

By: Representative Morris

To: Ways and Means

HOUSE BILL NO. 1352  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 69-2-13, MISSISSIPPI CODE OF 1972, TO  
2 PLACE THE ADMINISTRATION OF ALL PROGRAMS IN THE EMERGING CROPS  
3 FUND UNDER THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO AUTHORIZE THE  
4 MISSISSIPPI DEVELOPMENT AUTHORITY TO DRAW AN ADDITIONAL  
5 \$5,000,000.00 FROM THE EMERGING CROPS FUND FOR THE MINORITY  
6 ECONOMIC DEVELOPMENT LOAN PROGRAM ESTABLISHED IN THE EMERGING  
7 CROPS FUND; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO  
8 DECLARE PLANNING AND DEVELOPMENT DISTRICTS AND QUALIFIED ENTITIES  
9 ADMINISTERING SUCH LOAN PROGRAMS IN DEFAULT UNDER CERTAIN  
10 CIRCUMSTANCES AND TO TAKE CERTAIN ACTIONS IN THE EVENT OF A  
11 DEFAULT; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO USE  
12 AN ADDITIONAL \$1,000,000.00 FROM THE MINORITY ECONOMIC DEVELOPMENT  
13 LOAN PROGRAM FOR ITS MINORITY BUSINESS ENTERPRISE SURETY BOND  
14 GUARANTEE PROGRAM; TO PROVIDE THAT IF FEDERAL FUNDS ARE NOT  
15 AVAILABLE FOR COMMITMENTS MADE BY A PLANNING AND DEVELOPMENT  
16 DISTRICT TO PROVIDE ASSISTANCE UNDER ANY FEDERAL LOAN PROGRAM  
17 ADMINISTERED BY THE PLANNING AND DEVELOPMENT DISTRICT IN  
18 COORDINATION WITH THE APPALACHIAN REGIONAL COMMISSION OR ECONOMIC  
19 DEVELOPMENT ADMINISTRATION, OR BOTH, A PLANNING AND DEVELOPMENT  
20 DISTRICT MAY USE UNCOMMITTED FUNDS IN ITS MINORITY ECONOMIC  
21 DEVELOPMENT LOAN REVOLVING FUND FOR THE PURPOSE OF PROVIDING  
22 TEMPORARY FUNDING FOR SUCH COMMITMENTS; TO PROVIDE THAT IF A  
23 PLANNING AND DEVELOPMENT DISTRICT USES SUCH UNCOMMITTED FUNDS TO  
24 PROVIDE SUCH TEMPORARY FUNDING, THE DISTRICT SHALL USE FUNDS  
25 REPAID TO THE DISTRICT UNDER THE TEMPORARILY FUNDED FEDERAL LOAN  
26 PROGRAM TO REPLENISH THE FUNDS USED TO PROVIDE THE TEMPORARY  
27 FUNDING; TO LIMIT THE NUMBER OF TIMES A PLANNING AND DEVELOPMENT  
28 DISTRICT MAY USE UNCOMMITTED FUNDS IN ITS LOAN REVOLVING FUND TO  
29 PROVIDE SUCH TEMPORARY FUNDING AND THE AMOUNT OF SUCH FUNDS THAT  
30 MAY BE USED FOR SUCH PURPOSES DURING A CALENDAR YEAR; TO AMEND  
31 SECTION 69-2-19, MISSISSIPPI CODE OF 1972, TO INCREASE FROM  
32 \$97,000,000.00 TO \$102,000,000.00, THE AGGREGATE AMOUNT OF BONDS  
33 THAT MAY BE ISSUED FOR THE EMERGING CROPS FUND; AND FOR RELATED  
34 PURPOSES.

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

36 SECTION 1. Section 69-2-13, Mississippi Code of 1972, is  
37 amended as follows:

38 **[From and after January 1, 2001, through June 30, 2001, this**  
39 **section shall read as follows:]**

40           69-2-13. (1) There is hereby established in the State  
41 Treasury a fund to be known as the "Emerging Crops Fund," which  
42 shall be used to pay the interest on loans made to farmers for  
43 nonland capital costs of establishing production of emerging crops  
44 on land in Mississippi, and to make loans and grants which are  
45 authorized under this section to be made from the fund. The fund  
46 shall be administered by the Mississippi Development Authority. A  
47 board comprised of the directors of the authority, the Mississippi  
48 Cooperative Extension Service, the Mississippi Small Farm  
49 Development Center and the Mississippi Agricultural and Forestry  
50 Experiment Station, or their designees, shall develop definitions,  
51 guidelines and procedures for the implementation of this chapter.  
52 Funds for the Emerging Crops Fund shall be provided from the  
53 issuance of bonds or notes under Sections 69-2-19 through 69-2-37  
54 and from repayment of interest loans made from the fund.

