

By: Representative Ford

To: Ways and Means

HOUSE BILL NO. 417  
(As Passed the House)

1 AN ACT TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972,  
2 TO EXTEND THE DATE OF REPEAL ON THE PROVISION OF LAW THAT  
3 AUTHORIZES THE MISSISSIPPI DEVELOPMENT AUTHORITY TO USE A PORTION  
4 OF THE PROCEEDS OF BONDS ISSUED UNDER THE MISSISSIPPI BUSINESS  
5 INVESTMENT ACT TO MAKE INTEREST-BEARING LOANS TO CERTAIN ENTITIES  
6 THROUGH A HOUSING DEVELOPMENT REVOLVING LOAN FUND FOR LOW TO  
7 MODERATE INCOME HOUSING PURPOSES; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 57-61-36, Mississippi Code of 1972, is  
10 amended as follows:

11 57-61-36. (1) Notwithstanding any provision of this chapter  
12 to the contrary, the Mississippi Development Authority shall  
13 utilize not more than Ten Million Five Hundred Thousand Dollars  
14 (\$10,500,000.00) out of the proceeds of bonds authorized to be  
15 issued in this chapter for the purpose of making grants to  
16 municipalities through a development infrastructure grant fund to  
17 complete infrastructure related to new or expanded industry.

18 (2) Notwithstanding any provision of this chapter to the  
19 contrary, the Mississippi Development Authority may utilize not  
20 more than Seven Million Dollars (\$7,000,000.00) out of the  
21 proceeds of bonds authorized to be issued in this chapter for the  
22 purpose of making interest-bearing loans to any agency,  
23 department, institution, instrumentality or political subdivision  
24 of the state; or any agency, department, institution or  
25 instrumentality of any political subdivision of the state; or any  
26 business, organization, corporation, association or other legal  
27 entity meeting criteria established by the department, through a  
28 housing development revolving loan fund, to construct or repair  
29 housing for low or moderate income earners; provided, however,



30 that the department may not utilize any bond proceeds authorized  
31 under this chapter for the purpose of making any loans to the  
32 Mississippi Home Corporation for any purpose whatsoever. No more  
33 than forty percent (40%) of the additional bonds authorized by  
34 this section in House Bill No. 1694, 1998 Regular Session [Laws,  
35 1998, Chapter 559], may be used for multiple family housing  
36 activities. Funds authorized under this subsection may be  
37 deposited in the Mississippi Affordable Housing Development Fund  
38 authorized in Section 43-33-759 and used for purposes authorized  
39 by that section. This subsection (2) shall be repealed from and  
40 after July 1, 2004.

41 (3) Notwithstanding any provision of this chapter to the  
42 contrary, the Mississippi Development Authority shall utilize not  
43 more than Six Million Five Hundred Thousand Dollars  
44 (\$6,500,000.00) out of the proceeds of bonds authorized to be  
45 issued in this chapter for the purpose of making grants or loans  
46 to municipalities through an equipment and public facilities grant  
47 and loan fund to aid in infrastructure-related improvements as  
48 determined by the Mississippi Development Authority, the purchase  
49 of equipment and in the purchase, construction or repair and  
50 renovation of public facilities. Any bonds previously issued for  
51 the Development Infrastructure Revolving Loan Program which have  
52 not been loaned or applied for are eligible to be administered as  
53 grants or loans.

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

58 (4) Notwithstanding any provision of this chapter to the  
59 contrary, the Mississippi Development Authority may utilize not  
60 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out  
61 of the proceeds of bonds authorized to be issued in this chapter  
62 in order to match federal funds available from the United States



63 Department of Agriculture for the purpose of establishing an  
64 intermediary relending program to be administered by the  
65 Mississippi Development Authority. The Mississippi Development  
66 Authority may establish criteria and guidelines to govern loans  
67 made under such program.

68 (5) The Mississippi Development Authority may establish a  
69 capital access program and may contract with any financial  
70 institution to participate in the program upon such terms and  
71 conditions as the authority shall consider necessary and proper.  
72 The Mississippi Development Authority may establish loss reserve  
73 accounts at financial institutions that participate in the program  
74 and require payments by the financial institution and the borrower  
75 to such loss reserve accounts. All money in such loss reserve  
76 accounts is the property of the Mississippi Development Authority.

77 Under the capital access program a participating financial  
78 institution may make a loan to any borrower the Mississippi  
79 Development Authority determines to be qualified under rules and  
80 regulations adopted by the authority and be protected against  
81 losses from such loans as provided in the program. Under such  
82 rules and regulations as may be adopted by the Mississippi  
83 Development Authority, a participating financial institution may  
84 submit claims for the reimbursement for losses incurred as a  
85 result of default on loans by qualified borrowers.

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

94 (6) Notwithstanding any provision of this chapter to the  
95 contrary, the Mississippi Development Authority shall utilize not



96 more than Two Hundred Thousand Dollars (\$200,000.00) out of the  
97 proceeds of bonds authorized to be issued in this chapter for the  
98 purpose of assisting Warren County, Mississippi, in the  
99 continuation and completion of the study for the proposed Kings  
100 Point levee.

101       **SECTION 2.** This act shall take effect and be in force from  
102 and after July 1, 2002.

