

By: Representatives Morris, Smith (27th)

To: Ways and Means

HOUSE BILL NO. 1180

1 AN ACT TO AMEND SECTION 43-33-729, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE REVERTER ON THE PROVISION THAT AUTHORIZES THE
3 MISSISSIPPI HOME CORPORATION TO ANNUALLY ISSUE \$175,000,000.00
4 WORTH OF BONDS; TO EXCLUDE FROM SUCH LIMITATION BONDS THAT ARE
5 ISSUED FOR PURPOSES RELATED TO HURRICANE KATRINA; AND FOR RELATED
6 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, 2009, 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, notes and
24 bonds and notes in which the corporation acts as a conduit issuer
25 and bonds and notes issued for purposes related to Hurricane
26 Katrina. Such annual period shall be the same as the fiscal year
27 of the state, commencing with the annual period of July 1, 2006,
28 to June 30, 2007.

29 (2) The provisions of Sections 75-71-1 through 75-71-57,
30 Mississippi Code of 1972 (the "Mississippi Securities Act"), shall
31 not apply to bonds and notes issued under the authority of this
32 article, and no application for a formal exemption from the
33 provisions of such act shall be required with respect to such
34 bonds and notes.

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

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

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

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

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

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

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

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

60 (5) Bonds and notes issued by the corporation shall be
61 authorized by a resolution or resolutions of the corporation

62 adopted as provided for by this article; provided, that any such
63 resolution authorizing the issuance of bonds or notes may delegate
64 to an officer or officers of the corporation the power to issue
65 such bonds or notes from time to time and to fix the details of
66 any such issues of bonds or notes by an appropriate certification
67 of such authorized officer.

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

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

91 **[From and after July 1, 2009, this section shall read as**
92 **follows:]**

93 43-33-729. (1) The corporation may from time to time issue
94 its negotiable bonds and notes in such principal amounts as, in

95 the opinion of the corporation, shall be necessary to provide
96 sufficient funds for achieving the corporate purposes thereof,
97 including operating expenses and reserves, the payment of interest
98 on bonds and notes of the corporation, establishment of reserves
99 to secure such bonds and notes, and all other expenditures of the
100 corporation incident to and necessary or convenient to carry out
101 its corporate purposes and powers. Provided, except as otherwise
102 authorized herein, bonds and notes shall not be issued under this
103 article in an aggregate principal amount exceeding the aggregate
104 principal amount of bonds and notes outstanding on July 1, 2009,
105 excluding bonds and notes issued to refund outstanding bonds and
106 notes, bonds and notes in which the corporation acts as a conduit
107 issuer and bonds and notes issued for purposes related to
108 Hurricane Katrina.

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

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

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

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

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

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

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

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

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

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

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

159 Notice thereof shall be given by publication in any newspaper
160 published in the City of Jackson, Mississippi, and of general
161 circulation throughout the state.

162 (7) It is hereby determined that the corporation is the sole
163 entity in the state authorized to issue bonds or notes for the
164 purposes of financing low and moderate income rental or
165 residential housing as set forth in this article. In addition,
166 the corporation shall have the power to issue mortgage credit
167 certificates, as provided by Section 25 of the Internal Revenue
168 Code of 1954, as amended, and to comply with all of the terms and
169 conditions set forth in Section 25, as the same may be amended
170 from time to time.

171 **SECTION 2.** This act shall take effect and be in force from
172 and after July 1, 2006.