MISSISSIPPI LEGISLATURE

By: Senator(s) Hopson

**REGULAR SESSION 2022** 

To: Appropriations

SENATE BILL NO. 2780 (As Sent to Governor)

1 AN ACT TO DIRECT THE STATE FISCAL OFFICER TO MAKE CERTAIN 2 TRANSFERS DURING FISCAL YEAR 2023 FROM THE CAPITAL EXPENSE FUND, 3 CORONAVIRUS STATE FISCAL RECOVERY FUND, CAPITAL EXPENSE FUND -4 ARCHIVES AND HISTORY, ALCOHOLIC BEVERAGE CONTROL SPECIAL FUND, 5 DEPARTMENT OF REVENUE GENERAL ADMINISTRATION SPECIAL FUND, 6 SECRETARY OF STATE HELP MISSISSIPPI VOTE FUND AND STATE GENERAL 7 FUND TO OTHER FUNDS IN THE STATE TREASURY; TO CREATE THE "CORONAVIRUS STATE FISCAL RECOVERY LOST REVENUE FUND" AS A SPECIAL 8 FUND IN THE STATE TREASURY TO BE USED BY THE DEPARTMENT OF FINANCE 9 10 AND ADMINISTRATION FOR THE PURPOSE OF PROVIDING GOVERNMENT SERVICES; TO CREATE THE 2022 MAINTENANCE PROJECT FUND, THE 2022 11 12 CAPACITY PROJECT FUND, THE 2022 INFRASTRUCTURE MATCH FUND AND THE 2022 EMERGENCY ROAD AND BRIDGE FUND AS SPECIAL FUNDS IN THE STATE 13 TREASURY TO BE ADMINISTERED BY THE DEPARTMENT OF TRANSPORTATION 14 FOR VARIOUS PURPOSES; TO CREATE THE "INDEPENDENT SCHOOLS 15 INFRASTRUCTURE GRANT PROGRAM ACT OF 2022" TO BE ADMINISTERED BY 16 17 THE DEPARTMENT OF FINANCE AND ADMINISTRATION WITH FUNDS 18 APPROPRIATED FROM THE CORONAVIRUS STATE FISCAL RECOVERY FUND; TO 19 PROVIDE THAT SUCH GRANTS SHALL BE MADE AVAILABLE TO ELIGIBLE 20 INDEPENDENT SCHOOLS; TO PRESCRIBE ELIGIBLE PROJECTS UNDER THE 21 GRANT PROGRAM; TO DIRECT THE DEPARTMENT TO PROMULGATE GRANT 22 APPLICATION REGULATIONS; TO SET THE MAXIMUM AMOUNT OF GRANT FUNDS 23 THAT MAY BE AWARDED TO ANY ELIGIBLE INDEPENDENT SCHOOL; TO AMEND 24 SECTION 19-11-27, MISSISSIPPI CODE OF 1972, TO REVISE THE 25 EXCEPTIONS TO LIMITATIONS ON COUNTY EXPENDITURES DURING THE LAST 26 YEAR OF TERMS OF OFFICE OF THE BOARDS OF SUPERVISORS TO ALLOW 27 EXPENDITURES FOR CERTAIN ROAD AND BRIDGE PROJECTS; TO AMEND SECTION 77-5-907, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT 28 29 CERTAIN FEES DEPOSITED INTO THE PUBLIC UTILITIES STAFF REGULATION 30 FUND SHALL BE TRANSFERRED TO THE BROADBAND EXPANSION AND 31 ACCESSIBILITY OF MISSISSIPPI (BEAM) FUND; TO AMEND SECTION 32 57-1-601, MISSISSIPPI CODE OF 1972, TO REVISE DEFINITIONS FOR MAIN STREET GRANTS; TO DIRECT THE STATE FISCAL OFFICER TO TRANSFER 33

