

By: Representative Morris

To: Ways and Means

HOUSE BILL NO. 1486

1 AN ACT TO AMEND SECTION 43-33-729, MISSISSIPPI CODE OF 1972,
2 TO INCREASE THE AMOUNT OF BONDS THAT THE MISSISSIPPI HOME
3 CORPORATION MAY ISSUE ANNUALLY TO \$175,000,000.00 THROUGH JUNE 30,
4 2006; TO EXCLUDE FROM SUCH LIMITATION BONDS AND NOTES IN WHICH THE
5 MISSISSIPPI HOME CORPORATION ACTS AS A CONDUIT ISSUER; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** Section 43-33-729, Mississippi Code of 1972, is
9 amended as follows:

10 **[Through June 30, 2006, this section shall read as follows:]**

11 43-33-729. (1) The corporation may from time to time issue
12 its negotiable bonds and notes in such principal amounts as, in
13 the opinion of the corporation, shall be necessary to provide
14 sufficient funds for achieving the corporate purposes thereof,
15 including operating expenses and reserves, the payment of interest
16 on bonds and notes of the corporation, establishment of reserves
17 to secure such bonds and notes, and all other expenditures of the
18 corporation incident to and necessary or convenient to carry out
19 its corporate purposes and powers. Provided, except as otherwise
20 authorized herein, bonds and notes may be issued annually under
21 this article in an aggregate principal amount not to exceed One
22 Hundred Seventy-five Million Dollars (\$175,000,000.00), excluding
23 bonds and notes issued to refund outstanding bonds and notes and
24 bonds and notes in which the corporation acts as a conduit issuer.
25 Such annual period shall be the same as the fiscal year of the
26 state, commencing with the annual period of July 1, 2003, to June
27 30, 2004.

28 (2) The provisions of Sections 75-71-1 through 75-71-57,
29 Mississippi Code of 1972 (the "Mississippi Securities Act"), shall



30 not apply to bonds and notes issued under the authority of this
31 article, and no application for a formal exemption from the
32 provisions of such act shall be required with respect to such
33 bonds and notes.

34 (3) Except as may otherwise be expressly provided by the
35 corporation, all bonds and notes issued by the corporation shall
36 be general obligations of the corporation, secured by the full
37 faith and credit of the corporation and payable out of any monies,
38 assets or revenues of the corporation, subject only to any
39 agreement with the bondholders or noteholders pledging any
40 particular monies, assets or revenues.

41 The corporation may issue bonds or notes to which the
42 principal and interest are payable:

43 (a) Exclusively from the revenues of the corporation
44 resulting from the use of the proceeds of such bonds or notes; or

45 (b) Exclusively from any particular revenues of the
46 corporation, whether or not resulting from the use of the proceeds
47 of such bonds or notes.

48 (4) Any bonds or notes issued by the corporation may be
49 additionally secured:

50 (a) By private insurance, by a direct pay or standby
51 letter of credit, or by any other credit enhancement facility
52 procured by the corporation for the payment of any such bonds;

53 (b) By a pledge of any grant, subsidy or contribution
54 from the United States or any agency or instrumentality thereof,
55 or from the state or any agency, instrumentality or political
56 subdivision thereof, or from any person, firm or corporation; or

57 (c) By the pledge of any securities, funds or reserves
58 (or earnings thereon) available to the corporation.

59 (5) Bonds and notes issued by the corporation shall be
60 authorized by a resolution or resolutions of the corporation
61 adopted as provided for by this article; provided, that any such
62 resolution authorizing the issuance of bonds or notes may delegate



63 to an officer or officers of the corporation the power to issue
64 such bonds or notes from time to time and to fix the details of
65 any such issues of bonds or notes by an appropriate certification
66 of such authorized officer.

67 (6) Except as specifically provided in this article, no
68 notice, consent or approval by any governmental body or public
69 officer shall be required as a prerequisite to the issuance, sale
70 or delivery of any bonds or notes of the corporation pursuant to
71 the provisions of this article. However, all bonds or notes
72 issued pursuant to this article may be validated, except as
73 otherwise provided in this section, in accordance with the
74 provisions of Sections 31-13-1 through 31-13-11, Mississippi Code
75 of 1972, in the same manner as provided therein for bonds issued
76 by a municipality. Any such validation proceedings shall be held
77 in the First Judicial District of Hinds County, Mississippi.
78 Notice thereof shall be given by publication in any newspaper
79 published in the City of Jackson, Mississippi, and of general
80 circulation throughout the state.