55           (2) (a) The Mississippi Development Authority shall develop  
56 a program which gives fair consideration to making loans for the  
57 processing and manufacturing of goods and services by  
58 agribusiness, greenhouse production horticulture, and small  
59 business concerns. It is the policy of the State of Mississippi  
60 that the Mississippi Development Authority shall give due  
61 recognition to and shall aid, counsel, assist and protect, insofar  
62 as is possible, the interests of agribusiness, greenhouse  
63 production horticulture, and small business concerns. To ensure  
64 that the purposes of this subsection are carried out, the  
65 Mississippi Development Authority shall loan not more than One  
66 Million Dollars (\$1,000,000.00) to finance any single  
67 agribusiness, greenhouse production horticulture, or small  
68 business concern. Loans made pursuant to this subsection shall be  
69 made in accordance with the criteria established in Section  
70 57-71-11.

71           (b) The Mississippi Development Authority may, out of  
72 the total amount of bonds authorized to be issued under this

73 chapter, make available funds to any planning and development  
74 district in accordance with the criteria established in Section  
75 57-71-11. Planning and development districts which receive monies  
76 pursuant to this provision shall use such monies to make loans to  
77 private companies for purposes consistent with this subsection.

78 (c) The Mississippi Development Authority is hereby  
79 authorized to engage legal services, financial advisors,  
80 appraisers and consultants if needed to review and close loans  
81 made hereunder and to establish and assess reasonable fees  
82 including, but not limited to, liquidation expenses.

83 (3) The Mississippi Development Authority shall, in addition  
84 to the other programs described in this section, provide for a  
85 program of loans to be made to agribusiness or greenhouse  
86 production horticulture enterprises for the purpose of encouraging  
87 thereby the extension of conventional financing and the issuance  
88 of letters of credit to such agribusiness or greenhouse production  
89 horticulture enterprises by private institutions. Monies to make  
90 such loans by the Mississippi Development Authority shall be drawn  
91 from the Emerging Crops Fund. The amount of a loan to any single  
92 agribusiness or greenhouse production horticulture enterprise  
93 shall not exceed twenty percent (20%) of the total cost of the  
94 project for which financing is sought or Two Hundred Thousand  
95 Dollars (\$200,000.00), whichever is less. No interest shall be  
96 charged on such loans, and only the amount actually loaned shall  
97 be required to be repaid. Repayments shall be deposited into the  
98 Emerging Crops Fund.

99 (4) (a) Through June 30, 2002, the Mississippi Development  
100 Authority may loan or grant to qualified planning and development  
101 districts, and to small business investment corporations,  
102 bank-based community development corporations, the Recruitment and  
103 Training Program, Inc., the City of Jackson Business Development  
104 Loan Fund, the Lorman Southwest Mississippi Development  
105 Corporation, the West Jackson Community Development Corporation,

106 the East Mississippi Development Authority, and other entities  
107 meeting the criteria established by the Mississippi Development  
108 Authority (all referred to hereinafter as "qualified entities"),  
109 funds for the purpose of establishing loan revolving funds to  
110 assist in providing financing for minority economic development.  
111 The monies loaned or granted by the Mississippi Development  
112 Corporation shall be drawn from the Emerging Crops Fund and shall  
113 not exceed Eighteen Million Dollars (\$18,000,000.00) in the  
114 aggregate. Planning and development districts or qualified  
115 entities which receive monies pursuant to this provision shall use  
116 such monies to make loans to minority business enterprises  
117 consistent with criteria established by the Mississippi  
118 Development Corporation. Such criteria shall include, at a  
119 minimum, the following:

120           (i) The business enterprise must be a private,  
121 for-profit enterprise.

