

By: Representatives Clark, Summers

To: Housing; Ways and Means

HOUSE BILL NO. 438

1 AN ACT TO ESTABLISH A HOUSING REPAIR GRANT PROGRAM TO PROVIDE
2 GRANTS TO CERTAIN LOW INCOME INDIVIDUALS TO MAKE SIGNIFICANT
3 REPAIRS TO THEIR HOMES; TO PROVIDE THAT THE DEPARTMENT OF FINANCE
4 AND ADMINISTRATION SHALL ADMINISTER THE GRANT PROGRAM; TO PROVIDE
5 THE MAXIMUM AMOUNT OF A GRANT AUTHORIZED UNDER THE PROGRAM; TO
6 PRESCRIBE THE REQUIREMENTS TO BE ELIGIBLE FOR A GRANT UNDER THE
7 PROGRAM; TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE
8 KNOWN AS THE "MISSISSIPPI HOUSING REPAIR GRANT FUND", WHICH SHALL
9 BE USED FOR THE PROGRAM; TO AUTHORIZE THE ISSUANCE OF
10 \$50,000,000.00 OF STATE GENERAL OBLIGATION BONDS FOR THE PURPOSE
11 OF PROVIDING FUNDS FOR THE PROGRAM; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** (1) The Department of Finance and Administration
14 shall establish a housing repair grant program to provide grants
15 to low income individuals to make significant repairs to their
16 homes.

17 (2) The amount of a grant made under this section shall not
18 exceed Twenty-five Thousand Dollars (\$25,000.00) per household or
19 the cost of repairing the home, whichever is less. To be eligible
20 for a grant under this section, an applicant must:



21 (a) Have at least a fifty percent (50%) ownership
22 interest in a home that is the primary homestead of the applicant
23 and that is in need of significant repairs;

24 (b) Be sixty-two (62) years of age or older or be
25 disabled as determined by the Social Security Administration; and

26 (c) Have an annual income of not more than Twelve
27 Thousand Dollars (\$12,000.00) for a household of one (1) person,
28 or an annual income of not more than Sixteen Thousand Dollars
29 (\$16,000.00) for a household of two (2) or more persons.

30 (3) In order to receive a grant under this section, an
31 individual must submit an application to the Department of Finance
32 and Administration. The application must include a description of
33 the repairs that the individual intends to make to the home, the
34 estimated cost of the repairs and any other information required
35 by the Department of Finance and Administration.

36 (4) The Department of Finance and Administration shall have
37 all powers necessary to implement and administer the grant program
38 established under this section, and the Department of Finance and
39 Administration shall promulgate rules and regulations, in
40 accordance with the Mississippi Administrative Procedures Law,
41 necessary for the implementation of this section.

42 (5) There is created in the State Treasury a special fund to
43 be designated as the "Mississippi Housing Repair Grant Fund",
44 which shall consist of funds made available by the Legislature in
45 any manner and funds from any other source designated for deposit



46 into the fund. Unexpended amounts remaining in the fund at the
47 end of a fiscal year shall not lapse into the State General Fund,
48 and any investment earnings or interest earned on amounts in the
49 fund shall be deposited to the credit of the fund. Monies in the
50 fund shall be used by the Department of Finance and Administration
51 for the purposes described in this section.

52 (6) For the purpose of making grants under this section, the
53 Department of Finance and Administration shall allocate the monies
54 in the Mississippi Housing Repair Grant Fund among the four (4)
55 congressional districts as follows: The proportion of the monies
56 in the fund that are available for grants in each congressional
57 district shall be equal to the ratio that the number of persons
58 residing in that district whose income is below the federal
59 poverty level bears to the total number of persons residing in the
60 state whose income is below the federal poverty level.

61 **SECTION 2.** (1) As used in this section, the following words
62 shall have the meanings ascribed herein unless the context clearly
63 requires otherwise:

64 (a) "Accreted value" of any bond means, as of any date
65 of computation, an amount equal to the sum of (i) the stated
66 initial value of such bond, plus (ii) the interest accrued thereon
67 from the issue date to the date of computation at the rate,
68 compounded semiannually, that is necessary to produce the
69 approximate yield to maturity shown for bonds of the same
70 maturity.



71 (b) "State" means the State of Mississippi.

72 (c) "Commission" means the State Bond Commission.

73 (2) (a) The commission, at one time, or from time to time,
74 may declare by resolution the necessity for issuance of general
75 obligation bonds of the State of Mississippi to provide funds for
76 the grant program authorized in Section 1 of this act. Upon the
77 adoption of a resolution by the Department of Finance and
78 Administration, declaring the necessity for the issuance of any
79 part or all of the general obligation bonds authorized by this
80 subsection, the department shall deliver a certified copy of its
81 resolution or resolutions to the commission. Upon receipt of such
82 resolution, the commission, in its discretion, may act as the
83 issuing agent, prescribe the form of the bonds, determine the
84 appropriate method for sale of the bonds, advertise for and accept
85 bids or negotiate the sale of the bonds, issue and sell the bonds
86 so authorized to be sold and do any and all other things necessary
87 and advisable in connection with the issuance and sale of such
88 bonds. The total amount of bonds issued under this section shall
89 not exceed Fifty Million Dollars (\$50,000,000.00).

