250 (f) Loan proceeds may be used for financing all project
251 costs associated with development or expansion of a new small
252 business, including fixed assets, working capital, start-up costs,
253 rental payments, interest expense during construction and
254 professional fees related to the project.

255 (g) Loan proceeds shall not be used to pay off existing
256 debt for loan consolidation purposes; to finance the acquisition,
257 construction, improvement or operation of real property which is
258 to be held primarily for sale or investment; to provide for, or
259 free funds, for speculation in any kind of property; or as a loan
260 to owners, partners or stockholders of the applicant which do not
261 change ownership interest by the applicant. However, this does
262 not apply to ordinary compensation for services rendered in the
263 course of business.

264 (h) The maximum amount that may be loaned to any one
265 (1) borrower shall be Two Hundred Fifty Thousand Dollars
266 (\$250,000.00).

267 (i) The Mississippi Business Finance Corporation shall
268 review each loan before it is made, and no loan shall be made to
269 any borrower until the loan has been reviewed and approved by the
270 Mississippi Business Finance Corporation.

271 For the purpose of this subsection, the term "minority
272 business enterprise" means a socially and economically
273 disadvantaged small business concern, organized for profit,
274 performing a commercially useful function which is owned and
275 controlled by one or more minorities or minority business
276 enterprises certified by the Mississippi Business Finance
277 Corporation, at least fifty percent (50%) of whom are resident
278 citizens of the State of Mississippi. For purposes of this
279 subsection, the term "socially and economically disadvantaged
280 small business concern" shall have the meaning ascribed to such
281 term under the Small Business Act (15 USCS, Section 637(a)), or
282 women, and the term "owned and controlled" means a business in
283 which one or more minorities or minority business enterprises
284 certified by the Mississippi Business Finance Corporation own
285 sixty percent (60%) or, in the case of a corporation, sixty
286 percent (60%) of the voting stock, and control sixty percent (60%)
287 of the management and daily business operations of the business.

288 From and after July 1, 1999, monies not loaned or granted by
289 the Business Finance Corporation to planning and development
290 districts or qualified entities under this subsection, and monies
291 not loaned by planning and development districts or qualified
292 entities, shall be deposited to the credit of the sinking fund
293 created and maintained in the State Treasury for the retirement of
294 bonds issued under Section 69-2-19.

295 (5) The Mississippi Business Finance Corporation shall
296 develop a program which will assist minority business enterprises
297 by guaranteeing bid, performance and payment bonds which such
298 minority businesses are required to obtain in order to contract
299 with state agencies, political subdivisions, federal agencies or
300 federal departments. Monies for such program shall be drawn from
301 the monies allocated under subsection (4) of this section to

302 assist the financing of minority economic development and shall
303 not exceed Two Million Dollars (\$2,000,000.00) in the aggregate.
304 The Mississippi Business Finance Corporation may promulgate rules
305 and regulations for the operation of the program established
306 pursuant to this subsection. For the purpose of this subsection
307 (5) the term "minority business enterprise" has the meaning
308 assigned such term in subsection (4) of this section.

309 (6) The Mississippi Business Finance Corporation may loan or
310 grant to public entities and to nonprofit corporations funds to
311 defray the expense of financing (or to match any funds available
312 from other public or private sources for the expense of financing)
313 projects in this state which are devoted to the study, teaching
314 and/or promotion of regional crafts and which are deemed by the
315 corporation to be significant tourist attractions. The monies
316 loaned or granted shall be drawn from the Emerging Crops Fund and
317 shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00)
318 in the aggregate.

319 (7) Through June 30, 1998, the Mississippi Business Finance
320 Corporation shall make available to the Mississippi Department of
321 Agriculture and Commerce funds for the purpose of establishing
322 loan revolving funds and other methods of financing for
323 agribusiness programs administered under the Mississippi
324 Agribusiness Council Act of 1993. The monies made available by
325 the Mississippi Business Finance Corporation shall be drawn from
326 the Emerging Crops Fund and shall not exceed Seven Hundred
327 Thousand Dollars (\$700,000.00) in the aggregate. The Mississippi
328 Department of Agriculture and Commerce shall establish control and
329 auditing procedures for use of these funds. These funds will be
330 used primarily for quick payment to farmers for vegetable and
331 fruit crops processed and sold through vegetable processing plants
332 associated with the Department of Agriculture and Commerce and the
333 Mississippi State Extension Service.