122           (ii) If the business enterprise is a  
123 proprietorship, the borrower must be a resident citizen of the  
124 State of Mississippi; if the business enterprise is a corporation  
125 or partnership, at least fifty percent (50%) of the owners must be  
126 resident citizens of the State of Mississippi.

127           (iii) The borrower must have at least five percent  
128 (5%) equity interest in the business enterprise.

129           (iv) The borrower must demonstrate ability to  
130 repay the loan.

131           (v) The borrower must not be in default of any  
132 previous loan from the state or federal government.

133           (vi) Loan proceeds may be used for financing all  
134 project costs associated with development or expansion of a new  
135 small business, including fixed assets, working capital, start-up  
136 costs, rental payments, interest expense during construction and  
137 professional fees related to the project.

138                    (vii) Loan proceeds shall not be used to pay off  
139 existing debt for loan consolidation purposes; to finance the  
140 acquisition, construction, improvement or operation of real  
141 property which is to be held primarily for sale or investment; to  
142 provide for, or free funds, for speculation in any kind of  
143 property; or as a loan to owners, partners or stockholders of the  
144 applicant which do not change ownership interest by the applicant.  
145 However, this does not apply to ordinary compensation for services  
146 rendered in the course of business.

147                    (viii) The maximum amount that may be loaned to  
148 any one (1) borrower shall be Two Hundred Fifty Thousand Dollars  
149 (\$250,000.00).

150                    (ix) The Mississippi Development Authority shall  
151 review each loan before it is made, and no loan shall be made to  
152 any borrower until the loan has been reviewed and approved by the  
153 Mississippi Development Authority.

154                    For the purpose of this subsection, the term "minority  
155 business enterprise" means a socially and economically  
156 disadvantaged small business concern, organized for profit,  
157 performing a commercially useful function which is owned and  
158 controlled by one or more minorities or minority business  
159 enterprises certified by the Mississippi Development Authority, at  
160 least fifty percent (50%) of whom are resident citizens of the  
161 State of Mississippi. For purposes of this subsection, the term  
162 "socially and economically disadvantaged small business concern"  
163 shall have the meaning ascribed to such term under the Small  
164 Business Act (15 USCS, Section 637(a)), or women, and the term  
165 "owned and controlled" means a business in which one or more  
166 minorities or minority business enterprises certified by the  
167 Mississippi Development Authority own sixty percent (60%) or, in  
168 the case of a corporation, sixty percent (60%) of the voting  
169 stock, and control sixty percent (60%) of the management and daily  
170 business operations of the business.

171 From and after July 1, 2002, monies not loaned or granted by  
172 the Mississippi Development Authority to planning and development  
173 districts or qualified entities under this subsection, and monies  
174 not loaned by planning and development districts or qualified  
175 entities, shall be deposited to the credit of the sinking fund  
176 created and maintained in the State Treasury for the retirement of  
177 bonds issued under Section 69-2-19.

178 (b) Notwithstanding any other provision of this  
179 subsection to the contrary, if federal funds are not available for  
180 commitments made by a planning and development district to provide  
181 assistance under any federal loan program administered by the  
182 planning and development district in coordination with the  
183 Appalachian Regional Commission or Economic Development  
184 Administration, or both, a planning and development district may  
185 use funds in its loan revolving fund, which have not been  
186 committed otherwise to provide assistance, for the purpose of  
187 providing temporary funding for such commitments. If a planning  
188 and development district uses uncommitted funds in its loan  
189 revolving fund to provide such temporary funding, the district  
190 shall use funds repaid to the district under the temporarily  
191 funded federal loan program to replenish the funds used to provide  
192 the temporary funding. Funds used by a planning and development  
193 district to provide temporary funding under this paragraph (b)  
194 must be repaid to the district's loan revolving fund no later than  
195 twelve (12) months after the date the district provides the  
196 temporary funding. A planning and development district may not  
197 use uncommitted funds in its loan revolving fund to provide  
198 temporary funding under this paragraph (b) on more than two (2)  
199 occasions during a calendar year. A planning and development  
200 district may provide temporary funding for multiple commitments on  
201 each such occasion. The maximum aggregate amount of uncommitted  
202 funds in a loan revolving fund that may be used for such purposes  
203 during a calendar year shall not exceed seventy percent (70%) of

204 the uncommitted funds in the loan revolving fund on the date the  
205 district first provides temporary funding during the calendar  
206 year.

