

By: Representatives Busby, Anderson, Baria, Barton, Bennett, DeLano, Guice, Haney, Ladner, Patterson, Read, Williams-Barnes, Willis, Zuber, Dixon To: Appropriations

HOUSE BILL NO. 1512

1 AN ACT TO CREATE SEPARATE SPECIAL FUNDS IN THE STATE TREASURY
2 FOR EACH OF THE TEN PLANNING AND DEVELOPMENT DISTRICTS AND A
3 SPECIAL FUND TO BE DESIGNATED AS THE "GULF COAST RESTORATION
4 FUND"; TO PROVIDE THAT THE MONIES IN EACH OF THE TEN SPECIAL FUNDS
5 SHALL BE ADMINISTERED BY THE RESPECTIVE BOARDS OF DIRECTORS OF THE
6 PLANNING AND DEVELOPMENT DISTRICTS, AND THE MONIES IN THE GULF
7 COAST RESTORATION FUND SHALL BE ADMINISTERED BY THE BOARD OF
8 TRUSTEES OF THE GULF COAST RESTORATION FUND; TO PROVIDE THAT THE
9 MONIES IN THE SPECIAL FUNDS SHALL BE USED, UPON APPROPRIATION BY
10 THE LEGISLATURE, TO PROVIDE ASSISTANCE TO APPLICANTS FOR PROJECTS
11 AUTHORIZED BY THIS ACT; TO ESTABLISH A BOARD OF TRUSTEES OF THE
12 GULF COAST RESTORATION FUND, WHICH WILL SERVE AS THE ADMINISTERING
13 BODY FOR THE FUND; TO PROVIDE FOR THE MEMBERSHIP OF THE BOARD OF
14 TRUSTEES; TO PROVIDE THAT THE PLANNING AND DEVELOPMENT DISTRICTS
15 AND THE BOARD OF TRUSTEES OF THE FUND SHALL ESTABLISH CRITERIA,
16 RULES AND PROCEDURES FOR ACCEPTING, REVIEWING AND GRANTING OR
17 DENYING APPLICATIONS FOR ASSISTANCE UNDER THIS ACT; TO SPECIFY THE
18 APPLICANTS WHO ARE ELIGIBLE FOR ASSISTANCE UNDER THIS ACT; TO
19 PROVIDE THAT APPLICATIONS FOR ASSISTANCE UNDER THIS ACT WILL BE
20 RECEIVED THROUGH WEB PORTALS SET UP BY THE PLANNING AND
21 DEVELOPMENT DISTRICTS AND THE BOARD OF TRUSTEES OF THE FUND; TO
22 PROVIDE THAT THE APPLICATIONS SHALL BE REVIEWED, EVALUATED AND
23 SCORED BY THE PLANNING AND DEVELOPMENT DISTRICTS AND THE BOARD OF
24 TRUSTEES OF THE FUND, AND THEN PRESENTED TO THE LEGISLATIVE
25 ADVISORY COMMITTEES FOR THEIR EVALUATION AND RECOMMENDATIONS; TO
26 ESTABLISH LEGISLATIVE ADVISORY COMMITTEES FOR EACH OF THE TEN
27 PLANNING AND DEVELOPMENT DISTRICTS AND FOR THE BOARD OF TRUSTEES
28 OF THE FUND, WHICH WILL SERVE ONLY IN AN ADVISORY CAPACITY IN
29 REVIEWING AND EVALUATING APPLICATIONS FOR ASSISTANCE UNDER THIS
30 ACT; TO AUTHORIZE THE PLANNING AND DEVELOPMENT DISTRICTS AND THE
31 BOARD OF TRUSTEES OF THE FUND TO MAKE LOANS, LOAN GUARANTEES,
32 GRANTS AND ANY OTHER FINANCIAL ASSISTANCE UNDER THIS ACT TO
33 APPLICANTS WHOSE PROJECTS ARE APPROVED FOR ASSISTANCE BY THE
34 PLANNING AND DEVELOPMENT DISTRICTS AND THE BOARD OF TRUSTEES OF



