

By: Senator(s) Tollison

To: Finance

SENATE BILL NO. 2221

1 AN ACT TO AMEND SECTION 57-1-18, MISSISSIPPI CODE OF 1972, TO
 2 REVISE THE DEFINITION OF THE TERM "SMALL MUNICIPALITY" FOR
 3 PURPOSES OF THE SMALL MUNICIPALITIES AND LIMITED POPULATION
 4 COUNTIES FUND TO INCREASE THE MAXIMUM POPULATION FOR SUCH A
 5 MUNICIPALITY FROM 10,000 TO 15,000; TO AMEND SECTION 57-61-5,
 6 MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM
 7 "SMALL COMMUNITY" FOR PURPOSES OF THE MISSISSIPPI BUSINESS
 8 INVESTMENT ACT TO INCREASE THE MAXIMUM POPULATION FOR
 9 MUNICIPALITIES FROM 10,000 TO 15,000; TO REFLECT THE CHANGE OF THE
 10 NAME OF THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY
 11 DEVELOPMENT TO THE MISSISSIPPI DEVELOPMENT AUTHORITY; AND FOR
 12 RELATED PURPOSES.

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

14 **SECTION 1.** Section 57-1-18, Mississippi Code of 1972, is
 15 amended as follows:

16 57-1-18. (1) For the purposes of this section the following
 17 terms shall have the meanings ascribed in this section unless the
 18 context clearly indicates otherwise:

19 (a) "Limited population county" means a county in the
 20 State of Mississippi with a population of thirty thousand (30,000)
 21 or less according to the most recent federal decennial census at
 22 the time the county submits its application to the MDA under this
 23 section.

24 (b) "MDA" means the Mississippi Development Authority.

25 (c) "Project" means highways, streets and other
 26 roadways, bridges, sidewalks, utilities, airfields, airports,
 27 acquisition of equipment, acquisition of real property,
 28 development of real property, improvements to real property and
 29 any other project approved by the MDA.

30 (d) "Small municipality" means a municipality in the
 31 State of Mississippi with a population of fifteen thousand
 32 (15,000) or less according to the most recent federal decennial



33 census at the time the municipality submits its application to the
34 MDA under this section.

35 (2) (a) There is hereby created in the State Treasury a
36 special fund to be designated as the "Small Municipalities and
37 Limited Population Counties Fund," which shall consist of funds
38 appropriated or otherwise made available by the Legislature in any
39 manner and funds from any other source designated for deposit into
40 such fund. Unexpended amounts remaining in the fund at the end of
41 a fiscal year shall not lapse into the State General Fund, and any
42 investment earnings or interest earned on amounts in the fund
43 shall be deposited to the credit of the fund. Monies in the fund
44 shall be used to make grants to small municipalities and limited
45 population counties or natural gas districts created by law and
46 contained therein to assist in completing projects under this
47 section.

48 (b) Monies in the fund which are derived from proceeds
49 of bonds issued under Sections 1 through 16, Laws of 2002, Chapter
50 538, may be used to reimburse reasonable actual and necessary
51 costs incurred by the MDA in providing assistance related to a
52 project for which funding is provided under this section from the
53 use of proceeds of such bonds. An accounting of actual costs
54 incurred for which reimbursement is sought shall be maintained for
55 each project by the MDA. Reimbursement of reasonable actual and
56 necessary costs for a project shall not exceed three percent (3%)
57 of the proceeds of bonds issued for such project. Monies
58 authorized for a particular project may not be used to reimburse
59 administrative costs for unrelated projects. Reimbursements under
60 this subsection shall satisfy any applicable federal tax law
61 requirements.

62 (3) The MDA shall establish a grant program to make grants
63 to small municipalities and limited population counties from the
64 Small Municipalities and Limited Population Counties Fund. A
65 small municipality or limited population county may apply to the



66 MDA for a grant under this section in the manner provided for in
67 this section.

68 (4) A small municipality or limited population county
69 desiring assistance under this section must submit an application
70 to the MDA. The application must include a description of the
71 project for which assistance is requested, the cost of the project
72 for which assistance is requested, the amount of assistance
73 requested and any other information required by the MDA.

