

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

House Bill NO. 1146

By Senator(s) Committee

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

9 SECTION 1. Section 57-77-29, Mississippi Code of 1972, is
10 amended as follows:
11 57-77-29. (1) There is hereby created a special fund in the
12 State Treasury, to be known as the Venture Capital Fund, out of
13 which loans to Magnolia Capital Corporation authorized in
14 connection with the program shall be disbursed. All monies
15 received by issuance of bonds to carry out the purposes of this
16 chapter shall be deposited into the Venture Capital Fund. No
17 funds in the Venture Capital Fund, no funds transferred from the
18 Venture Capital Fund to the department for subsequent transfer to
19 the Magnolia Capital Corporation, no funds transferred to the
20 Magnolia Capital Corporation, and no funds transferred by the
21 Magnolia Capital Corporation to the Magnolia Venture Capital
22 Corporation and/or the Magnolia Venture Capital Fund Limited
23 Partnership may be used to provide financing for, or to contract
24 for goods or services with, any business in which a director,
25 employee, or limited partner of the Magnolia Capital Corporation,

26 the Magnolia Venture Capital Corporation or the Magnolia Venture
27 Capital Fund Limited Partnership, or the spouse of any such
28 director, employee or limited partner has a direct or indirect
29 interest. No funds in the Venture Capital Fund, no funds
30 transferred from the Venture Capital Fund to the department for
31 subsequent transfer to the Magnolia Capital Corporation, no funds
32 transferred to the Magnolia Capital Corporation, and no funds
33 transferred by the Magnolia Capital Corporation to the Magnolia
34 Venture Capital Corporation and/or the Magnolia Venture Capital
35 Fund Limited Partnership may be used to provide financing for, or
36 to contract for goods or services with, any business in which a
37 person who has been engaged pursuant to Section 57-77-23 or the
38 spouse of such person has a direct or indirect interest.

39 (2) All funds repaid to the State Treasury under this
40 chapter or designated hereunder for repayment of any bonds issued
41 under this chapter shall be delivered to the State Treasurer for
42 deposit in the State General Fund. Any monetary assets received
43 pursuant to Section 57-77-11(6)(a) shall be applied to pay the
44 debt service on the bonds issued under the Venture Capital Act of
45 1994, in accordance with the proceedings authorizing the issuance
46 of such bonds and as directed by the State Bond Commission. Any
47 nonmonetary assets shall be administered in the manner provided by
48 law. Any monies remaining in the fund after it is utilized as
49 provided for in this subsection (2) shall be deposited into the
50 State General Fund.

51 (3) Any monetary assets received pursuant to Section
52 57-77-11(6)(b) shall be applied to pay valid monetary obligations
53 of the Magnolia Capital Corporation and the Magnolia Venture
54 Capital Corporation. Any nonmonetary assets shall be administered
55 in the manner provided by law. Any monies remaining in the fund

56 after it is utilized as provided in this subsection (3) shall be
57 deposited into the Budget Contingency Fund.

58 (4) Valid monetary obligations of the Magnolia Capital
59 Corporation and the Magnolia Venture Capital Corporation shall not
60 be impaired and shall be satisfied from the special fund created
61 in this section.

62 SECTION 2. There is created in the State Treasury a special
63 fund to be known as the "Budget Contingency Fund," into which
64 shall be deposited any funds designated for deposit therein by
65 law. All funds deposited into the Budget Contingency Fund shall
66 be appropriated by the Legislature for the support of workforce
67 training programs under the public community and junior college
68 system.

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

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

1 AN ACT TO AMEND SECTION 57-77-29, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT MONIES REMAINING IN THE VENTURE CAPITAL FUND AFTER
3 SATISFYING VALID MONETARY OBLIGATIONS OF THE MAGNOLIA CAPITAL
4 CORPORATION AND THE MAGNOLIA VENTURE CAPITAL CORPORATION SHALL BE
5 DEPOSITED INTO THE BUDGET CONTINGENCY FUND; TO ESTABLISH A SPECIAL
6 FUND IN THE STATE TREASURY TO BE DESIGNATED AS THE "BUDGET
7 CONTINGENCY FUND"; AND FOR RELATED PURPOSES.