

By: Representative Ford

To: Ways and Means

HOUSE BILL NO. 439  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972,  
 2 TO EXTEND THE REPEAL DATE ON THE PROVISION WHICH AUTHORIZES THE  
 3 MISSISSIPPI DEVELOPMENT AUTHORITY TO MAKE INTEREST-BEARING LOANS  
 4 TO LEGAL ENTITIES MEETING A CERTAIN CRITERIA THROUGH A HOUSING  
 5 DEVELOPMENT REVOLVING LOAN FUND; TO INCREASE FROM \$5,000,000.00 TO  
 6 \$6,500,000.00 THE AMOUNT OF BOND PROCEEDS THAT THE MISSISSIPPI  
 7 DEVELOPMENT AUTHORITY MAY UTILIZE UNDER THE MISSISSIPPI BUSINESS  
 8 INVESTMENT ACT FOR THE PURPOSE OF MAKING GRANTS OR LOANS TO  
 9 COUNTIES AND MUNICIPALITIES TO AID IN INFRASTRUCTURE RELATED  
 10 IMPROVEMENTS, THE PURCHASE OF EQUIPMENT AND THE PURCHASE,  
 11 CONSTRUCTION, REPAIR AND RENOVATION OF PUBLIC FACILITIES; TO  
 12 AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO UTILIZE NOT  
 13 MORE THAN \$750,000.00 OF THE BOND PROCEEDS UNDER THE MISSISSIPPI  
 14 BUSINESS INVESTMENT ACT FOR THE PURPOSE OF ESTABLISHING A CAPITAL  
 15 ACCESS PROGRAM UNDER WHICH PARTICIPATING FINANCIAL INSTITUTIONS  
 16 MAY MAKE LOANS TO QUALIFIED BORROWERS UNDER THE PROGRAM AND BE  
 17 PROTECTED AGAINST LOSSES FROM SUCH LOANS; TO AUTHORIZE THE  
 18 MISSISSIPPI DEVELOPMENT AUTHORITY TO USE NOT MORE THAN \$200,000.00  
 19 OF THE BOND PROCEEDS UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT  
 20 FOR THE PURPOSE OF ASSISTING WARREN COUNTY, MISSISSIPPI, IN THE  
 21 CONTINUATION AND COMPLETION OF A STUDY FOR THE PROPOSED KINGS  
 22 POINT LEVEE; AND FOR RELATED PURPOSES.

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

24 SECTION 1. Section 57-61-36, Mississippi Code of 1972, is  
 25 amended as follows:

26 57-61-36. (1) Notwithstanding any provision of this chapter  
 27 to the contrary, the Mississippi Development Authority shall  
 28 utilize not more than Ten Million Five Hundred Thousand Dollars  
 29 (\$10,500,000.00) out of the proceeds of bonds authorized to be  
 30 issued in this chapter for the purpose of making grants to  
 31 municipalities through a development infrastructure grant fund to  
 32 complete infrastructure related to new or expanded industry.

33 (2) Notwithstanding any provision of this chapter to the  
 34 contrary, the Mississippi Development Authority may utilize not  
 35 more than Seven Million Dollars (\$7,000,000.00) out of the

36 proceeds of bonds authorized to be issued in this chapter for the  
37 purpose of making interest-bearing loans to any agency,  
38 department, institution, instrumentality or political subdivision  
39 of the state; or any agency, department, institution or  
40 instrumentality of any political subdivision of the state; or any  
41 business, organization, corporation, association or other legal  
42 entity meeting criteria established by the department, through a  
43 housing development revolving loan fund, to construct or repair  
44 housing for low or moderate income earners; provided, however,  
45 that the department may not utilize any bond proceeds authorized  
46 under this chapter for the purpose of making any loans to the  
47 Mississippi Home Corporation for any purpose whatsoever. No more  
48 than forty percent (40%) of the additional bonds authorized by  
49 this section in House Bill No. 1694, 1998 Regular Session [Laws,  
50 1998, Chapter 559], may be used for multiple family housing  
51 activities. Funds authorized under this subsection may be  
52 deposited in the Mississippi Affordable Housing Development Fund  
53 authorized in Section 43-33-759 and used for purposes authorized  
54 by that section. This subsection (2) shall be repealed from and  
55 after July 1, 2002.

56 (3) Notwithstanding any provision of this chapter to the  
57 contrary, the Mississippi Development Authority shall utilize not  
58 more than Six Million Five Hundred Thousand Dollars  
59 (\$6,500,000.00) out of the proceeds of bonds authorized to be  
60 issued in this chapter for the purpose of making grants or loans  
61 to municipalities through an equipment and public facilities grant  
62 and loan fund to aid in infrastructure-related improvements as  
63 determined by the Mississippi Development Authority, the purchase  
64 of equipment and in the purchase, construction or repair and  
65 renovation of public facilities. Any bonds previously issued for  
66 the Development Infrastructure Revolving Loan Program which have  
67 not been loaned or applied for are eligible to be administered as  
68 grants or loans.

69           The requirements of Section 57-61-9 shall not apply to any  
70 grant made under this subsection. The Mississippi Development  
71 Authority may establish criteria and guidelines to govern grants  
72 made pursuant to this subsection.

73           (4) Notwithstanding any provision of this chapter to the  
74 contrary, the Mississippi Development Authority may utilize not  
75 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
76 of the proceeds of bonds authorized to be issued in this chapter  
77 in order to match federal funds available from the United States  
78 Department of Agriculture for the purpose of establishing an  
79 intermediary relending program to be administered by the  
80 Mississippi Development Authority. The Mississippi Development  
81 Authority may establish criteria and guidelines to govern loans  
82 made under such program.

83           (5) The Mississippi Development Authority may establish a  
84 capital access program and may contract with any financial  
85 institution to participate in the program upon such terms and  
86 conditions as the authority shall consider necessary and proper.  
87 The Mississippi Development Authority may establish loss reserve  
88 accounts at financial institutions that participate in the program  
89 and require payments by the financial institution and the borrower  
90 to such loss reserve accounts. All money in such loss reserve  
91 accounts is the property of the Mississippi Development Authority.

92           Under the capital access program a participating financial  
93 institution may make a loan to any borrower the Mississippi  
94 Development Authority determines to be qualified under rules and  
95 regulations adopted by the authority and be protected against  
96 losses from such loans as provided in the program. Under such  
97 rules and regulations as may be adopted by the Mississippi  
98 Development Authority, a participating financial institution may  
99 submit claims for the reimbursement for losses incurred as a  
100 result of default on loans by qualified borrowers.

101       Notwithstanding any provision of this chapter to the  
102 contrary, the Mississippi Development Authority may utilize not  
103 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
104 of the proceeds of bonds authorized to be issued in this chapter  
105 for the purpose of making payments to loan loss reserve accounts  
106 established at financial institutions that participate in the  
107 capital access program established by the Mississippi Development  
108 Authority.

109       (6) Notwithstanding any provision of this chapter to the  
110 contrary, the Mississippi Development Authority shall utilize not  
111 more than Two Hundred Thousand Dollars (\$200,000.00) out of the  
112 proceeds of bonds authorized to be issued in this chapter for the  
113 purpose of assisting Warren County, Mississippi, in the  
114 continuation and completion of the study for the proposed Kings  
115 Point levee.

116       SECTION 2. This act shall take effect and be in force from  
117 and after July 1, 2001.