207 (5) The Mississippi Development Authority shall develop a  
208 program which will assist minority business enterprises by  
209 guaranteeing bid, performance and payment bonds which such  
210 minority businesses are required to obtain in order to contract  
211 with federal agencies, state agencies or political subdivisions of  
212 the state. Monies for such program shall be drawn from the monies  
213 allocated under subsection (4) of this section to assist the  
214 financing of minority economic development and shall not exceed  
215 Two Million Dollars (\$2,000,000.00) in the aggregate. The  
216 Mississippi Development Authority may promulgate rules and  
217 regulations for the operation of the program established pursuant  
218 to this subsection. For the purpose of this subsection (5) the  
219 term "minority business enterprise" has the meaning assigned such  
220 term in subsection (4) of this section.

221 (6) The Mississippi Development Authority may loan or grant  
222 to public entities and to nonprofit corporations funds to defray  
223 the expense of financing (or to match any funds available from  
224 other public or private sources for the expense of financing)  
225 projects in this state which are devoted to the study, teaching  
226 and/or promotion of regional crafts and which are deemed by the  
227 authority to be significant tourist attractions. The monies  
228 loaned or granted shall be drawn from the Emerging Crops Fund and  
229 shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00)  
230 in the aggregate.

231 (7) Through June 30, 1998, the Mississippi Development  
232 Authority shall make available to the Mississippi Department of  
233 Agriculture and Commerce funds for the purpose of establishing  
234 loan revolving funds and other methods of financing for  
235 agribusiness programs administered under the Mississippi  
236 Agribusiness Council Act of 1993. The monies made available by

237 the Mississippi Development Authority shall be drawn from the  
238 Emerging Crops Fund and shall not exceed Seven Hundred Thousand  
239 Dollars (\$700,000.00) in the aggregate. The Mississippi  
240 Department of Agriculture and Commerce shall establish control and  
241 auditing procedures for use of these funds. These funds will be  
242 used primarily for quick payment to farmers for vegetable and  
243 fruit crops processed and sold through vegetable processing plants  
244 associated with the Department of Agriculture and Commerce and the  
245 Mississippi State Extension Service.

246 (8) From and after July 1, 1996, the Mississippi Development  
247 Authority shall make available to the Mississippi Small Farm  
248 Development Center One Million Dollars (\$1,000,000.00) to be used  
249 by the center to assist small entrepreneurs as provided in Section  
250 37-101-25, Mississippi Code of 1972. The monies made available by  
251 the Mississippi Development Authority shall be drawn from the  
252 Emerging Crops Fund.

253 (9) The Mississippi Development Authority shall make  
254 available to the Agribusiness and Natural Resource Development  
255 Center through Alcorn State University an amount not to exceed Two  
256 Hundred Fifty Thousand Dollars (\$250,000.00) in Fiscal Year 2001  
257 and Two Hundred Fifty Thousand Dollars (\$250,000.00) in Fiscal  
258 Year 2002 from the cash balance of the Emerging Crops Fund to  
259 support the development of a cooperative program for agribusiness  
260 development, marketing and natural resources development. This  
261 subsection (9) shall stand repealed on June 30, 2002.

262 (10) The Mississippi Development Authority shall make  
263 available to the Small Farm Development Center at Alcorn State  
264 University funds in an aggregate amount not to exceed Three  
265 Hundred Thousand Dollars (\$300,000.00), to be drawn from the cash  
266 balance of the Emerging Crops Fund. The Small Farm Development  
267 Center at Alcorn State University shall use such funds to make  
268 loans to producers of sweet potatoes and cooperatives anywhere in  
269 the State of Mississippi owned by sweet potato producers to assist

270 in the planting of sweet potatoes and the purchase of sweet potato  
271 production and harvesting equipment. A report of the loans made  
272 under this subsection shall be furnished by January 15 of each  
273 year to the Chairman of the Senate Agriculture Committee and the  
274 Chairman of the House Agriculture Committee.

275 (11) The Mississippi Development Authority shall make  
276 available to the Mississippi Department of Agriculture and  
277 Commerce "Make Mississippi Mine" program an amount not to exceed  
278 One Hundred Fifty Thousand Dollars (\$150,000.00) to be drawn from  
279 the cash balance of the Emerging Crops Fund.

