

By: Representative Lamar

To: Ways and Means

HOUSE BILL NO. 500
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 43-33-729, MISSISSIPPI CODE OF 1972,
2 TO REMOVE THE REVERTER ON THE PROVISION OF LAW AUTHORIZING THE
3 MISSISSIPPI HOME CORPORATION TO ISSUE NEGOTIABLE BONDS AND NOTES;
4 AND FOR RELATED PURPOSES.

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

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

8 * * *

9 43-33-729. (1) The corporation may from time to time issue
10 its negotiable bonds and notes in such principal amounts as, in
11 the opinion of the corporation, shall be necessary to provide
12 sufficient funds for achieving the corporate purposes thereof,
13 including operating expenses and reserves, the payment of interest
14 on bonds and notes of the corporation, establishment of reserves
15 to secure such bonds and notes, and all other expenditures of the
16 corporation incident to and necessary or convenient to carry out
17 its corporate purposes and powers. Provided, except as otherwise
18 authorized herein, bonds and notes may be issued annually under
19 this article in an aggregate principal amount not to exceed Three



20 Hundred Fifty Million Dollars (\$350,000,000.00), excluding bonds
21 and notes issued to refund outstanding bonds and notes, bonds and
22 notes in which the corporation acts as a conduit issuer and bonds
23 and notes issued for purposes related to Hurricane Katrina. Such
24 annual period shall be the same as the fiscal year of the state,
25 commencing with the annual period of July 1, 2009, to June 30,
26 2010.

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

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

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

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



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

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

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

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

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

58 (5) Bonds and notes issued by the corporation shall be
59 authorized by a resolution or resolutions of the corporation
60 adopted as provided for by this article; provided, that any such
61 resolution authorizing the issuance of bonds or notes may delegate
62 to an officer or officers of the corporation the power to issue
63 such bonds or notes from time to time and to fix the details of
64 any such issues of bonds or notes by an appropriate certification
65 of such authorized officer.

66 (6) Except as specifically provided in this article, no
67 notice, consent or approval by any governmental body or public
68 officer shall be required as a prerequisite to the issuance, sale



69 or delivery of any bonds or notes of the corporation pursuant to
70 the provisions of this article. However, all bonds or notes
71 issued pursuant to this article may be validated, except as
72 otherwise provided in this section, in accordance with the
73 provisions of Sections 31-13-1 through 31-13-11, Mississippi Code
74 of 1972, in the same manner as provided therein for bonds issued
75 by a municipality. Any such validation proceedings shall be held
76 in the First Judicial District of Hinds County, Mississippi.
77 Notice thereof shall be given by publication in any newspaper
78 published in the City of Jackson, Mississippi, and of general
79 circulation throughout the state.

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

89 * * *

90 **SECTION 2.** This act shall take effect and be in force from
91 and after its passage.