35 THE FUND; TO DIRECT THE PLANNING AND DEVELOPMENT DISTRICTS AND THE  
36 BOARD OF TRUSTEES OF THE FUND TO ESTABLISH AN APPLICATION  
37 PROCEDURE FOR ASSISTANCE UNDER THIS ACT AND A SCORING PROCESS FOR  
38 THE SELECTION OF PROJECTS THAT HAVE THE POTENTIAL TO GENERATE  
39 INCREASED ECONOMIC ACTIVITY IN THE COUNTIES INVOLVED, AND TO  
40 SPECIFY THE TYPES OF PROJECTS FOR WHICH ASSISTANCE MAY BE MADE; TO  
41 PROVIDE FOR FINANCIAL AUDITS AND OPERATIONAL AUDITS OF RECIPIENTS  
42 OF ASSISTANCE UNDER THIS ACT; TO DIRECT THE PLANNING AND  
43 DEVELOPMENT DISTRICTS AND THE BOARD OF TRUSTEES OF THE FUND TO  
44 FILE AN ANNUAL REPORT WITH THE GOVERNOR AND THE LEGISLATURE THAT  
45 INCLUDES DETAILED INFORMATION REGARDING RECEIPTS AND EXPENDITURES  
46 OF THE FUNDS RECEIVED AND PROVIDED AS ASSISTANCE UNDER THIS ACT;  
47 TO PROVIDE THAT FOR THE PURPOSES OF ADMINISTERING THE FUNDS  
48 RECEIVED, EXPENDED AND PROVIDED AS ASSISTANCE UNDER THIS ACT, THE  
49 PLANNING AND DEVELOPMENT DISTRICTS AND THE BOARD OF TRUSTEES OF  
50 THE FUND SHALL BE CONSIDERED TO BE PUBLIC BODIES AND PUBLIC  
51 ENTITIES, AND SHALL BE SUBJECT TO ALL APPLICABLE PROVISIONS OF  
52 STATE LAW APPLICABLE TO PUBLIC BODIES AND PUBLIC ENTITIES WITH  
53 REGARD TO THE FUNDS RECEIVED, EXPENDED AND PROVIDED AS ASSISTANCE  
54 UNDER THIS ACT; AND FOR RELATED PURPOSES.

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

56 **SECTION 1.** (1) There is created in the State Treasury one  
57 (1) separate special fund for each of the ten (10) planning and  
58 development districts and a special fund to be designated as the  
59 "Gulf Coast Restoration Fund" ("the fund"). Each of these special  
60 funds shall consist of funds appropriated or otherwise made  
61 available by the Legislature in any manner and funds from any  
62 other source designated for deposit into those funds. Unexpended  
63 amounts remaining in the funds at the end of a fiscal year shall  
64 not lapse into the State General Fund, and any investment earnings  
65 or interest earned on amounts in the funds shall be deposited to  
66 the credit of each respective fund.

67 (2) Monies in the each of the ten (10) special funds shall  
68 be administered by the respective boards of directors of the  
69 planning and development districts, and shall be used, upon



70 appropriation by the Legislature, to provide assistance to  
71 applicants for projects authorized by this act. Monies in the  
72 Gulf Coast Restoration Fund shall be administered by the Board of  
73 Trustees of the Gulf Coast Restoration Fund established in Section  
74 2 of this act, and shall be used, upon appropriation by the  
75 Legislature, to provide assistance to applicants for projects  
76 authorized by this act.

77 **SECTION 2.** (1) There is established a Board of Trustees of  
78 the Gulf Coast Restoration Fund, which will serve as the  
79 administering body for the fund.

