

By: Representative Warren

To: Ways and Means

HOUSE BILL NO. 586

1 AN ACT TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972,
2 WHICH PROVIDES THAT BOND PROCEEDS ISSUED UNDER THE MISSISSIPPI
3 BUSINESS INVESTMENT ACT MAY BE USED FOR VARIOUS PURPOSES, TO
4 EXTEND THE REPEALER ON THE PROVISION PERTAINING TO CERTAIN HOUSING
5 DEVELOPMENT PROGRAMS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 57-61-36, Mississippi Code of 1972, is
8 amended as follows:

9 57-61-36. (1) Notwithstanding any provision of this chapter
10 to the contrary, the Mississippi Development Authority shall
11 utilize not more than Twelve Million Five Hundred Thousand Dollars
12 (\$12,500,000.00) out of the proceeds of bonds authorized to be
13 issued in this chapter for the purpose of making grants to
14 municipalities through a development infrastructure grant fund to
15 complete infrastructure related to new or expanded industry.

16 (2) Notwithstanding any provision of this chapter to the
17 contrary, the Mississippi Development Authority may utilize not
18 more than Seven Million Dollars (\$7,000,000.00) out of the
19 proceeds of bonds authorized to be issued in this chapter for the
20 purpose of making interest-bearing loans to any agency,
21 department, institution, instrumentality or political subdivision
22 of the state; or any agency, department, institution or
23 instrumentality of any political subdivision of the state; or any
24 business, organization, corporation, association or other legal
25 entity meeting criteria established by the department, through a
26 housing development revolving loan fund, to construct or repair
27 housing for low or moderate income earners; provided, however,
28 that the department may not utilize any bond proceeds authorized

29 under this chapter for the purpose of making any loans to the
30 Mississippi Home Corporation for any purpose whatsoever. No more
31 than forty percent (40%) of the additional bonds authorized by
32 Chapter 559, Laws of 1998, may be used for multiple family housing
33 activities. Funds authorized under this subsection may be
34 deposited in the Mississippi Affordable Housing Development Fund
35 authorized in Section 43-33-759 and used for purposes authorized
36 by that section. This subsection (2) shall be repealed from and
37 after July 1, 2008.

38 (3) Notwithstanding any provision of this chapter to the
39 contrary, the Mississippi Development Authority shall utilize not
40 more than Seventeen Million Five Hundred Thousand Dollars
41 (\$17,500,000.00) out of the proceeds of bonds authorized to be
42 issued in this chapter for the purpose of making grants or loans
43 to municipalities through an equipment and public facilities grant
44 and loan fund to aid in infrastructure-related improvements as
45 determined by the Mississippi Development Authority, the purchase
46 of equipment and in the purchase, construction or repair and
47 renovation of public facilities. Any bonds previously issued for
48 the Development Infrastructure Revolving Loan Program which have
49 not been loaned or applied for are eligible to be administered as
50 grants or loans. In making grants and loans under this section,
51 the Mississippi Development Authority shall attempt to provide for
52 an equitable distribution of such grants and loans among each of
53 the congressional districts of this state in order to promote
54 economic development across the entire state.

55 The requirements of Section 57-61-9 shall not apply to any
56 grant made under this subsection. The Mississippi Development
57 Authority may establish criteria and guidelines to govern grants
58 made pursuant to this subsection.

59 (4) Notwithstanding any provision of this chapter to the
60 contrary, the Mississippi Development Authority may utilize not
61 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out

62 of the proceeds of bonds authorized to be issued in this chapter
63 in order to match federal funds available from the United States
64 Department of Agriculture for the purpose of establishing an
65 intermediary relending program to be administered by the
66 Mississippi Development Authority. The Mississippi Development
67 Authority may establish criteria and guidelines to govern loans
68 made under such program. This subsection (4) shall be repealed
69 from and after April 9, 2002.

70 (5) The Mississippi Development Authority may establish a
71 capital access program and may contract with any financial
72 institution to participate in the program upon such terms and
73 conditions as the authority shall consider necessary and proper.
74 The Mississippi Development Authority may establish loss reserve
75 accounts at financial institutions that participate in the program
76 and require payments by the financial institution and the borrower
77 to such loss reserve accounts. All money in such loss reserve
78 accounts is the property of the Mississippi Development Authority.

79 Under the capital access program a participating financial
80 institution may make a loan to any borrower the Mississippi
81 Development Authority determines to be qualified under rules and
82 regulations adopted by the authority and be protected against
83 losses from such loans as provided in the program. Under such
84 rules and regulations as may be adopted by the Mississippi
85 Development Authority, a participating financial institution may
86 submit claims for the reimbursement for losses incurred as a
87 result of default on loans by qualified borrowers.

88 Notwithstanding any provision of this chapter to the
89 contrary, the Mississippi Development Authority may utilize not
90 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out
91 of the proceeds of bonds authorized to be issued in this chapter
92 for the purpose of making payments to loan loss reserve accounts
93 established at financial institutions that participate in the

94 capital access program established by the Mississippi Development
95 Authority.

96 (6) Notwithstanding any provision of this chapter to the
97 contrary, the Mississippi Development Authority shall utilize not
98 more than Two Hundred Thousand Dollars (\$200,000.00) out of the
99 proceeds of bonds authorized to be issued in this chapter for the
100 purpose of assisting Warren County, Mississippi, in the
101 continuation and completion of the study for the proposed Kings
102 Point levee.

103 (7) Notwithstanding any provision of this chapter to the
104 contrary, the Mississippi Development Authority shall utilize not
105 more than One Hundred Thousand Dollars (\$100,000.00) out of the
106 proceeds of bonds authorized to be issued in this chapter for the
107 purpose of developing a long-range plan for coordinating the
108 resources of the state institutions of higher learning, the
109 community and junior colleges, the Mississippi Development
110 Authority and other state agencies in order to promote economic
111 development in the state.

112 (8) Notwithstanding any other provision of this chapter to
113 the contrary, the Mississippi Development Authority shall use not
114 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of
115 the proceeds of bonds authorized to be issued in this chapter for
116 the purpose of providing assistance to municipalities that have
117 received community development block grant funds for repair,
118 renovation and other improvements to buildings for use as
119 community centers. Assistance provided to a municipality under
120 this subsection shall be used by the municipality to match such
121 community development block grant funds. The maximum amount of
122 assistance that may be provided to a municipality under this
123 subsection shall not exceed Seventy-five Thousand Dollars
124 (\$75,000.00) in the aggregate.

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