

REPORT OF CONFERENCE COMMITTEE

MADAM PRESIDENT AND MR. SPEAKER:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 3088: Mississippi Business Investment Act; increase bond for certain grants or loans to counties and municipalities.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

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

20 **SECTION 1.** Section 57-61-25, Mississippi Code of 1972, is
21 amended as follows:
22 57-61-25. (1) The seller is authorized to borrow, on the
23 credit of the state upon receipt of a resolution from the
24 Mississippi Development Authority requesting the same, money not
25 exceeding the aggregate sum of Two Hundred Ninety-two Million
26 Dollars (\$292,000,000.00), not including money borrowed to refund
27 outstanding bonds, notes or replacement notes, as may be necessary
28 to carry out the purposes of this chapter. * * * The rate of
29 interest on any such bonds or notes which are not subject to
30 taxation shall not exceed the rates set forth in Section
31 75-17-101, Mississippi Code of 1972, for general obligation bonds.
32 (2) As evidence of indebtedness authorized in this chapter,
33 general or limited obligation bonds of the state shall be issued
34 from time to time, to provide monies necessary to carry out the
35 purposes of this chapter for such total amounts, in such form, in
36 such denominations payable in such currencies (either domestic or
37 foreign or both) and subject to such terms and conditions of
38 issue, redemption and maturity, rate of interest and time of
39 payment of interest as the seller directs, except that such bonds
40 shall mature or otherwise be retired in annual installments

41 beginning not more than five (5) years from date thereof and
42 extending not more than thirty (30) years from date thereof.

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

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

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

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

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

71 (8) As to bonds issued hereunder and designated as taxable
72 bonds by the seller, any immunity of the state to taxation by the

73 United States government of interest on bonds or notes issued by
74 the state is hereby waived.

75 (9) The proceeds of bonds issued under this chapter after
76 April 9, 2002, may be used to reimburse reasonable, actual and
77 necessary costs incurred by the Mississippi Development Authority
78 in administering a program or providing assistance related to a
79 project, or both, for which funding is provided from the use of
80 proceeds of such bonds. An accounting of actual costs incurred
81 for which reimbursement is sought shall be maintained for each
82 project by the Mississippi Development Authority. Reimbursement
83 of reasonable, actual and necessary costs for a program or project
84 shall not exceed three percent (3%) of the proceeds of bonds
85 issued for such program or project. Monies authorized for a
86 particular program or project may not be used to reimburse
87 administrative costs for unrelated programs or projects.
88 Reimbursements under this subsection shall satisfy any applicable
89 federal tax law requirements.

90 **SECTION 2.** Section 57-61-36, Mississippi Code of 1972, as
91 amended by House Bill No. 288, 2004 Regular Session, is amended as
92 follows:

93 57-61-36. (1) Notwithstanding any provision of this chapter
94 to the contrary, the Mississippi Development Authority shall
95 utilize not more than Twelve Million Five Hundred Thousand Dollars
96 (\$12,500,000.00) out of the proceeds of bonds authorized to be
97 issued in this chapter for the purpose of making grants to
98 municipalities through a development infrastructure grant fund to
99 complete infrastructure related to new or expanded industry.

100 (2) Notwithstanding any provision of this chapter to the
101 contrary, the Mississippi Development Authority may utilize not
102 more than Seven Million Dollars (\$7,000,000.00) out of the
103 proceeds of bonds authorized to be issued in this chapter for the
104 purpose of making interest-bearing loans to any agency,

105 department, institution, instrumentality or political subdivision
106 of the state; or any agency, department, institution or
107 instrumentality of any political subdivision of the state; or any
108 business, organization, corporation, association or other legal
109 entity meeting criteria established by the department, through a
110 housing development revolving loan fund, to construct or repair
111 housing for low or moderate income earners; provided, however,
112 that the department may not utilize any bond proceeds authorized
113 under this chapter for the purpose of making any loans to the
114 Mississippi Home Corporation for any purpose whatsoever. No more
115 than forty percent (40%) of the additional bonds authorized by
116 Chapter 559, Laws of 1998, may be used for multiple family housing
117 activities. Funds authorized under this subsection may be
118 deposited in the Mississippi Affordable Housing Development Fund
119 authorized in Section 43-33-759 and used for purposes authorized
120 by that section. This subsection (2) shall be repealed from and
121 after July 1, 2006.

122 (3) Notwithstanding any provision of this chapter to the
123 contrary, the Mississippi Development Authority shall utilize not
124 more than Ten Million Five Hundred Thousand Dollars
125 (\$10,500,000.00) out of the proceeds of bonds authorized to be
126 issued in this chapter for the purpose of making grants or loans
127 to municipalities through an equipment and public facilities grant
128 and loan fund to aid in infrastructure-related improvements as
129 determined by the Mississippi Development Authority, the purchase
130 of equipment and in the purchase, construction or repair and
131 renovation of public facilities. Any bonds previously issued for
132 the Development Infrastructure Revolving Loan Program which have
133 not been loaned or applied for are eligible to be administered as
134 grants or loans.