80 (2) The Board of Trustees shall consist of nine (9) members  
81 as follows:

82 (a) One (1) member who is a resident of Hancock County,  
83 Mississippi. Such member shall be appointed by a majority vote of  
84 the Board of Supervisors of Hancock County, Mississippi. A member  
85 appointed under this paragraph (a) shall be appointed for an  
86 initial term of one (1) year. Upon the expiration of an initial  
87 term of office, the appointing officials shall appoint successors  
88 for terms of five (5) years from the expiration date of the  
89 previous term. A member appointed under this paragraph (a) may be  
90 removed from the board of trustees by a unanimous vote of the  
91 appointing officials or may be removed by a majority vote of the  
92 appointing officials upon receipt of a petition for removal signed  
93 by not less than seven (7) members of the board of trustees. A



94 member appointed under this paragraph (a) shall be eligible for  
95 reappointment.

96 (b) One (1) member who is a resident of Hancock County,  
97 Mississippi. Such member shall be appointed by a majority vote of  
98 the mayors of the municipalities located in Hancock County,  
99 Mississippi. A member appointed under this paragraph (b) shall be  
100 appointed for an initial term of two (2) years. Upon the  
101 expiration of an initial term of office, the appointing officials  
102 shall appoint successors for terms of five (5) years from the  
103 expiration date of the previous term. A member appointed under  
104 this paragraph (b) may be removed from the board of trustees by a  
105 unanimous vote of the appointing officials or may be removed by a  
106 majority vote of the appointing officials upon receipt of a  
107 petition for removal signed by not less than seven (7) members of  
108 the board of trustees. A member appointed under this paragraph  
109 (b) shall be eligible for reappointment.

110 (c) One (1) member who is a resident of Harrison  
111 County, Mississippi. Such member shall be appointed by a majority  
112 vote of the Board of Supervisors of Harrison County, Mississippi.  
113 A member appointed under this paragraph (c) shall be appointed for  
114 an initial term of one (1) year. Upon the expiration of an  
115 initial term of office, the appointing officials shall appoint  
116 successors for terms of five (5) years from the expiration date of  
117 the previous term. A member appointed under this paragraph (c)  
118 may be removed from the board of trustees by a unanimous vote of



119 the appointing officials or may be removed by a majority vote of  
120 the appointing officials upon receipt of a petition for removal  
121 signed by not less than seven (7) members of the board of  
122 trustees. A member appointed under this paragraph (c) shall be  
123 eligible for reappointment.

124 (d) One (1) member who is a resident of Harrison  
125 County, Mississippi. Such member shall be appointed by a majority  
126 vote of the mayors of the municipalities located in Harrison  
127 County, Mississippi. A member appointed under this paragraph (d)  
128 shall be appointed for an initial term of two (2) years. Upon the  
129 expiration of an initial term of office, the appointing officials  
130 shall appoint successors for terms of five (5) years from the  
131 expiration date of the previous term. A member appointed under  
132 this paragraph (d) may be removed from the board of trustees by a  
133 unanimous vote of the appointing officials or may be removed by a  
134 majority vote of the appointing officials upon receipt of a  
135 petition for removal signed by not less than seven (7) members of  
136 the board of trustees. A member appointed under this paragraph  
137 (d) shall be eligible for reappointment.

138 (e) One (1) member who is a resident of Jackson County,  
139 Mississippi. Such member shall be appointed by a majority vote of  
140 the Board of Supervisors of Jackson County, Mississippi. A member  
141 appointed under this paragraph (e) shall be appointed for an  
142 initial term of one (1) year. Upon the expiration of an initial  
143 term of office, the appointing officials shall appoint successors



144 for terms of five (5) years from the expiration date of the  
145 previous term. A member appointed under this paragraph (e) may be  
146 removed from the board of trustees by a unanimous vote of the  
147 appointing officials or may be removed by a majority vote of the  
148 appointing officials upon receipt of a petition for removal signed  
149 by not less than seven (7) members of the board of trustees. A  
150 member appointed under this paragraph (e) shall be eligible for  
151 reappointment.