81 (7) It is hereby determined that the corporation is the sole
82 entity in the state authorized to issue bonds or notes for the
83 purposes of financing low and moderate income rental or
84 residential housing as set forth in this article. In addition,
85 the corporation shall have the power to issue mortgage credit
86 certificates, as provided by Section 25 of the Internal Revenue
87 Code of 1954, as amended, and to comply with all of the terms and
88 conditions set forth in Section 25, as the same may be amended
89 from time to time.

90 **[From and after July 1, 2006, this section shall read as**
91 **follows:]**

92 43-33-729. (1) The corporation may from time to time issue
93 its negotiable bonds and notes in such principal amounts as, in
94 the opinion of the corporation, shall be necessary to provide
95 sufficient funds for achieving the corporate purposes thereof,



96 including operating expenses and reserves, the payment of interest
97 on bonds and notes of the corporation, establishment of reserves
98 to secure such bonds and notes, and all other expenditures of the
99 corporation incident to and necessary or convenient to carry out
100 its corporate purposes and powers. Provided, except as otherwise
101 authorized herein, bonds and notes shall not be issued under this
102 article in an aggregate principal amount exceeding the aggregate
103 principal amount of bonds and notes outstanding on July 1, 2006,
104 excluding bonds and notes issued to refund outstanding bonds and
105 notes and bonds and notes in which the corporation acts as a
106 conduit issuer.

107 (2) The provisions of Sections 75-71-1 through 75-71-57,
108 Mississippi Code of 1972 (the "Mississippi Securities Act"), shall
109 not apply to bonds and notes issued under the authority of this
110 article, and no application for a formal exemption from the
111 provisions of such act shall be required with respect to such
112 bonds and notes.

113 (3) Except as may otherwise be expressly provided by the
114 corporation, all bonds and notes issued by the corporation shall
115 be general obligations of the corporation, secured by the full
116 faith and credit of the corporation and payable out of any monies,
117 assets or revenues of the corporation, subject only to any
118 agreement with the bondholders or noteholders pledging any
119 particular monies, assets or revenues.

120 The corporation may issue bonds or notes to which the
121 principal and interest are payable:

122 (a) Exclusively from the revenues of the corporation
123 resulting from the use of the proceeds of such bonds or notes; or

124 (b) Exclusively from any particular revenues of the
125 corporation, whether or not resulting from the use of the proceeds
126 of such bonds or notes.

127 (4) Any bonds or notes issued by the corporation may be
128 additionally secured:



129 (a) By private insurance, by a direct pay or standby
130 letter of credit, or by any other credit enhancement facility
131 procured by the corporation for the payment of any such bonds;

132 (b) By a pledge of any grant, subsidy or contribution
133 from the United States or any agency or instrumentality thereof,
134 or from the state or any agency, instrumentality or political
135 subdivision thereof, or from any person, firm or corporation; or

136 (c) By the pledge of any securities, funds or reserves
137 (or earnings thereon) available to the corporation.

138 (5) Bonds and notes issued by the corporation shall be
139 authorized by a resolution or resolutions of the corporation
140 adopted as provided for by this article; provided, that any such
141 resolution authorizing the issuance of bonds or notes may delegate
142 to an officer or officers of the corporation the power to issue
143 such bonds or notes from time to time and to fix the details of
144 any such issues of bonds or notes by an appropriate certification
145 of such authorized officer.

146 (6) Except as specifically provided in this article, no
147 notice, consent or approval by any governmental body or public
148 officer shall be required as a prerequisite to the issuance, sale
149 or delivery of any bonds or notes of the corporation pursuant to
150 the provisions of this article. However, all bonds or notes
151 issued pursuant to this article may be validated, except as
152 otherwise provided in this section, in accordance with the
153 provisions of Sections 31-13-1 through 31-13-11, Mississippi Code
154 of 1972, in the same manner as provided therein for bonds issued
155 by a municipality. Any such validation proceedings shall be held
156 in the First Judicial District of Hinds County, Mississippi.
157 Notice thereof shall be given by publication in any newspaper
158 published in the City of Jackson, Mississippi, and of general
159 circulation throughout the state.

160 (7) It is hereby determined that the corporation is the sole
161 entity in the state authorized to issue bonds or notes for the



162 purposes of financing low and moderate income rental or
163 residential housing as set forth in this article. In addition,
164 the corporation shall have the power to issue mortgage credit
165 certificates, as provided by Section 25 of the Internal Revenue
166 Code of 1954, as amended, and to comply with all of the terms and
167 conditions set forth in Section 25, as the same may be amended
168 from time to time.

169 **SECTION 2.** This act shall take effect and be in force from
170 and after June 30, 2003.

