

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 288

1 AN ACT TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972,  
 2 TO EXTEND THE DATE OF REPEAL FROM JULY 1, 2004, TO JULY 1, 2006,  
 3 ON THE PROVISION OF LAW THAT AUTHORIZES THE MISSISSIPPI  
 4 DEVELOPMENT AUTHORITY TO USE A PORTION OF THE PROCEEDS OF BONDS  
 5 ISSUED UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT TO MAKE  
 6 INTEREST BEARING LOANS TO CERTAIN ENTITIES THROUGH A HOUSING  
 7 DEVELOPMENT REVOLVING LOAN FUND FOR LOW OR MODERATE INCOME HOUSING  
 8 PURPOSES; AND FOR RELATED PURPOSES.

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

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

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

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

31 that the department may not utilize any bond proceeds authorized  
32 under this chapter for the purpose of making any loans to the  
33 Mississippi Home Corporation for any purpose whatsoever. No more  
34 than forty percent (40%) of the additional bonds authorized  
35 by \* \* \* Laws, 1998, Chapter 559, may be used for multiple family  
36 housing 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, 2006.

41 (3) Notwithstanding any provision of this chapter to the  
42 contrary, the Mississippi Development Authority shall utilize not  
43 more than Eight Million Five Hundred Thousand Dollars  
44 (\$8,500,000.00) 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. This subsection (4) shall be repealed  
68 from and after April 9, 2002.

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

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

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

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

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

102 (7) Notwithstanding any provision of this chapter to the  
103 contrary, the Mississippi Development Authority shall utilize not  
104 more than One Hundred Thousand Dollars (\$100,000.00) out of the  
105 proceeds of bonds authorized to be issued in this chapter for the  
106 purpose of developing a long-range plan for coordinating the  
107 resources of the state institutions of higher learning, the  
108 community and junior colleges, the Mississippi Development  
109 Authority and other state agencies in order to promote economic  
110 development in the state.

111 (8) Notwithstanding any other provision of this chapter to  
112 the contrary, the Mississippi Development Authority shall use not  
113 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of  
114 the proceeds of bonds authorized to be issued in this chapter for  
115 the purpose of providing assistance to municipalities that have  
116 received community development block grant funds for repair,  
117 renovation and other improvements to buildings for use as  
118 community centers. Assistance provided to a municipality under  
119 this subsection shall be used by the municipality to match such  
120 community development block grant funds. The maximum amount of  
121 assistance that may be provided to a municipality under this  
122 subsection shall not exceed Seventy-five Thousand Dollars  
123 (\$75,000.00) in the aggregate.

124 **SECTION 2.** This act shall take effect and be in force from  
125 and after July 1, 2004.