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Chapter No. 338
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SENATE BILL NO. 2556

Originated in Senate Liz Welch Secretary

SENATE BILL NO. 2556

AN ACT TO AMEND SECTION 43-33-729, MISSISSIPPI CODE OF 1972, TO EXTEND UNTIL JULY 1, 2019, THE PROVISION OF LAW THAT AUTHORIZES THE MISSISSIPPI HOME CORPORATION TO ISSUE BONDS AND NOTES ANNUALLY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $350,000,000.00; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 43-33-729, Mississippi Code of 1972, is amended as follows:

[Through June 30, * * * <u>2019</u>, this section shall read as follows:]

43-33-729. (1) The corporation may from time to time issue its negotiable bonds and notes in such principal amounts as, in the opinion of the corporation, shall be necessary to provide sufficient funds for achieving the corporate purposes thereof, including operating expenses and reserves, the payment of interest on bonds and notes of the corporation, establishment of reserves to secure such bonds and notes, and all other expenditures of the corporation incident to and necessary or convenient to carry out its corporate purposes and powers. Provided, except as otherwise

authorized herein, bonds and notes may be issued annually under this article in an aggregate principal amount not to exceed Three Hundred Fifty Million Dollars ($350,000,000.00), excluding bonds and notes issued to refund outstanding bonds and notes, bonds and notes in which the corporation acts as a conduit issuer and bonds and notes issued for purposes related to Hurricane Katrina. Such annual period shall be the same as the fiscal year of the state, commencing with the annual period of July 1, 2009, to June 30, 2010.

(2) The provisions of Sections 75-71-1 through 75-71-57, Mississippi Code of 1972 (the "Mississippi Securities Act"), shall not apply to bonds and notes issued under the authority of this article, and no application for a formal exemption from the provisions of such act shall be required with respect to such bonds and notes.

(3) Except as may otherwise be expressly provided by the corporation, all bonds and notes issued by the corporation shall be general obligations of the corporation, secured by the full faith and credit of the corporation and payable out of any monies, assets or revenues of the corporation, subject only to any agreement with the bondholders or noteholders pledging any particular monies, assets or revenues.

The corporation may issue bonds or notes to which the principal and interest are payable:

(a) Exclusively from the revenues of the corporation resulting from the use of the proceeds of such bonds or notes; or

(b) Exclusively from any particular revenues of the corporation, whether or not resulting from the use of the proceeds of such bonds or notes.

(4) Any bonds or notes issued by the corporation may be additionally secured:

(a) By private insurance, by a direct pay or standby letter of credit, or by any other credit enhancement facility procured by the corporation for the payment of any such bonds;

(b) By a pledge of any grant, subsidy or contribution from the United States or any agency or instrumentality thereof, or from the state or any agency, instrumentality or political subdivision thereof, or from any person, firm or corporation; or

(c) By the pledge of any securities, funds or reserves (or earnings thereon) available to the corporation.

(5) Bonds and notes issued by the corporation shall be authorized by a resolution or resolutions of the corporation adopted as provided for by this article; provided, that any such resolution authorizing the issuance of bonds or notes may delegate to an officer or officers of the corporation the power to issue such bonds or notes from time to time and to fix the details of any such issues of bonds or notes by an appropriate certification of such authorized officer.

(6) Except as specifically provided in this article, no notice, consent or approval by any governmental body or public officer shall be required as a prerequisite to the issuance, sale or delivery of any bonds or notes of the corporation pursuant to the provisions of this article. However, all bonds or notes issued pursuant to this article may be validated, except as otherwise provided in this section, in accordance with the provisions of Sections 31-13-1 through 31-13-11, Mississippi Code of 1972, in the same manner as provided therein for bonds issued by a municipality. Any such validation proceedings shall be held in the First Judicial District of Hinds County, Mississippi. Notice thereof shall be given by publication in any newspaper published in the City of Jackson, Mississippi, and of general circulation throughout the state.