152 (f) One (1) member who is a resident of Jackson County,  
153 Mississippi. Such member shall be appointed by a majority vote of  
154 the mayors of the municipalities located in Jackson County,  
155 Mississippi. A member appointed under this paragraph (f) shall be  
156 appointed for an initial term of two (2) years. Upon the  
157 expiration of an initial term of office, the appointing officials  
158 shall appoint successors for terms of five (5) years from the  
159 expiration date of the previous term. A member appointed under  
160 this paragraph (f) may be removed from the board of trustees by a  
161 unanimous vote of the appointing officials or may be removed by a  
162 majority vote of the appointing officials upon receipt of a  
163 petition for removal signed by not less than seven (7) members of  
164 the board of trustees. A member appointed under this paragraph  
165 (f) shall be eligible for reappointment.

166 A person appointed to fill a vacancy on the board of trustees  
167 shall be appointed in the same manner as for a regular  
168 appointment.



169 (g) Three (3) members representing the following county  
170 entities:

171 (i) One (1) member who is the Executive Director  
172 of the Hancock County Post and Harbor Commission;

173 (ii) One (1) member who is the Executive Director  
174 of the Harrison County Development Commission; and

175 (iii) One (1) member who is the Executive Director  
176 of the Jackson County Economic Development Foundation.

177 (3) Members of the board of trustees shall serve without  
178 compensation, but shall be reimbursed for each day's official  
179 duties of the board at the same per diem as established by Section  
180 25-3-69, and actual travel and expenses as established by Section  
181 25-3-41.

182 (4) The board of trustees shall annually elect one (1)  
183 member to serve as chair of the board and one (1) member to serve  
184 as vice chair of the board. The vice chair shall act as chairman  
185 in the absence of or upon the disability of the chair or if there  
186 is a vacancy in the office of chair.

187 (5) All expenses of the board of trustees in carrying out  
188 its duties and responsibilities under this section, including the  
189 payment of per diem and expenses of the members of the board,  
190 shall be paid from funds in the Gulf Coast Restoration Fund.  
191 These expenses are subject to the percentage cap on administrative  
192 expenses set in Section 3(1) of this act.



193           **SECTION 3.** (1) The planning and development districts and  
194 the board of trustees of the fund shall establish criteria, rules  
195 and procedures for accepting, reviewing and granting or denying  
196 applications for assistance under this act. The administration  
197 expenses of the planning and development districts and the board  
198 of trustees of the fund in carrying out their duties under this  
199 act shall not exceed one percent (1%) of the amount of the funds  
200 administered by the districts and the board of trustees.

201           (2) Applicants who are eligible for assistance under this  
202 act from the planning and development districts and the board of  
203 trustees of the fund include, but are not limited to, local units  
204 of government, nongovernmental organizations, and institutions of  
205 higher learning, community colleges, local ports, airports, and  
206 public private partnerships. The planning and development  
207 districts are not eligible to apply for or receive any assistance  
208 under this act for their own projects.

209           (3) Applications for assistance under this act will be  
210 received through web portals set up by the planning and  
211 development districts and the board of trustees of the fund. The  
212 application packets shall be available on the web portals for  
213 download, completion and submittal. The applications shall be  
214 reviewed, evaluated and scored by the planning and development  
215 district or the board of trustees of the fund, and then presented  
216 to the appropriate legislative advisory committee for its  
217 evaluation and recommendations. Each applicant must include in





218 the application the "soft costs" and professional fees associated  
219 with the proposed project, such as planning, design, internal  
220 project management, financing, and legal, engineering and other  
221 professional fees.

222 (4) The planning and development districts are authorized to  
223 charge an application fee to applicants for assistance under this  
224 act.