74 (5) The MDA shall have all powers necessary to implement and
75 administer the program established under this section, and the
76 department shall promulgate rules and regulations, in accordance
77 with the Mississippi Administrative Procedures Law, necessary for
78 the implementation of this section.

79 (6) The MDA shall file an annual report with the Governor,
80 Secretary of the Senate and the Clerk of the House of
81 Representatives not later than December 1 of each year, describing
82 all assistance provided under this section.

83 **SECTION 2.** Section 57-61-5, Mississippi Code of 1972, is
84 amended as follows:

85 57-61-5. The following words and phrases when used in this
86 chapter shall have the meanings given to them in this section
87 unless the context clearly indicates otherwise:

88 (a) "Department" means the Mississippi Development
89 Authority.

90 (b) "Board" means the Mississippi Development Authority
91 operating through its executive director.

92 (c) "Improvements" means the construction,
93 rehabilitation or repair of drainage systems; energy facilities
94 (power generation and distribution); fire safety facilities
95 (excluding vehicles); sewer systems (pipe treatment);
96 transportation directly affecting the site of the proposed
97 investment, including roads, sidewalks, bridges, rail, port,
98 river, airport or pipeline (excluding vehicles); bulkheads;



99 buildings; and facilities necessary to accommodate a United States
100 Navy home port; and means land reclamation; waste disposal; water
101 supply (storage, treatment and distribution); land acquisition;
102 and the dredging of channels and basins.

103 (d) "Municipality" means any county or any incorporated
104 city or town, acting individually or jointly, or any agency of the
105 State of Mississippi operating a state-owned port.

106 (e) "Private company" means any agricultural,
107 aquacultural, maricultural, industrial, manufacturing, service,
108 tourism or research and development enterprise or enterprises. The
109 term "private company" shall not include any retail trade
110 enterprise except regional shopping malls having a minimum capital
111 investment of One Hundred Million Dollars (\$100,000,000.00). No
112 more than fifteen percent (15%) of the aggregate funds made
113 available under this chapter shall be used to fund aquacultural,
114 maricultural and tourism enterprises. The funds made available to
115 tourism enterprises under this chapter shall be limited to
116 infrastructure improvements and to the acquisition of land and
117 shall not be made available to fund tourism promotions or to fund
118 the construction, improvement or acquisition of hotels and/or
119 motels or to finance or refinance any obligations of hotels and/or
120 motels.

121 (f) "Governmental unit" means a department or
122 subsidiary of the United States government, or an agency of the
123 State of Mississippi operating a state-owned port.

124 (g) "Private match" means any new private investment by
125 the private company and/or governmental unit in land, buildings,
126 depreciable fixed assets and improvements of the project used to
127 match improvements funded under this chapter. The term "private
128 match" includes improvements made prior to the effective date of
129 this chapter [Laws, 1986, Chapter 419, effective March 31, 1986]
130 pursuant to contracts entered into contingent upon assistance
131 being made available under this chapter.



132 (h) "Publicly owned property" means property which is
133 owned by the local, state or United States government and is not
134 under the control of a private company.

135 (i) "Director" means the Executive Director of the
136 Mississippi Development Authority.

137 (j) "Small community" means a county with a population
138 of twenty-five thousand (25,000) or less; or a municipality with a
139 population of fifteen thousand (15,000) or less and any area
140 within five (5) miles of the limits of such municipality,
141 according to the most recent federal decennial census.

142 (k) "Strategic investment" means an investment by the
143 private and public sectors that will have a major impact on job
144 creation and maintenance in the state of no less than one hundred
145 fifty (150) jobs, that will have a major impact on enlargement and
146 enhancement of international and foreign trade and commerce to and
147 from the State of Mississippi, or which is considered to be unique
148 to the state and have statewide or regional impact as determined
149 by the department.

150 (l) "Seller" means the State Bond Commission or the
151 State Development Bank.

152 **SECTION 3.** This act shall take effect and be in force from
153 and after July 1, 2003.