280 **[From and after July 1, 2001, this section shall read as**  
281 **follows:]**

282 69-2-13. (1) There is hereby established in the State  
283 Treasury a fund to be known as the "Emerging Crops Fund," which  
284 shall be used to pay the interest on loans made to farmers for  
285 nonland capital costs of establishing production of emerging crops  
286 on land in Mississippi, and to make loans and grants which are  
287 authorized under this section to be made from the fund. The fund  
288 shall be administered by the Mississippi Development Authority. A  
289 board comprised of the directors of the authority, the Mississippi  
290 Cooperative Extension Service, the Mississippi Small Farm  
291 Development Center and the Mississippi Agricultural and Forestry  
292 Experiment Station, or their designees, shall develop definitions,  
293 guidelines and procedures for the implementation of this chapter.  
294 Funds for the Emerging Crops Fund shall be provided from the  
295 issuance of bonds or notes under Sections 69-2-19 through 69-2-37  
296 and from repayment of interest loans made from the fund.

297 (2) (a) The Mississippi Development Authority shall develop  
298 a program which gives fair consideration to making loans for the  
299 processing and manufacturing of goods and services by  
300 agribusiness, greenhouse production horticulture, and small  
301 business concerns. It is the policy of the State of Mississippi  
302 that the Mississippi Development Authority shall give due

303 recognition to and shall aid, counsel, assist and protect, insofar  
304 as is possible, the interests of agribusiness, greenhouse  
305 production horticulture, and small business concerns. To ensure  
306 that the purposes of this subsection are carried out, the  
307 Mississippi Development Authority shall loan not more than One  
308 Million Dollars (\$1,000,000.00) to finance any single  
309 agribusiness, greenhouse production horticulture, or small  
310 business concern. Loans made pursuant to this subsection shall be  
311 made in accordance with the criteria established in Section  
312 57-71-11.

313 (b) The Mississippi Development Authority may, out of  
314 the total amount of bonds authorized to be issued under this  
315 chapter, make available funds to any planning and development  
316 district in accordance with the criteria established in Section  
317 57-71-11. Planning and development districts which receive monies  
318 pursuant to this provision shall use such monies to make loans to  
319 private companies for purposes consistent with this subsection.

320 (c) The Mississippi Development Authority is hereby  
321 authorized to engage legal services, financial advisors,  
322 appraisers and consultants if needed to review and close loans  
323 made hereunder and to establish and assess reasonable fees  
324 including, but not limited to, liquidation expenses.

325 (3) The Mississippi Development Authority shall, in addition  
326 to the other programs described in this section, provide for a  
327 program of loans to be made to agribusiness or greenhouse  
328 production horticulture enterprises for the purpose of encouraging  
329 thereby the extension of conventional financing and the issuance  
330 of letters of credit to such agribusiness or greenhouse production  
331 horticulture enterprises by private institutions. Monies to make  
332 such loans by the Mississippi Development Authority shall be drawn  
333 from the Emerging Crops Fund. The amount of a loan to any single  
334 agribusiness or greenhouse production horticulture enterprise  
335 shall not exceed twenty percent (20%) of the total cost of the

336 project for which financing is sought or Two Hundred Thousand  
337 Dollars (\$200,000.00), whichever is less. No interest shall be  
338 charged on such loans, and only the amount actually loaned shall  
339 be required to be repaid. Repayments shall be deposited into the  
340 Emerging Crops Fund.

341 (4) (a) Through June 30, 2003, the Mississippi Development  
342 Authority may loan or grant to qualified planning and development  
343 districts, and to small business investment corporations,  
344 bank-based community development corporations, the Recruitment and  
345 Training Program, Inc., the City of Jackson Business Development  
346 Loan Fund, the Lorman Southwest Mississippi Development  
347 Corporation, the West Jackson Community Development Corporation,  
348 the East Mississippi Development Corporation, and other entities  
349 meeting the criteria established by the Mississippi Development  
350 Authority (all referred to hereinafter as "qualified entities"),  
351 funds for the purpose of establishing loan revolving funds to  
352 assist in providing financing for minority economic development.  
353 The monies loaned or granted by the Mississippi Development  
354 Authority shall be drawn from the Emerging Crops Fund and shall  
355 not exceed Twenty-three Million Dollars (\$23,000,000.00) in the  
356 aggregate. Planning and development districts or qualified  
357 entities which receive monies pursuant to this provision shall use  
358 such monies to make loans to minority business enterprises  
359 consistent with criteria established by the Mississippi  
360 Development Authority. Such criteria shall include, at a minimum,  
361 the following:

362 (i) The business enterprise must be a private,  
363 for-profit enterprise.