90 (b) Any investment earnings on amounts deposited into
91 the special fund created in Section 1 of this act shall be used to
92 pay debt service on bonds issued under this section, in accordance
93 with the proceedings authorizing issuance of such bonds.

94 (3) The principal of and interest on the bonds authorized
95 under this section shall be payable in the manner provided in this



subsection. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

(4) The bonds authorized by this section shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to



the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

(5) All bonds and interest coupons issued under the provisions of this section have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this section, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

(6) The commission shall act as the issuing agent for the bonds authorized under this section, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in such issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The commission is authorized and empowered to pay the costs that are incident to the sale, issuance and delivery of the bonds authorized under this section from the proceeds derived from the sale of such bonds. The commission may sell such bonds on sealed bids at public sale or may negotiate the sale of the bonds for such price as it may determine to be for the best interest of the State of Mississippi. All interest accruing on such bonds so issued shall be payable semiannually or annually.



146 If such bonds are sold by sealed bids at public sale, notice
147 of the sale of any such bonds shall be published at least one
148 time, not less than ten (10) days before the date of sale, and
149 shall be so published in one or more newspapers published or
150 having a general circulation in the City of Jackson, Mississippi,
151 to be selected by the commission.

152 The commission, when issuing any bonds under the authority of
153 this section, may provide that bonds, at the option of the State
154 of Mississippi, may be called in for payment and redemption at the
155 call price named therein and accrued interest on such date or
156 dates named therein.

157 (7) The bonds issued under the provisions of this section
158 are general obligations of the State of Mississippi, and for the
159 payment thereof the full faith and credit of the State of
160 Mississippi is irrevocably pledged. If the funds appropriated by
161 the Legislature are insufficient to pay the principal of and the
162 interest on such bonds as they become due, then the deficiency
163 shall be paid by the State Treasurer from any funds in the State
164 Treasury not otherwise appropriated. All such bonds shall contain
165 recitals on their faces substantially covering the provisions of
166 this subsection.

167 (8) Upon the issuance and sale of bonds under the provisions
168 of this section, the commission shall transfer the proceeds of any
169 such sale or sales to the special fund created in Section 1 of
170 this act. The proceeds of such bonds shall be disbursed solely



171 upon the order of the Department of Finance and Administration
172 under such restrictions, if any, as may be contained in the
173 resolution providing for the issuance of the bonds.

174 (9) The bonds authorized under this section may be issued
175 without any other proceedings or the happening of any other
176 conditions or things other than those proceedings, conditions and
177 things which are specified or required by this section. Any
178 resolution providing for the issuance of bonds under the
179 provisions of this section shall become effective immediately upon
180 its adoption by the commission, and any such resolution may be
181 adopted at any regular or special meeting of the commission by a
182 majority of its members.

183 (10) The bonds authorized under the authority of this
184 section may be validated in the Chancery Court of the First
185 Judicial District of Hinds County, Mississippi, in the manner and
186 with the force and effect provided by Chapter 13, Title 31,
187 Mississippi Code of 1972, for the validation of county, municipal,
188 school district and other bonds. The notice to taxpayers required
189 by such statutes shall be published in a newspaper published or
190 having a general circulation in the City of Jackson, Mississippi.

191 (11) Any holder of bonds issued under the provisions of this
192 section or of any of the interest coupons pertaining thereto may,
193 either at law or in equity, by suit, action, mandamus or other
194 proceeding, protect and enforce any and all rights granted under
195 this section, or under such resolution, and may enforce and compel



196 performance of all duties required by this section to be
197 performed, in order to provide for the payment of bonds and
198 interest thereon.

199 (12) All bonds issued under the provisions of this section
200 shall be legal investments for trustees and other fiduciaries, and
201 for savings banks, trust companies and insurance companies
202 organized under the laws of the State of Mississippi, and such
203 bonds shall be legal securities which may be deposited with and
204 shall be received by all public officers and bodies of this state
205 and all municipalities and political subdivisions for the purpose
206 of securing the deposit of public funds.

207 (13) Bonds issued under the provisions of this section and
208 income therefrom shall be exempt from all taxation in the State of
209 Mississippi.

210 (14) The proceeds of the bonds issued under this section
211 shall be used solely for the purposes herein provided, including
212 the costs incident to the issuance and sale of such bonds.

213 (15) The State Treasurer is authorized, without further
214 process of law, to certify to the Department of Finance and
215 Administration the necessity for warrants, and the Department of
216 Finance and Administration is authorized and directed to issue
217 such warrants, in such amounts as may be necessary to pay when due
218 the principal of, premium, if any, and interest on, or the
219 accreted value of, all bonds issued under this section; and the
220 State Treasurer shall forward the necessary amount to the



221 designated place or places of payment of such bonds in ample time
222 to discharge such bonds, or the interest thereon, on the due dates
223 thereof.

224 (16) This section shall be deemed to be full and complete
225 authority for the exercise of the powers herein granted, but this
226 section shall not be deemed to repeal or to be in derogation of
227 any existing law of this state.

228 **SECTION 3.** This act shall take effect and be in force from
229 and after July 1, 2025.