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34 FUNDS FROM THE CAPITAL EXPENSE FUND TO THE RURAL FIRE TRUCK 35 MATCHING ASSISTANCE FUND; AND FOR RELATED PURPOSES. 36 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 37 SECTION 1. During fiscal year 2023, the State Fiscal Officer 38 shall transfer the amounts listed below from the Capital Expense 39 Fund (Fund No. 6499C00000) to each of the following named funds: 40 FUND FUND NUMBER AMOUNT Mississippi Historic Site 41 Preservation Fund \$ 2,000,000.00 42 3348400000 43 Mississippi Ports 44 \$ 10,000,000.00 Improvement Fund 6343322100 45 Victims of Human Trafficking and Commercial Sexual 46 47 Exploitation Fund 3307800000 \$ 2,500,000.00 Mississippi Land, Water, 48 and Timber Resources Fund 634WC00000 \$ 2,500,000.00 49 50 MDOT 2022 Maintenance Project \$ 45,000,000.00 51 Fund created in this act MDOT 2022 Capacity Project 52 53 Fund created in this act \$ 35,000,000.00 MDOT 2022 Infrastructure Match 54 55 Fund created in this act \$ 40,000,000.00 56 MDOT 2022 Emergency Road and 57 Bridge Fund created in this act \$100,000,000.00 58 TOTAL \$237,000,000.00

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59 SECTION 2. During fiscal year 2023, the State Fiscal Officer 60 shall transfer the amounts listed below from the Coronavirus State Fiscal Recovery Fund (Fund No. 6821113000) to each of the 61 62 following named funds: 63 FUND FUND NUMBER AMOUNT Coronavirus State Fiscal 64 65 Recovery Lost Revenue Fund \$ 55,000,000.00 66 created in this act 67 Mississippi Association of 68 Independent Colleges and Universities (MAICU) Grant 69 70 Program Fund created in Senate 71 Bill No. 2700, 2022 Regular 72 Session \$ 10,000,000.00 \$ 65,000,000.00 73 TOTAL 74 SECTION 3. During fiscal year 2023, the State Fiscal Officer 75 shall transfer the sum of One Million Dollars (\$1,000,000.00) from the Capital Expense Fund - Archives and History (Fund No. 76 77 6447C00000) to Mississippi Historic Site Preservation Fund (Fund No. 3348400000). 78 79 SECTION 4. During fiscal year 2023, the State Fiscal Officer 80 shall transfer the sum of Eight Thousand Eighty-six Dollars and Ninety-five Cents (\$8,086.95) from the Alcoholic Beverage Control 81 82 Special Fund (Fund No. 331960000) and the sum of Eight Thousand Six Hundred One Dollars and Sixty-four Cents (\$8,601.64) from the 83

Department of Revenue General Administration Special Fund (Fund
No. 3319700000) to the Sales Tax Fees Fund (Fund No. 3318100000).
SECTION 5. During fiscal year 2023, the State Fiscal Officer
shall transfer the sum of Six Hundred Twenty-three Dollars
(\$623.00) from the Secretary of State Help Mississippi Vote Fund
(Fund No. 3311M00000) to the State General Fund (Fund No.
2999000000).

91 SECTION 6. During fiscal year 2023, the State Fiscal Officer 92 shall transfer the sum of Ten Million Dollars (\$10,000,000.00) 93 from the State General Fund (Fund No. 2999000000) to the 94 Mississippi Outdoor Stewardship Trust Fund created by House Bill 95 No. 606, 2022 Regular Session.

96 SECTION 7. There is created in the State Treasury a special 97 fund to be designated as the "Coronavirus State Fiscal Recovery Lost Revenue Fund, " which shall consist of funds calculated based 98 99 on a reduction in the state's general revenue due to the 100 coronavirus public health emergency, made available through the 101 Coronavirus State Fiscal Recovery Fund established by the American 102 Rescue Plan Act of 2021, and transferred into the fund by act of 103 the Legislature. The fund shall be maintained by the State 104 Treasurer as a separate and special fund, separate and apart from 105 the General Fund of the state. Unexpended amounts remaining in 106 the fund at the end of a fiscal year shall not lapse into the 107 State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the 108

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S. B. No. 2780 22/SS26/R348SG PAGE 4 109 fund. Monies in the fund shall be used by the Department of 110 Finance and Administration, upon appropriation by the Legislature, 111 for the purpose of providing government services.