364 (ii) If the business enterprise is a  
365 proprietorship, the borrower must be a resident citizen of the  
366 State of Mississippi; if the business enterprise is a corporation  
367 or partnership, at least fifty percent (50%) of the owners must be  
368 resident citizens of the State of Mississippi.

369                    (iii) The borrower must have at least five percent  
370 (5%) equity interest in the business enterprise.

371                    (iv) The borrower must demonstrate ability to  
372 repay the loan.

373                    (v) The borrower must not be in default of any  
374 previous loan from the state or federal government.

375                    (vi) Loan proceeds may be used for financing all  
376 project costs associated with development or expansion of a new  
377 small business, including fixed assets, working capital, start-up  
378 costs, rental payments, interest expense during construction and  
379 professional fees related to the project.

380                    (vii) Loan proceeds shall not be used to pay off  
381 existing debt for loan consolidation purposes; to finance the  
382 acquisition, construction, improvement or operation of real  
383 property which is to be held primarily for sale or investment; to  
384 provide for, or free funds, for speculation in any kind of  
385 property; or as a loan to owners, partners or stockholders of the  
386 applicant which do not change ownership interest by the applicant.  
387 However, this does not apply to ordinary compensation for services  
388 rendered in the course of business.

389                    (viii) The maximum amount that may be loaned to  
390 any one (1) borrower shall be Two Hundred Fifty Thousand Dollars  
391 (\$250,000.00).

392                    (ix) The Mississippi Development Authority shall  
393 review each loan before it is made, and no loan shall be made to  
394 any borrower until the loan has been reviewed and approved by the  
395 Mississippi Development Authority.

396                    (b) For the purpose of this subsection, the term  
397 "minority business enterprise" means a socially and economically  
398 disadvantaged small business concern, organized for profit,  
399 performing a commercially useful function which is owned and  
400 controlled by one or more minorities or minority business  
401 enterprises certified by the Mississippi Development Authority, at

402 least fifty percent (50%) of whom are resident citizens of the  
403 State of Mississippi. For purposes of this subsection, the term  
404 "socially and economically disadvantaged small business concern"  
405 shall have the meaning ascribed to such term under the Small  
406 Business Act (15 USCS, Section 637(a)), or women, and the term  
407 "owned and controlled" means a business in which one or more  
408 minorities or minority business enterprises certified by the  
409 Mississippi Development Authority own sixty percent (60%) or, in  
410 the case of a corporation, sixty percent (60%) of the voting  
411 stock, and control sixty percent (60%) of the management and daily  
412 business operations of the business.

413 From and after July 1, 2003, monies not loaned or granted by  
414 the Mississippi Development Authority to planning and development  
415 districts or qualified entities under this subsection, and monies  
416 not loaned by planning and development districts or qualified  
417 entities, shall be deposited to the credit of the sinking fund  
418 created and maintained in the State Treasury for the retirement of  
419 bonds issued under Section 69-2-19.

420 (c) Notwithstanding any other provision of this  
421 subsection to the contrary, if federal funds are not available for  
422 commitments made by a planning and development district to provide  
423 assistance under any federal loan program administered by the  
424 planning and development district in coordination with the  
425 Appalachian Regional Commission or Economic Development  
426 Administration, or both, a planning and development district may  
427 use funds in its loan revolving fund, which have not been  
428 committed otherwise to provide assistance, for the purpose of  
429 providing temporary funding for such commitments. If a planning  
430 and development district uses uncommitted funds in its loan  
431 revolving fund to provide such temporary funding, the district  
432 shall use funds repaid to the district under the temporarily  
433 funded federal loan program to replenish the funds used to provide  
434 the temporary funding. Funds used by a planning and development

435 district to provide temporary funding under this paragraph (c)  
436 must be repaid to the district's loan revolving fund no later than  
437 twelve (12) months after the date the district provides the  
438 temporary funding. A planning and development district may not  
439 use uncommitted funds in its loan revolving fund to provide  
440 temporary funding under this paragraph (c) on more than two (2)  
441 occasions during a calendar year. A planning and development  
442 district may provide temporary funding for multiple commitments on  
443 each such occasion. The maximum aggregate amount of uncommitted  
444 funds in a loan revolving fund that may be used for such purposes  
445 during a calendar year shall not exceed seventy percent (70%) of  
446 the uncommitted funds in the loan revolving fund on the date the  
447 district first provides temporary funding during the calendar  
448 year.

