HOUSE BILL NO. 1647

AN ACT TO AMEND SECTION 57-61-25, MISSISSIPPI CODE OF 1972, TO INCREASE FROM $254,750,000.00 TO $257,200,000.00 THE AGGREGATE AMOUNT OF BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT; TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972, TO INCREASE FROM $5,000,000.00 TO $6,500,000.00 THE AMOUNT OF BOND PROCEEDS THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY MAY USE FOR THE PURPOSE OF MAKING GRANTS AND LOANS TO COUNTIES AND MUNICIPALITIES TO AID IN INFRASTRUCTURE RELATED IMPROVEMENTS, THE PURCHASE OF EQUIPMENT AND THE PURCHASE, CONSTRUCTION, REPAIR AND RENOVATION OF PUBLIC FACILITIES; TO EXTEND THE REPEAL DATE ON THE PROVISION WHICH AUTHORIZES THE MISSISSIPPI DEVELOPMENT AUTHORITY TO MAKE INTEREST-BEARING LOANS TO LEGAL ENTITIES MEETING CERTAIN CRITERIA THROUGH A HOUSING DEVELOPMENT REVOLVING LOAN FUND; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO USE NOT MORE THAN $750,000.00 OF THE BOND PROCEEDS UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT FOR THE PURPOSE OF ESTABLISHING A CAPITAL ACCESS PROGRAM UNDER WHICH PARTICIPATING FINANCIAL INSTITUTIONS MAY MAKE LOANS TO QUALIFIED BORROWERS UNDER THE PROGRAM AND BE PROTECTED AGAINST LOSSES FROM SUCH LOANS; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO USE NOT MORE THAN $200,000.00 OF THE BOND PROCEEDS UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT FOR THE PURPOSE OF ASSISTING WARREN COUNTY, MISSISSIPPI, IN THE CONTINUATION AND COMPLETION OF A STUDY FOR THE PROPOSED KINGS POINT LEVEE; AND FOR RELATED PURPOSES.

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

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

57-61-25. (1) The seller is authorized to borrow, on the credit of the state upon receipt of a resolution from the department requesting the same, money not exceeding the aggregate sum of Two Hundred Fifty-seven Million Two Hundred Thousand Dollars ($257,200,000.00), not including money borrowed to refund outstanding bonds, notes or replacement notes, as may be necessary to carry out the purposes of this chapter. The aggregate amount of bonds issued prior to June 30, 1987, shall not exceed Fifty Million Dollars ($50,000,000.00); provided, however, this Fifty
Million Dollar ($50,000,000.00) limitation shall not be construed to limit the aggregate amount of grants which may be awarded prior to June 30, 1987, to less than the full amount authorized under Section 57-61-15(1), Mississippi Code of 1972. The rate of interest on any such bonds or notes which are not subject to taxation shall not exceed the rates set forth in Section 75-17-101, Mississippi Code of 1972, for general obligation bonds.

(2) As evidence of indebtedness authorized in this chapter, general or limited obligation bonds of the state shall be issued from time to time, to provide monies necessary to carry out the purposes of this chapter for such total amounts, in such form, in such denominations payable in such currencies (either domestic or foreign or both) and subject to such terms and conditions of issue, redemption and maturity, rate of interest and time of payment of interest as the seller directs, except that such bonds shall mature or otherwise be retired in annual installments beginning not more than five (5) years from date thereof and extending not more than thirty (30) years from date thereof.

(3) All bonds and notes issued under authority of this chapter shall be signed by the chairman of the seller, or by his facsimile signature, and the official seal of the seller shall be affixed thereto, attested by the secretary of the seller.

(4) All bonds and notes issued under authority of this chapter may be general or limited obligations of the state, and the full faith and credit of the State of Mississippi as to general obligation bonds, or the revenues derived from projects assisted as to limited obligation bonds, are hereby pledged for the payment of the principal and interest on such bonds and notes.

(5) Such bonds and notes and the income therefrom shall be exempt from all taxation in the State of Mississippi.

(6) The bonds may be issued as coupon bonds or registered as to both principal and interest, as the seller may determine. If
interest coupons are attached, they shall contain the facsimile
signature of the chairman and secretary of the seller.

(7) The seller is authorized to provide, by resolution, for
the issuance of refunding bonds for the purpose of refunding any
debt issued under the provision of this chapter and then
outstanding, either by voluntary exchange with the holders of the
outstanding debt or to provide funds to redeem and the costs of
issuance and retirement of the debt, at maturity or at any call
date. The issuance of the refunding bonds, the maturities and
other details thereof, the rights of the holders thereof and the
duties of the issuing officials in respect to the same shall be
governed by the provisions of this section, insofar as they may be
applicable.

(8) As to bonds issued hereunder and designated as taxable
bonds by the seller, any immunity of the state to taxation by the
United States government of interest on bonds or notes issued by
the state is hereby waived.

SECTION 2. Section 57-61-36, Mississippi Code of 1972, is
amended as follows:

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

(2) Notwithstanding any provision of this chapter to the
contrary, the Mississippi Development Authority may utilize not
more than Seven Million Dollars ($7,000,000.00) out of the
proceeds of bonds authorized to be issued in this chapter for the
purpose of making interest-bearing loans to any agency,
department, institution, instrumentality or political subdivision
of the state; or any agency, department, institution or
instrumentality of any political subdivision of the state; or any business, organization, corporation, association or other legal entity meeting criteria established by the department, through a housing development revolving loan fund, to construct or repair housing for low or moderate income earners; provided, however, that the department may not utilize any bond proceeds authorized under this chapter for the purpose of making any loans to the Mississippi Home Corporation for any purpose whatsoever. No more than forty percent (40%) of the additional bonds authorized by this section in House Bill No. 1694, 1998 Regular Session [Laws, 1998, Chapter 559], may be used for multiple family housing activities. Funds authorized under this subsection may be deposited in the Mississippi Affordable Housing Development Fund authorized in Section 43-33-759 and used for purposes authorized by that section. This subsection (2) shall be repealed from and after July 1, 2002.

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

The requirements of Section 57-61-9 shall not apply to any grant made under this subsection. The Mississippi Development Authority may establish criteria and guidelines to govern grants made pursuant to this subsection.
(4) Notwithstanding any provision of this chapter to the contrary, the Mississippi Development Authority may utilize not more than Seven Hundred Fifty Thousand Dollars ($750,000.00) out of the proceeds of bonds authorized to be issued in this chapter in order to match federal funds available from the United States Department of Agriculture for the purpose of establishing an intermediary relending program to be administered by the Mississippi Development Authority. The Mississippi Development Authority may establish criteria and guidelines to govern loans made under such program.

(5) The Mississippi Development Authority may establish a capital access program and may contract with any financial institution to participate in the program upon such terms and conditions as the authority shall consider necessary and proper. The Mississippi Development Authority may establish loss reserve accounts at financial institutions that participate in the program and require payments by the financial institution and the borrower to such loss reserve accounts. All money in such loss reserve accounts is the property of the Mississippi Development Authority. Under the capital access program a participating financial institution may make a loan to any borrower the Mississippi Development Authority determines to be qualified under rules and regulations adopted by the authority and be protected against losses from such loans as provided in the program. Under such rules and regulations as may be adopted by the Mississippi Development Authority, a participating financial institution may submit claims for the reimbursement for losses incurred as a result of default on loans by qualified borrowers.

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

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

SECTION 3. This act shall take effect and be in force from and after July 1, 2001.