112 SECTION 8. There is created in the State Treasury a special 113 fund to be designated as the "2022 Maintenance Project Fund," 114 which shall consist of funds made available by the Legislature in any manner and funds from any other source designated for deposit 115 116 into such fund. The fund shall be maintained by the State 117 Treasurer as a separate and special fund, separate and apart from the General Fund of the state. Unexpended amounts remaining in 118 119 the fund at the end of a fiscal year shall not lapse into the 120 State General Fund, and any investment earnings or interest earned 121 on amounts in the fund shall be deposited to the credit of the 122 Monies in the fund shall be used by the Department of fund. Transportation, upon appropriation by the Legislature, to provide 123 124 for maintenance projects by adopting the Pavement Program of the 125 Three-Year Plan as adopted by the Mississippi Transportation 126 Commission on Minute Book 105, page 732 and further required by 127 Section 65-1-141.

128 **SECTION 9.** There is created in the State Treasury a special 129 fund to be designated as the "2022 Capacity Project Fund," which 130 shall consist of funds made available by the Legislature in any 131 manner and funds from any other source designated for deposit into 132 such fund. The fund shall be maintained by the State Treasurer as 133 a separate and special fund, separate and apart from the General

134 Fund of the state. Unexpended amounts remaining in the fund at 135 the end of a fiscal year shall not lapse into the State General 136 Fund, and any investment earnings or interest earned on amounts in 137 the fund shall be deposited to the credit of the fund. Monies in 138 the fund shall be used by the Department of Transportation, upon 139 appropriation by the Legislature, to provide for capacity projects by adopting the Capacity Program of the Three-Year Plan as adopted 140 141 by the Mississippi Transportation Commission on Minute Book 105, 142 page 732 and further required by Section 65-1-141.

143 SECTION 10. There is created in the State Treasury a special fund to be designated as the "2022 Infrastructure Match Fund," 144 145 which shall consist of funds made available by the Legislature in 146 any manner and funds from any other source designated for deposit 147 The fund shall be maintained by the State into such fund. 148 Treasurer as a separate and special fund, separate and apart from 149 the General Fund of the state. Unexpended amounts remaining in 150 the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned 151 152 on amounts in the fund shall be deposited to the credit of the 153 Monies in the fund shall be used by the Department of fund. 154 Transportation, upon appropriation by the Legislature, to provide 155 for funds necessary to match projected federal funds available 156 through the following federal fiscal year from the annual Federal 157 Highway Administration appropriations and from the supplemental 158 Infrastructure Investment and Jobs Act (IIJA) appropriations.

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159 SECTION 11. There is created in the State Treasury a special 160 fund to be designated as the "2022 Emergency Road and Bridge Fund," which shall consist of funds made available by the 161 162 Legislature in any manner and funds from any other source 163 designated for deposit into such fund. The fund shall be 164 maintained by the State Treasurer as a separate and special fund, 165 separate and apart from the General Fund of the state. Unexpended 166 amounts remaining in the fund at the end of a fiscal year shall 167 not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to 168 169 the credit of the fund. Monies in the fund shall be used by the 170 Department of Transportation, upon appropriation by the 171 Legislature, for the purposes provided in Section 65-1-179. Of 172 the monies expended under this section, it is the intention of the 173 Legislature that the Department of Transportation be excluded from 174 applying for use of funds in order to give preference to counties 175 and municipalities.

176 <u>SECTION 12.</u> (1) This section shall be known and may be 177 cited as the "Independent Schools Infrastructure Grant Program Act 178 of 2022."

(2) There is established the Independent Schools Infrastructure Grant Program, to be administered by the Department of Finance and Administration. Under the program, eligible independent schools may apply for reimbursable grants to make necessary investments in water, wastewater, stormwater, broadband

and other eligible infrastructure projects to be funded by the Legislature using Coronavirus State Fiscal Recovery Funds made available under the federal American Rescue Plan Act (ARPA). The program shall be funded from appropriations by the Legislature to the department from the Coronavirus State Fiscal Recovery Fund.