449 (d) If the Mississippi Development Authority determines  
450 that a planning and development district or qualified entity has  
451 provided loans to minority businesses in a manner inconsistent  
452 with the provisions of this subsection, then the amount of such  
453 loans so provided shall be withheld by the Mississippi Development  
454 Authority from any additional grant funds to which the planning  
455 and development district or qualified entity becomes entitled  
456 under this subsection. If the Mississippi Development Authority  
457 determines, after notifying such planning and development district  
458 or qualified entity twice in writing and providing such planning  
459 and development district or qualified entity a reasonable  
460 opportunity to comply, that a planning and development district or  
461 qualified entity has consistently failed to comply with this  
462 subsection, the Mississippi Development Authority may declare such  
463 planning and development district or qualified entity in default  
464 under this subsection and, upon receipt of notice thereof from the  
465 Mississippi Development Authority, such planning and development  
466 district or qualified entity shall immediately cease providing  
467 loans under this subsection, shall refund to the Mississippi

468 Development Authority for distribution to other planning and  
469 development districts or qualified entities all funds held in its  
470 revolving loan fund and, if required by the Mississippi  
471 Development Authority, shall convey to the Mississippi Development  
472 Authority, all administrative and management control of loans  
473 provided by it under this subsection.

474 (e) If the Mississippi Development Authority  
475 determines, after notifying a planning and development district or  
476 qualified entity twice in writing and providing copies of such  
477 notification to each member of the Legislature in whose district  
478 or in a part of whose district such planning and development  
479 district or qualified entity is located and providing such  
480 planning and development district or qualified entity a reasonable  
481 opportunity to take corrective action, that a planning and  
482 development district or qualified entity administering a revolving  
483 loan fund under the provisions of this subsection is not actively  
484 engaged in lending as defined by the rules and regulations of the  
485 Mississippi Development Authority, the Mississippi Development  
486 Authority may declare such planning and development district or  
487 qualified entity in default under this subsection and, upon  
488 receipt of notice thereof from the Mississippi Development  
489 Authority, such planning and development district or qualified  
490 entity shall immediately cease providing loans under this  
491 subsection, shall refund to the Mississippi Development Authority  
492 for distribution to other planning and development districts or  
493 qualified entities all funds held in its revolving loan fund and,  
494 if required by the Mississippi Development Authority, shall convey  
495 to the Mississippi Development Authority all administrative and  
496 management control of loans provided by it under this subsection.

497 (5) The Mississippi Development Authority shall develop a  
498 program which will assist minority business enterprises by  
499 guaranteeing bid, performance and payment bonds which such  
500 minority businesses are required to obtain in order to contract

501 with federal agencies, state agencies or political subdivisions of  
502 the state. Monies for such program shall be drawn from the monies  
503 allocated under subsection (4) of this section to assist the  
504 financing of minority economic development and shall not exceed  
505 Three Million Dollars (\$3,000,000.00) in the aggregate. The  
506 Mississippi Development Authority may promulgate rules and  
507 regulations for the operation of the program established pursuant  
508 to this subsection. For the purpose of this subsection (5) the  
509 term "minority business enterprise" has the meaning assigned such  
510 term in subsection (4) of this section.

511 (6) The Mississippi Development Authority may loan or grant  
512 to public entities and to nonprofit corporations funds to defray  
513 the expense of financing (or to match any funds available from  
514 other public or private sources for the expense of financing)  
515 projects in this state which are devoted to the study, teaching  
516 and/or promotion of regional crafts and which are deemed by the  
517 authority to be significant tourist attractions. The monies  
518 loaned or granted shall be drawn from the Emerging Crops Fund and  
519 shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00)  
520 in the aggregate.

