

By: Representative Scott

To: Municipalities; Ways and Means

HOUSE BILL NO. 865

1 AN ACT TO AMEND SECTION 57-1-18, MISSISSIPPI CODE OF 1972, TO
2 INCREASE FROM 10,000 TO 20,000 FOR MAXIMUM POPULATION OF A SMALL
3 MUNICIPALITY UNDER THE SMALL MUNICIPALITIES AND LIMITED POPULATION
4 COUNTIES FUND GRANT PROGRAM; AND FOR RELATED PURPOSES.

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

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

8 57-1-18. (1) For the purposes of this section, the
9 following terms shall have the meanings ascribed in this section
10 unless the context clearly indicates otherwise:

11 (a) "Limited population county" means a county in the
12 State of Mississippi with a population of thirty thousand (30,000)
13 or less according to the most recent federal decennial census at
14 the time the county submits its application to the MDA under this
15 section.

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

17 (c) "Project" means highways, streets and other
18 roadways, bridges, sidewalks, utilities, airfields, airports,
19 acquisition of equipment, acquisition of real property,
20 development of real property, improvements to real property, and
21 any other project approved by the MDA.

22 (d) "Small municipality" means a municipality in the
23 State of Mississippi with a population of twenty thousand (20,000)
24 or less according to the most recent federal decennial census at
25 the time the municipality submits its application to the MDA under
26 this section.

27 (2) (a) There is hereby created in the State Treasury a
28 special fund to be designated as the "Small Municipalities and

29 Limited Population Counties Fund," which shall consist of funds
30 appropriated or otherwise made available by the Legislature in any
31 manner and funds from any other source designated for deposit into
32 such fund. Unexpended amounts remaining in the fund at the end of
33 a fiscal year shall not lapse into the State General Fund, and any
34 investment earnings or interest earned on amounts in the fund
35 shall be deposited to the credit of the fund. Monies in the fund
36 shall be used to make grants to small municipalities and limited
37 population counties or natural gas districts created by law and
38 contained therein to assist in completing projects under this
39 section.

40 (b) Monies in the fund which are derived from proceeds
41 of bonds issued under Sections 1 through 16 of Chapter 538, Laws
42 of 2002, Sections 1 through 16 of Chapter 508, Laws of 2003, or
43 Sections 55 through 70 of Chapter 1, Laws of 2004 Third
44 Extraordinary Session, may be used to reimburse reasonable actual
45 and necessary costs incurred by the MDA in providing assistance
46 related to a project for which funding is provided under this
47 section from the use of proceeds of such bonds. An accounting of
48 actual costs incurred for which reimbursement is sought shall be
49 maintained for each project by the MDA. Reimbursement of
50 reasonable actual and necessary costs for a project shall not
51 exceed three percent (3%) of the proceeds of bonds issued for such
52 project. Monies authorized for a particular project may not be
53 used to reimburse administrative costs for unrelated projects.
54 Reimbursements under this subsection shall satisfy any applicable
55 federal tax law requirements.

56 (3) The MDA shall establish a grant program to make grants
57 to small municipalities and limited population counties from the
58 Small Municipalities and Limited Population Counties Fund. Grants
59 made under this section to a small municipality or a limited
60 population county shall not exceed Two Hundred Fifty Thousand
61 Dollars (\$250,000.00) during any grant period established by the

62 MDA. A small municipality or limited population county may apply
63 to the MDA for a grant under this section in the manner provided
64 for in this section.

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

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

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

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