189 (3) The use of grants shall be subject to audit by the 190 United States Department of the Treasury's Office of Inspector General and the Mississippi Office of the State Auditor. An 191 192 eligible independent school found to be fully or partially 193 noncompliant with grant requirements shall return to the state all 194 or a portion of the grant monies received and used for unallowable 195 expenditures. Applicants shall confirm their understanding of 196 these terms.

197 (4) For purposes of this section, unless the context
198 requires otherwise, the following terms shall have the meanings as
199 defined in this subsection:

200 (a) "Program" means the Independent Schools201 Infrastructure Grant Program established under this section.

(b) "ARPA" means the federal American Rescue Plan Act
of 2021, Public Law 117-2, which amends Title VI of the Social
Security Act.

(c) "ARPA funds" means Coronavirus State Fiscal
Recovery Funds awarded through Section 602 of Title VI of the
Social Security Act amended by Section 9901 of the federal
American Rescue Plan Act of 2021, Public Law 117-2.

209 (d) "Department" means the Department of Finance and 210 Administration.

(e) "Eligible independent school" means any private or nonpublic school operating within the State of Mississippi that:

(i) Is a member of the Midsouth Association of Independent Schools (MAIS) and located in the State of Mississippi; or

(ii) Is accredited by a state, regional or national accrediting organization; and

218 (iii) Is not subject to the purview of authority 219 of the State Board of Education.

(5) On or before July 1, 2022, the department shall promulgate rules and regulations necessary to administer the program established under this section, including application procedures and deadlines.

(6) Funds under the program shall be awarded for ARPAeligible projects in the following order:

(a) Eligible water, wastewater and stormwater projects
under the Environmental Protection Agency's Clean Water State
Revolving Fund (CWSRF) or Drinking Water State Revolving Fund
(DWSRF) and other eligible water projects allowable by ARPA;

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(b) Broadband infrastructure projects;

(c) Capital investments for prevention, mitigation and ventilation in congregate living facilities and other key settings; and

234 (d) Any eligible project through ARPA guidelines, 235 guidance, rules, regulations and/or other criteria, as may be 236 amended from time to time, of the United States Department of the 237 Treasury, excluding premium pay for employees.

238 (7) The governing board of any eligible independent school 239 may submit an application for grant funds under this section. 240 Applicants shall certify to the department that each expenditure 241 of the funds awarded to them by the department under this section 242 is in compliance with the ARPA guidelines, guidance, rules, 243 regulations and/or other criteria, as may be amended from time to 244 time, by the United States Department of the Treasury regarding 245 the use of monies from the Coronavirus State Fiscal Recovery Fund. 246 Subsequent submissions will be due by the dates established by the 247 department.

(8) An application for a grant under this section shall be 248 249 submitted at such time, be in such form, and contain such 250 information as the department prescribes. Each application shall 251 include the following at a minimum: applicant contact 252 information; project description and type of project; project map; 253 estimate of the population served by the project; estimated project cost; estimated project schedule; and readiness to 254 255 The department is authorized to accept additional rounds proceed. 256 of grant proposals for application consideration as needed.

257 (9) Applications shall be reviewed, and the department shall 258 certify that each project submitted is eligible under ARPA and all

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259 applicable guidance issued by the United States Department of the 260 Treasury. For water, wastewater and stormwater projects, the 261 department must also certify that it is a "necessary investment" 262 in water, wastewater or stormwater infrastructure as defined in 263 ARPA and all applicable guidance issued by the United States 264 Department of the Treasury. Grant agreements shall be executed 265 between the recipient and the department. All final awards shall 266 be determined at the discretion of the executive director of the 267 department. Funds shall be made available to a grantee upon the 268 execution of a grant agreement between the department and the 269 approved applicant, and the department obtains the necessary 270 support for reimbursement.

(10) Grant funds shall be used prospectively, and grants are not available to cover the costs of debt incurred before the effective date of this section.