334 (8) From and after July 1, 1996, the Mississippi Business
335 Finance Corporation shall make available to the Mississippi Small
336 Farm Development Center One Million Dollars (\$1,000,000.00) to be

337 used by the center to assist small entrepreneurs as provided in
338 Section 37-101-25, Mississippi Code of 1972. The monies made
339 available by the Mississippi Business Finance Corporation shall be
340 drawn from the Emerging Crops Fund.

341 (9) The Mississippi Business Finance Corporation shall make
342 available to the Mississippi Department of Agriculture and
343 Commerce for disbursement, upon warrant or warrants issued by the
344 State Fiscal Officer upon requisitions made by the Commissioner of
345 Agriculture and Commerce, or his designee, to the Certified Cotton
346 Growers Organization, as defined in Section 69-37-5, funds on a
347 one-time basis in a lump sum, an amount not to exceed Two Million
348 Dollars (\$2,000,000.00) for the purpose of assisting in carrying
349 out the purposes of the Mississippi Boll Weevil Management Act.
350 The monies made available by the Mississippi Business Finance
351 Corporation shall be drawn from the Emerging Crops Fund. This
352 subsection (9) shall be repealed from and after June 30, 1999.

353 (10) Upon request by resolution of the Board of Directors of
354 the Institute for Technology Development and the Mississippi
355 Agribusiness Council, the Mississippi Business Finance Corporation
356 shall make available to the Institute for Technology Development
357 on a one-time basis, an amount not to exceed Two Hundred Fifty
358 Thousand Dollars (\$250,000.00) from the cash balance of the
359 Emerging Crops Fund to support the development of a cooperative
360 program for agribusiness development with the Alternative
361 Agriculture Research and Commercialization Program (AARC) of the
362 United States Department of Agriculture.

363 (11) The Mississippi Business Finance Corporation shall make
364 available to the Mississippi Forestry Commission on a lump sum
365 amount not to exceed Five Hundred Thousand Dollars (\$500,000.00)
366 to be drawn from the Emerging Crop Fund and used for the
367 commission's Reforestation Cost-Share Program. This subsection
368 (11) shall be repealed from and after June 30, 1999.

369 (12) The Mississippi Business Finance Corporation shall make
370 available to the Mississippi Forestry Commission for fiscal year
371 1999 a lump sum amount not to exceed Three Million Dollars

372 (\$3,000,000.00) to be drawn from the Emerging Crop Fund and used
373 for the purpose of replacing fire fighting units/equipment. This
374 subsection (12) shall be repealed from and after June 30, 1999.

375 (13) In addition to the amount provided in subsection (11)
376 of this section, the Mississippi Business Finance Corporation
377 shall make available to the Mississippi Forestry Commission for
378 fiscal year 1999 a lump sum amount not to exceed Five Hundred
379 Thousand Dollars (\$500,000.00) to be drawn from the Emerging Crop
380 Fund and used for the commission's Reforestation Cost-Share
381 Program. This subsection (13) shall be repealed from and after
382 June 30, 1999.

383 (14) The Mississippi Business Finance Corporation shall make
384 available to the Small Farm Development Center at Alcorn State
385 University for fiscal year 1999 funds in the amount of Fifty
386 Thousand Dollars (\$50,000.00) and for fiscal year 2000 funds in
387 the amount of Fifty Thousand Dollars (\$50,000.00) to be drawn from
388 the Emerging Crops Fund to support a cooperative program for
389 agribusiness development in Mississippi. This subsection (14)
390 shall be repealed from and after June 30, 2000.

