

By: Senator(s) Frazier

To: Appropriations

SENATE BILL NO. 2762

1 AN ACT TO DIRECT THE MISSISSIPPI DEVELOPMENT AUTHORITY TO
 2 EXPEND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS APPROPRIATED
 3 FOR THE HURRICANE KATRINA DISASTER FOR CERTAIN PURPOSES; TO DIRECT
 4 THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO DEPOSIT CDBG GRANT
 5 FUNDS RECEIVED FROM THE FEDERAL GOVERNMENT INTO A SPECIAL FUND TO
 6 BE EXPENDED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY ONLY FOR SUCH
 7 PURPOSES; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) The Mississippi Development Authority shall
 10 be authorized to expend the federal Community Development Block
 11 (CDBG) funds appropriated by the United States Congress as part of
 12 the fiscal year 2006 Department of Defense Appropriations Act
 13 (H.R. 2863) for the following programs and purposes:

14 (a) Take advantage of the Low-Income Housing Tax
 15 Credits funds through gap financing by allocating One Hundred
 16 Fifty Million Dollars (\$150,000,000.00) in CDBG funds that support
 17 rental housing affordable to households with incomes below sixty
 18 percent (60%) of the area median income with allocation
 19 preferences for projects where the units are available to
 20 households at lower income levels.

21 (b) Be allocated to assist small rental property
 22 owners, as well as homeowners, outside the flood plain.

23 (c) Be allocated to help low-income households bridge
 24 the gap between the funds they will receive as assistance for
 25 living outside the federally designated flood plain and the cost
 26 of rebuilding their homes to the new building standards required
 27 by the Governor's proposed plan.

28 (d) Be allocated to rehabilitate public housing with
29 minimal damage to quickly make these units available to evacuees
30 in hotels or other unsuitable or unsustainable arrangements.

31 (e) Be allocated to allow renters to become homeowners.

32 (f) Be allocated to support educational facilities and
33 community centers such as libraries.

34 (g) Be allocated to other affordable housing programs
35 identified in the report by the Governor's Commission for
36 Recovery, Rebuilding and Renewal.

37 (2) The Department of Finance and Administration is directed
38 to deposit such CDBG grant funds received from the federal
39 government into a special fund hereby created in the State
40 Treasury to be expended by the Mississippi Development Authority
41 only for the programs and purposes enumerated in subsection (1).

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