

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2687

1 AN ACT TO AMEND SECTION 57-61-36, MISSISSIPPI CODE OF 1972,
 2 TO EXTEND UNTIL JULY 1, 2010, THE DATE OF REPEAL ON THE PROVISION
 3 OF LAW THAT AUTHORIZES THE MISSISSIPPI DEVELOPMENT AUTHORITY TO
 4 USE A PORTION OF THE PROCEEDS OF BONDS ISSUED UNDER THE
 5 MISSISSIPPI BUSINESS INVESTMENT ACT TO MAKE INTEREST-BEARING LOANS
 6 TO CERTAIN ENTITIES THROUGH A HOUSING DEVELOPMENT REVOLVING LOAN
 7 FUND FOR LOW TO MODERATE INCOME HOUSING PURPOSES; AND FOR RELATED
 8 PURPOSES.

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

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

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

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

31 that the department may not utilize any bond proceeds authorized
32 under this chapter for the purpose of making any loans to the
33 Mississippi Home Corporation for any purpose whatsoever. No more
34 than forty percent (40%) of the additional bonds authorized by
35 Chapter 559, Laws of 1998, may be used for multiple family housing
36 activities. Funds authorized under this subsection may be
37 deposited in the Mississippi Affordable Housing Development Fund
38 authorized in Section 43-33-759 and used for purposes authorized
39 by that section. This subsection (2) shall be repealed from and
40 after July 1, 2010.

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

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

62 (4) Notwithstanding any provision of this chapter to the
63 contrary, the Mississippi Development Authority may utilize not

64 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) out
65 of the proceeds of bonds authorized to be issued in this chapter
66 in order to match federal funds available from the United States
67 Department of Agriculture for the purpose of establishing an
68 Intermediary Relending Program to be administered by the
69 Mississippi Development Authority. The Mississippi Development
70 Authority may establish criteria and guidelines to govern loans
71 made under such program. This subsection (4) shall be repealed
72 from and after April 9, 2002.

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

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

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

97 Capital Access Program established by the Mississippi Development
98 Authority.

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

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

115 (8) Notwithstanding any other provision of this chapter to
116 the contrary, the Mississippi Development Authority shall use not
117 more than One Hundred Fifty Thousand Dollars (\$150,000.00) out of
118 the proceeds of bonds authorized to be issued in this chapter for
119 the purpose of providing assistance to municipalities that have
120 received Community Development Block Grant funds for repair,
121 renovation and other improvements to buildings for use as
122 community centers. Assistance provided to a municipality under
123 this subsection shall be used by the municipality to match such
124 Community Development Block Grant funds. The maximum amount of
125 assistance that may be provided to a municipality under this
126 subsection shall not exceed Seventy-five Thousand Dollars
127 (\$75,000.00) in the aggregate.

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