MISSISSIPPI LEGISLATURE
REGULAR SESSION 2005

By: Representative McBride
To: Transportation

H. B. No. 1003

AN ACT TO AMEND SECTION 65-4-15, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE OFFICE OF STATE AID ROAD CONSTRUCTION TO ESCALATE ITS BUDGET AND EXPEND MONEY IT RECEIVES FROM THE MISSISSIPPI DEVELOPMENT AUTHORITY FOR THE ACTUAL EXPENSES INCURRED BY THE OFFICE IN ADMINISTERING AND PROVIDING ENGINEERING SERVICES TO POLITICAL SUBDIVISIONS UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 65-4-15, Mississippi Code of 1972, is amended as follows:

65-4-15. (1) There is hereby established a special fund in the State Treasury to be known as the "Economic Development Highway Fund" which shall consist of such monies as the Legislature shall appropriate thereto or such other monies as the Legislature may designate to be deposited therein. Any monies to the credit of such fund may be expended by the Mississippi Department of Transportation or political subdivision, as appropriate, upon approval of requisitions therefor by the Mississippi Development Authority for any expenses incurred by the Transportation Department or political subdivision in constructing and improving highways and highway segments which have been approved by the Mississippi Development Authority under the provisions of this chapter. From and after July 1, 2004, no monies to the credit of the fund may be expended for the construction and improvement of highways for high economic benefit projects that are being developed for the primary purpose of conducting retail sales unless the Mississippi Development Authority has received an application for the project prior to July 1, 2004. The Office of State Aid Road Construction shall be
entitled to reimbursement from monies in the fund, upon approval
by the Mississippi Development Authority of requisitions therefor
by the State Aid Engineer, for the actual expenses incurred by the
office in administering and providing engineering services to
political subdivisions. The Office of State Aid Road Construction
may escalate its budget and expend such funds in accordance with
rules and regulations of the Department of Finance and
Administration in a manner consistent with the escalation of
federal funds. Monies remaining unexpended to the credit of such
special fund at the end of a fiscal year shall not lapse into the
State General Fund, and any interest earned on the investment of
monies in the special fund shall be deposited to the credit of the
fund.

(2) Monies in the Economic Development Highway Fund which
are derived from proceeds of bonds issued under this chapter after
July 1, 2003, may be used to reimburse reasonable, actual and
necessary costs incurred by the Mississippi Development Authority
in providing assistance to a political subdivision related to a
project for which funding is provided from the use of proceeds of
such bonds. An accounting of actual costs incurred for which
reimbursement is sought shall be maintained for each project by
the Mississippi Development Authority. Reimbursement of
reasonable, actual and necessary costs for a project shall not
exceed three percent (3%) of the proceeds of bonds issued for such
a project. Monies authorized for a particular project may not be
used to reimburse administrative costs for unrelated projects.
Reimbursements to the Mississippi Development Authority under this
subsection shall satisfy any applicable federal tax law
requirements.

SECTION 2. This act shall take effect and be in force from
and after July 1, 2005.