391 SECTION 5. Section 69-2-19, Mississippi Code of 1972, is
392 amended as follows:

393 69-2-19. The State Department of Economic and Community
394 Development is authorized, at one (1) time or from time to time,
395 to declare by resolution the necessity for issuance of negotiable
396 general obligation bonds of the State of Mississippi to provide
397 funds for the Emerging Crops Fund established in Section 69-2-13.
398 Upon the adoption of a resolution by the board, declaring the
399 necessity for the issuance of any part or all of the general
400 obligation bonds authorized by Sections 69-2-19 through 69-2-39,
401 the department shall deliver a certified copy of its resolution or
402 resolutions to the State Bond Commission. Upon receipt of same,
403 the State Bond Commission, in its discretion, shall act as the
404 issuing agent, prescribe the form of the bonds, advertise for and
405 accept bids, issue and sell the bonds so authorized to be sold,
406 and do any and all other things necessary and advisable in

407 connection with the issuance and sale of such bonds. The amount
408 of bonds issued under Sections 69-2-19 through 69-2-39 shall not
409 exceed Ninety-seven Million Dollars (\$97,000,000.00) in the
410 aggregate. No bonds may be issued under Sections 69-2-19 through
411 69-2-39 after October 1, 2003.

412 SECTION 6. This act shall take effect and be in force from
413 and after July 1, 2000.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 65-4-25, MISSISSIPPI CODE OF 1972, TO
2 INCREASE THE AMOUNT OF STATE GENERAL OBLIGATION BONDS THAT MAY BE
3 ISSUED UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT; TO AMEND
4 SECTION 57-1-307, MISSISSIPPI CODE OF 1972, TO INCREASE FROM
5 \$95,000,000.00 TO \$103,500,000.00, THE AMOUNT OF BONDS THAT MAY BE
6 ISSUED UNDER THE LOCAL GOVERNMENTS CAPITAL IMPROVEMENTS REVOLVING
7 LOAN PROGRAM; TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972,
8 TO INCREASE FROM \$9,000,000.00 TO \$10,500,000.00, THE AMOUNT OF
9 BONDS PROCEEDS THAT THE DEPARTMENT OF ECONOMIC AND COMMUNITY
10 DEVELOPMENT MAY UTILIZE UNDER THE MISSISSIPPI BUSINESS INVESTMENT
11 ACT FOR THE PURPOSE OF MAKING GRANTS TO COUNTIES AND
12 MUNICIPALITIES UNDER THE DEVELOPMENT INFRASTRUCTURE GRANT PROGRAM;
13 TO REQUIRE THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO
14 UTILIZE NOT MORE THAN \$750,000.00 OF THE BOND PROCEEDS UNDER THE
15 MISSISSIPPI BUSINESS INVESTMENT ACT TO MATCH FEDERAL FUNDS
16 AVAILABLE FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE FOR THE
17 PURPOSE OF ESTABLISHING AN INTERMEDIARY RELENDING PROGRAM TO BE
18 ADMINISTERED BY THE DEPARTMENT OF ECONOMIC AND COMMUNITY
19 DEVELOPMENT; TO AMEND SECTION 69-2-13, MISSISSIPPI CODE OF 1972,
20 TO INCREASE FROM \$16,000,000.00 TO \$18,000,000.00, THE AMOUNT OF
21 MONEY THAT MAY BE DRAWN FROM THE EMERGING CROPS FUND BY THE
22 MISSISSIPPI BUSINESS FINANCE CORPORATION TO ASSIST IN PROVIDING
23 FINANCING FOR MINORITY ECONOMIC DEVELOPMENT; TO AUTHORIZE THE
24 MISSISSIPPI BUSINESS FINANCE CORPORATION TO PROVIDE SUCH
25 ASSISTANCE; TO INCLUDE CONTRACTS WITH FEDERAL DEPARTMENTS AND
26 AGENCIES IN THE TYPES OF CONTRACTS FOR WHICH THE MISSISSIPPI
27 BUSINESS FINANCE CORPORATION WILL GUARANTEE BID, PERFORMANCE AND
28 PAYMENT BONDS WHICH MINORITY BUSINESSES ARE REQUIRED TO OBTAIN FOR
29 SUCH CONTRACTS; TO AMEND SECTION 69-2-19, MISSISSIPPI CODE OF
30 1972, TO INCREASE FROM \$95,000,000.00 TO \$97,000,000.00, THE
31 AMOUNT OF BONDS THAT MAY BE ISSUED TO PROVIDE FUNDS FOR THE
32 EMERGING CROPS FUND; AND FOR RELATED PURPOSES.