(7) It is hereby determined that the corporation is the sole entity in the state authorized to issue bonds or notes for the purposes of financing low and moderate income rental or residential housing as set forth in this article. In addition, the corporation shall have the power to issue mortgage credit certificates, as provided by Section 25 of the Internal Revenue Code of 1954, as amended, and to comply with all of the terms and conditions set forth in Section 25, as the same may be amended from time to time.

[From and after July 1, * * * <u>2019</u>, this section shall read as follows:]

43-33-729. (1) The corporation may from time to time issue its negotiable bonds and notes in such principal amounts as, in the opinion of the corporation, shall be necessary to provide sufficient funds for achieving the corporate purposes thereof, including operating expenses and reserves, the payment of interest on bonds and notes of the corporation, establishment of reserves to secure such bonds and notes, and all other expenditures of the corporation incident to and necessary or convenient to carry out its corporate purposes and powers. Provided, except as otherwise authorized herein, bonds and notes shall not be issued under this article in an aggregate principal amount exceeding the aggregate principal amount of bonds and notes outstanding on July 1, * * * 2019, excluding bonds and notes issued to refund outstanding bonds and notes, bonds and notes in which the corporation acts as a conduit issuer and bonds and notes issued for purposes related to Hurricane Katrina.

(2) The provisions of Sections 75-71-1 through 75-71-57, Mississippi Code of 1972 (the "Mississippi Securities Act"), shall not apply to bonds and notes issued under the authority of this article, and no application for a formal exemption from the provisions of such act shall be required with respect to such bonds and notes.

(3) Except as may otherwise be expressly provided by the corporation, all bonds and notes issued by the corporation shall be general obligations of the corporation, secured by the full

faith and credit of the corporation and payable out of any monies, assets or revenues of the corporation, subject only to any agreement with the bondholders or noteholders pledging any particular monies, assets or revenues.

The corporation may issue bonds or notes to which the principal and interest are payable:

(a) Exclusively from the revenues of the corporation resulting from the use of the proceeds of such bonds or notes; or

(b) Exclusively from any particular revenues of the corporation, whether or not resulting from the use of the proceeds of such bonds or notes.

(4) Any bonds or notes issued by the corporation may be additionally secured:

(a) By private insurance, by a direct pay or standby letter of credit, or by any other credit enhancement facility procured by the corporation for the payment of any such bonds;

(b) By a pledge of any grant, subsidy or contribution from the United States or any agency or instrumentality thereof, or from the state or any agency, instrumentality or political subdivision thereof, or from any person, firm or corporation; or

(c) By the pledge of any securities, funds or reserves (or earnings thereon) available to the corporation.

(5) Bonds and notes issued by the corporation shall be authorized by a resolution or resolutions of the corporation adopted as provided for by this article; provided, that any such

resolution authorizing the issuance of bonds or notes may delegate to an officer or officers of the corporation the power to issue such bonds or notes from time to time and to fix the details of any such issues of bonds or notes by an appropriate certification of such authorized officer.

(6) Except as specifically provided in this article, no notice, consent or approval by any governmental body or public officer shall be required as a prerequisite to the issuance, sale or delivery of any bonds or notes of the corporation pursuant to the provisions of this article. However, all bonds or notes issued pursuant to this article may be validated, except as otherwise provided in this section, in accordance with the provisions of Sections 31-13-1 through 31-13-11, Mississippi Code of 1972, in the same manner as provided therein for bonds issued by a municipality. Any such validation proceedings shall be held in the First Judicial District of Hinds County, Mississippi. Notice thereof shall be given by publication in any newspaper published in the City of Jackson, Mississippi, and of general circulation throughout the state.

(7) It is hereby determined that the corporation is the sole entity in the state authorized to issue bonds or notes for the purposes of financing low and moderate income rental or residential housing as set forth in this article. In addition, the corporation shall have the power to issue mortgage credit certificates, as provided by Section 25 of the Internal Revenue

Code of 1954, as amended, and to comply with all of the terms and conditions set forth in Section 25, as the same may be amended from time to time.

SECTION 2. This act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE
February 10, 2014

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 6, 2014

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

GOVERNOR

3/13/2014 12:10pm