225 **SECTION 4.** (1) (a) For each of the ten (10) planning and  
226 development districts, there is established a legislative advisory  
227 committee comprised of the members of the House of Representatives  
228 and the members of the Senate who represent any part of the  
229 counties that are included within the planning and development  
230 district, except as follows: For the Southern Mississippi  
231 Planning and Development District, the legislative advisory  
232 committee shall be comprised of the members of the House of  
233 Representatives and the members of the Senate who represent any  
234 part of the counties that are included within the planning and  
235 development district other than Hancock, Harrison and Jackson  
236 Counties.

237 (b) The legislative advisory committees established in  
238 paragraph (a) of subsection (1) shall serve only in an advisory  
239 capacity in reviewing and evaluating applications for assistance  
240 under this act from the planning and development districts and may  
241 not take any action to approve or disapprove a decision of the  
242 planning and development district regarding the providing or



243 denying of assistance. The legislative advisory committees shall  
244 meet regularly to review and evaluate the projects being  
245 considered for funding by the planning and development districts.  
246 After having a reasonable time to review and evaluate an  
247 application for assistance under this act from the planning and  
248 development district, the legislative advisory committee shall  
249 return the application for assistance with its recommendations to  
250 the planning and development district, which shall have the final  
251 decision regarding the application for assistance.

252 (2) (a) For the Board of Trustees of the Gulf Coast  
253 Restoration Fund, there is established a legislative advisory  
254 committee comprised of the members of the House of Representatives  
255 and the members of the Senate who represent any part of Hancock,  
256 Harrison and Jackson Counties.

257 (b) The legislative advisory committee established in  
258 paragraph (a) of subsection (2) shall serve only in an advisory  
259 capacity in reviewing and evaluating applications for assistance  
260 under this act from the Gulf Coast Restoration Fund and may not  
261 take any action to approve or disapprove a decision of the board  
262 of trustees of the fund regarding the providing or denying of  
263 assistance. The legislative advisory committee shall meet  
264 regularly to review and evaluate the projects being considered for  
265 funding by the board of trustees. After having a reasonable time  
266 to review and evaluate an application for assistance from the Gulf  
267 Coast Restoration Fund, the legislative advisory committee shall



268 return the application for assistance with its recommendations to  
269 the board of trustees of the fund, which shall have the final  
270 decision regarding the application for assistance.

271       **SECTION 5.** (1) The planning and development districts and  
272 the board of trustees of the fund are empowered, on such terms and  
273 conditions as they may determine, to make loans, loan guarantees,  
274 grants and any other financial assistance under this act to  
275 applicants whose projects are approved for assistance by the  
276 planning and development district or the board of trustees of the  
277 fund. For providing assistance to projects under this section,  
278 the planning and development districts and the board of trustees  
279 of the fund shall establish criteria, rules and procedures for  
280 accepting, reviewing and granting or denying applications, and for  
281 terms and conditions of financial assistance under this act.

282       (2) The Southern Mississippi Planning and Development  
283 District shall provide assistance only for projects that are  
284 primarily located in the counties that are included in the  
285 planning and development district other than Hancock, Harrison and  
286 Jackson Counties. The Board of Trustees of the Gulf Coast  
287 Restoration Fund shall provide assistance only for projects that  
288 are primarily located in Hancock, Harrison or Jackson County.

289       (3) The planning and development districts and the board of  
290 trustees of the fund shall establish an application procedure for  
291 assistance under this act and a scoring process for the selection



292 of projects that have the potential to generate increased economic  
293 activity in the counties involved, giving priority to:

294 (a) Projects that will have a significant positive  
295 impact on the tax base, private sector job creation and private  
296 sector investment;

297 (b) Projects that support workforce development and  
298 training programs that result in both private and public sector  
299 job readiness;

300 (c) Projects that enhance the quality of life/place and  
301 business environment of a community or region, including tourism  
302 and recreational opportunities;

303 (d) Projects that expand high growth industries or  
304 establish new high growth industries in the region;

305 (e) Projects that leverage or further enhance key  
306 regional assets, including educational institutions, research  
307 facilities, and military bases;

308 (f) Infrastructure projects in existing industrial  
309 parks;

310 (g) Infrastructure projects for business retention and  
311 development; and

312 (h) Local match requirements for federal and state  
313 funded projects that enhance the economic competitiveness of a  
314 community.