135 The requirements of Section 57-61-9 shall not apply to any
136 grant made under this subsection. The Mississippi Development

137 Authority may establish criteria and guidelines to govern grants
138 made pursuant to this subsection.

139 (4) Notwithstanding any provision of this chapter to the
140 contrary, the Mississippi Development Authority may utilize not
141 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out
142 of the proceeds of bonds authorized to be issued in this chapter
143 in order to match federal funds available from the United States
144 Department of Agriculture for the purpose of establishing an
145 intermediary relending program to be administered by the
146 Mississippi Development Authority. The Mississippi Development
147 Authority may establish criteria and guidelines to govern loans
148 made under such program. This subsection (4) shall be repealed
149 from and after April 9, 2002.

150 (5) The Mississippi Development Authority may establish a
151 capital access program and may contract with any financial
152 institution to participate in the program upon such terms and
153 conditions as the authority shall consider necessary and proper.
154 The Mississippi Development Authority may establish loss reserve
155 accounts at financial institutions that participate in the program
156 and require payments by the financial institution and the borrower
157 to such loss reserve accounts. All money in such loss reserve
158 accounts is the property of the Mississippi Development Authority.

159 Under the capital access program a participating financial
160 institution may make a loan to any borrower the Mississippi
161 Development Authority determines to be qualified under rules and
162 regulations adopted by the authority and be protected against
163 losses from such loans as provided in the program. Under such
164 rules and regulations as may be adopted by the Mississippi
165 Development Authority, a participating financial institution may
166 submit claims for the reimbursement for losses incurred as a
167 result of default on loans by qualified borrowers.

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

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

183 (7) Notwithstanding any provision of this chapter to the
184 contrary, the Mississippi Development Authority shall utilize not
185 more than One Hundred Thousand Dollars (\$100,000.00) out of the
186 proceeds of bonds authorized to be issued in this chapter for the
187 purpose of developing a long-range plan for coordinating the
188 resources of the state institutions of higher learning, the
189 community and junior colleges, the Mississippi Development
190 Authority and other state agencies in order to promote economic
191 development in the state.

192 (8) Notwithstanding any other provision of this chapter to
193 the contrary, the Mississippi Development Authority shall use not
194 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of
195 the proceeds of bonds authorized to be issued in this chapter for
196 the purpose of providing assistance to municipalities that have
197 received community development block grant funds for repair,
198 renovation and other improvements to buildings for use as
199 community centers. Assistance provided to a municipality under

200 this subsection shall be used by the municipality to match such
201 community development block grant funds. The maximum amount of
202 assistance that may be provided to a municipality under this
203 subsection shall not exceed Eighty-five Thousand Dollars
204 (\$85,000.00) in the aggregate.

205 **SECTION 3.** This act shall take effect and be in force from
206 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 57-61-25, MISSISSIPPI CODE OF 1972,
2 TO INCREASE FROM \$290,000,000.00 TO \$292,000,000.00 THE AMOUNT OF
3 GENERAL OBLIGATION BONDS THAT MAY BE ISSUED UNDER THE MISSISSIPPI
4 BUSINESS INVESTMENT ACT; TO AMEND SECTION 57-61-36, MISSISSIPPI
5 CODE OF 1972, AS AMENDED BY HOUSE BILL NO. 288, 2004 REGULAR
6 SESSION, TO INCREASE FROM \$8,500,000.00 TO \$10,500,000.00 THE
7 AMOUNT OF BOND PROCEEDS THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY
8 MAY UTILIZE UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT TO MAKE
9 GRANTS OR LOANS TO COUNTIES AND MUNICIPALITIES THROUGH AN
10 EQUIPMENT AND PUBLIC FACILITIES GRANT AND LOAN FUND TO AID IN
11 INFRASTRUCTURE-RELATED IMPROVEMENTS, THE PURCHASE OF EQUIPMENT AND
12 IN THE PURCHASE, CONSTRUCTION OR REPAIR AND RENOVATION OF PUBLIC
13 FACILITIES; TO INCREASE THE AMOUNT OF ASSISTANCE THAT MAY BE
14 PROVIDED UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT TO A
15 MUNICIPALITY TO BE USED AS MATCHING FUNDS FOR COMMUNITY
16 DEVELOPMENT BLOCK GRANTS FOR REPAIR, RENOVATION AND OTHER
17 IMPROVEMENTS TO A BUILDING FOR USE AS A COMMUNITY CENTER; AND FOR
18 RELATED PURPOSES.

CONFEREES FOR THE SENATE

CONFEREES FOR THE HOUSE

X (SIGNED)
Thomas E. Robertson

X (SIGNED)
Percy W. Watson

X (SIGNED)
Joseph C. Thomas

X (SIGNED)
Jeffrey C. Smith

X (SIGNED)
Robert P. Chamberlin

X (SIGNED)
Tyrone Ellis