

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 1386

1 AN ACT TO DIRECT THE MISSISSIPPI DEVELOPMENT AUTHORITY TO  
2 EXPEND LOW-INCOME HOUSING TAX CREDITS (LIHTC) FUNDS APPROPRIATED  
3 FOR THE HURRICANE KATRINA DISASTER FOR CERTAIN PURPOSES; TO DIRECT  
4 THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO DEPOSIT SUCH FUNDS  
5 RECEIVED FROM THE FEDERAL GOVERNMENT INTO A SPECIAL FUND TO BE  
6 EXPENDED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY ONLY FOR SUCH  
7 PURPOSES; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) The Mississippi Development Authority shall  
10 be authorized to expend the federal Low-Income Housing Tax Credits  
11 (LIHTC) funds appropriated as part of the Gulf Opportunity Zone  
12 Act for the following programs and purposes:

13 (a) Prioritize allocation of tax credits to projects  
14 where at least twenty-five percent (25%) of the units in each  
15 development are affordable to and occupied by people with  
16 poverty-level incomes.

17 (b) Prioritize allocation of tax credits to projects  
18 with longer-than-required affordability restrictions, extending  
19 affordability terms from thirty (30) to as long as fifty (50)  
20 years.

21 (2) The Department of Finance and Administration is directed  
22 to deposit such LIHTC funds received from the federal government  
23 into a special fund hereby created in the State Treasury to be  
24 expended by the Mississippi Development Authority only for the  
25 programs and purposes enumerated in subsection (1).

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