521 (7) Through June 30, 1998, the Mississippi Development  
522 Authority shall make available to the Mississippi Department of  
523 Agriculture and Commerce funds for the purpose of establishing  
524 loan revolving funds and other methods of financing for  
525 agribusiness programs administered under the Mississippi  
526 Agribusiness Council Act of 1993. The monies made available by  
527 the Mississippi Development Authority shall be drawn from the  
528 Emerging Crops Fund and shall not exceed Seven Hundred Thousand  
529 Dollars (\$700,000.00) in the aggregate. The Mississippi  
530 Department of Agriculture and Commerce shall establish control and  
531 auditing procedures for use of these funds. These funds will be  
532 used primarily for quick payment to farmers for vegetable and  
533 fruit crops processed and sold through vegetable processing plants

534 associated with the Department of Agriculture and Commerce and the  
535 Mississippi State Extension Service.

536 (8) From and after July 1, 1996, the Mississippi Development  
537 Authority shall make available to the Mississippi Small Farm  
538 Development Center One Million Dollars (\$1,000,000.00) to be used  
539 by the center to assist small entrepreneurs as provided in Section  
540 37-101-25, Mississippi Code of 1972. The monies made available by  
541 the Mississippi Development Authority shall be drawn from the  
542 Emerging Crops Fund.

543 (9) The Mississippi Development Authority shall make  
544 available to the Agribusiness and Natural Resource Development  
545 Center through Alcorn State University an amount not to exceed Two  
546 Hundred Fifty Thousand Dollars (\$250,000.00) in Fiscal Year 2001  
547 and Two Hundred Fifty Thousand Dollars (\$250,000.00) in Fiscal  
548 Year 2002 from the cash balance of the Emerging Crops Fund to  
549 support the development of a cooperative program for agribusiness  
550 development, marketing and natural resources development. This  
551 subsection (9) shall stand repealed on June 30, 2002.

552 (10) The Mississippi Development Authority shall make  
553 available to the Small Farm Development Center at Alcorn State  
554 University funds in an aggregate amount not to exceed Three  
555 Hundred Thousand Dollars (\$300,000.00), to be drawn from the cash  
556 balance of the Emerging Crops Fund. The Small Farm Development  
557 Center at Alcorn State University shall use such funds to make  
558 loans to producers of sweet potatoes and cooperatives anywhere in  
559 the State of Mississippi owned by sweet potato producers to assist  
560 in the planting of sweet potatoes and the purchase of sweet potato  
561 production and harvesting equipment. A report of the loans made  
562 under this subsection shall be furnished by January 15 of each  
563 year to the Chairman of the Senate Agriculture Committee and the  
564 Chairman of the House Agriculture Committee.

565 (11) The Mississippi Development Authority shall make  
566 available to the Mississippi Department of Agriculture and

567 Commerce "Make Mississippi Mine" program an amount not to exceed  
568 One Hundred Fifty Thousand Dollars (\$150,000.00) to be drawn from  
569 the cash balance of the Emerging Crops Fund.

570 SECTION 2. Section 69-2-19, Mississippi Code of 1972, is  
571 amended as follows:

572 69-2-19. The Mississippi Development Authority is  
573 authorized, at one (1) time or from time to time, to declare by  
574 resolution the necessity for issuance of negotiable general  
575 obligation bonds of the State of Mississippi to provide funds for  
576 the Emerging Crops Fund established in Section 69-2-13. Upon the  
577 adoption of a resolution by the board, declaring the necessity for  
578 the issuance of any part or all of the general obligation bonds  
579 authorized by Sections 69-2-19 through 69-2-39, the authority  
580 shall deliver a certified copy of its resolution or resolutions to  
581 the State Bond Commission. Upon receipt of same, the State Bond  
582 Commission, in its discretion, shall act as the issuing agent,  
583 prescribe the form of the bonds, advertise for and accept bids,  
584 issue and sell the bonds so authorized to be sold, and do any and  
585 all other things necessary and advisable in connection with the  
586 issuance and sale of such bonds. The amount of bonds issued under  
587 Sections 69-2-19 through 69-2-39 shall not exceed One Hundred Two  
588 Million Dollars (\$102,000,000.00) in the aggregate. No bonds may  
589 be issued under Sections 69-2-19 through 69-2-39 after October 1,  
590 2003.

591 SECTION 3. This act shall take effect and be in force from  
592 and after January 1, 2001.