315 (4) The planning and development districts and the board of  
316 trustees of the fund may provide assistance under this act as



317 applications are received or may establish application periods for  
318 selection. Assistance provided under this act may not be used to  
319 finance one hundred percent (100%) of any project.

320 (5) Contracts executed by the planning and development  
321 districts and the board of trustees of the fund with recipients of  
322 assistance under this act must include provisions requiring a  
323 performance report on the contracted activities, must account for  
324 the proper use of funds provided under the contract, and must  
325 include provisions for recovery of assistance if the assistance  
326 was based upon fraudulent information or the recipient of the  
327 assistance is not meeting the performance requirements of the  
328 assistance. Recipients of assistance under this act must  
329 regularly report to the planning and development district or the  
330 board of trustees of the fund the status of the project on a  
331 schedule determined by the district or the board of trustees.

332 **SECTION 6.** (1) The scope of a financial audit of recipients  
333 of assistance under this act shall include funds related to any  
334 year in which the recipient receives assistance under this act.  
335 The scope of review for these funds shall include, but is not  
336 limited to, compliance with state and federal laws related to the  
337 receipt and expenditure of those funds.

338 (2) Once every two (2) years, the State Auditor shall  
339 conduct an operational audit of the recipients of assistance under  
340 this act to evaluate the performance of the recipient in  
341 administering laws, policies and procedures governing the



342 expenditure of the assistance in an efficient and effective  
343 manner. The scope of review shall include, but is not limited to,  
344 evaluating internal controls, internal audit functions, reporting  
345 and performance requirements required for use of the assistance,  
346 and compliance with state and federal law. The audit shall  
347 include any funds that the recipient received from assistance  
348 under this act.

349 (3) In addition to the rules of the State Auditor, the State  
350 Auditor shall adopt rules for the form and conduct all financial  
351 audits performed by independent certified public accountants and  
352 for audits of recipients of assistance under this act.

353 (4) The State Auditor may report findings to the Secretary  
354 of the Treasury of the United States in addition to the reporting  
355 requirements under state law.

356 (5) The costs of the audits performed as provided in this  
357 section may be paid from the special funds of the planning and  
358 development districts and from the Gulf Coast Restoration Fund,  
359 and those expenditures are not subject to the percentage cap on  
360 administrative expenses set in Section 3(1) of this act.

361 **SECTION 7.** Each planning and development district and the  
362 board of trustees of the fund shall file an annual report with the  
363 Governor, the Secretary of the Senate and the Clerk of the House  
364 of Representatives not later than December 1 of each year,  
365 including detailed information regarding at least the following  
366 specific areas:



367 (a) Receipts and expenditures of the funds received and  
368 provided as assistance under this act;

369 (b) Overview of applications reviewed and a detailed  
370 description of applications approved for assistance for the  
371 current year; and

372 (c) Schedule of all applications for which assistance  
373 was provided under this act detailing status of progress, start  
374 date, anticipated completion date, benchmark achievements, and any  
375 modifications to the original application after receipt of  
376 assistance.

377 **SECTION 8.** For the purposes of administering the funds  
378 received, expended and provided as assistance under this act, the  
379 planning and development districts and the board of trustees of  
380 the fund shall be considered to be public bodies and public  
381 entities, and shall be subject to all applicable provisions of  
382 state law applicable to public bodies and public entities with  
383 regard to the funds received, expended and provided as assistance  
384 under this act.

385 **SECTION 9.** This act shall take effect and be in force from  
386 and after July 1, 2018.