(11) The maximum amount of grant funds that may be awarded to any eligible independent school under the program is One Hundred Thousand Dollars (\$100,000.00).

(12) The department shall submit to the Joint Legislative Budget Committee by October 1 of each year an annual report about the program. The reports shall contain the applications received, the amount of grant funds awarded to each applicant, the amount of grant funds expended by each applicant, and the status of each applicant's project.

S. B. No. 2780 22/SS26/R348SG PAGE 11 283 (13)Grant funds received under this section must be 284 obligated no later than December 31, 2024, and must be expended no 285 later than December 31, 2026. Each grant recipient shall certify 286 for any project for which a grant is awarded that if the project 287 is not completed by December 31, 2026, and the United States Congress does not enact an extension of the deadline on the 288 289 availability of ARPA funds, then the grant recipient will complete 290 the project using any other funds available.

(14) The department may retain an amount not to exceed Two
Hundred Thousand Dollars (\$200,000.00) of the total funds
allocated to the program to defray its administrative costs.

(15) This section shall stand repealed on July 1, 2026.
 SECTION 13. Section 19-11-27, Mississippi Code of 1972, is
 amended as follows:

297 19-11-27. No board of supervisors of any county shall expend 298 from, or contract an obligation against, the budget estimates for 299 road and bridge construction, maintenance and equipment, made and 300 published by it during the last year of the term of office of such 301 board, between the first day of October and the first day of the 302 following January, a sum exceeding one-fourth (1/4) of such item 303 of the budget made and published by it, except in cases of 304 emergency. The clerk of any county is prohibited from issuing any 305 warrant contrary to the provisions of this section. No board of 306 supervisors nor any member thereof shall buy any machinery or equipment in the last six (6) months of their or his term unless 307

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308 or until he has been elected at the general election of that year. 309 The provisions of this section shall not apply to (i) \* \* \* projects of any type that receive monies from the Local System 310 311 Bridge Replacement and Rehabilitation Program, the Emergency Road 312 and Bridge Repair Fund, the 2018 Transportation and Infrastructure 313 Improvement Fund or the Gulf Coast Restoration Fund and (ii) to 314 expenditures \* \* \* on deficient bridges in the State Aid Road 315 System or the Local System Road Program that have \* \* \* been 316 deemed to be a deficient bridge as defined in Section 65-37-3 or 317 to a contract, lease or lease-purchase contract executed pursuant 318 to the bidding requirements in Section 31-7-13 and approved by a 319 unanimous vote of the board. Such unanimous vote shall include a 320 statement indicating the board's proclamation that the award of 321 the contract is essential to the efficiency and economy of the operation of the county government. \* \* \* 322

323 SECTION 14. Section 77-5-907, Mississippi Code of 1972, is 324 amended as follows:

325 77-5-907. There is hereby created in the State Treasury a 326 special fund to be designated as the "Public Utilities Application 327 Fund," which shall consist of funds made available by the 328 Legislature in any manner and funds from any other source 329 designated for deposit into such fund. Unexpended amounts 330 remaining in the fund at the end of a fiscal year shall not lapse 331 into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the 332

333 credit of the fund. Monies in the fund shall be used for 334 administration expenses related to the processing of grants by the 335 Public Utilities Staff. Any application fee collected under the 336 grant programs and deposited to the Public Utilities Staff 337 Regulation Fund before September 1, 2020, shall be transferred to 338 the **\* \* \*** Broadband Expansion and Accessibility of Mississippi 339 (BEAM) Fund created by House Bill No. 1029, 2022 Regular Session. 340 SECTION 15. Section 57-1-601, Mississippi Code of 1972, is 341 amended as follows:

342 57-1-601. (1) For the purposes of this section, the 343 following words shall have the following meanings ascribed in this 344 section, unless the context clearly otherwise requires:

(a) "MDA" means the Mississippi Development Authority.
(b) "Municipality" means \* \* \* any municipality with a
population of less than fifteen thousand (15,000) according to the
latest federal decennial census at the time the municipality
submits an application to the MDA under this section.

350 (c) "Revitalization zone" means an area in the 351 municipality officially designated by ordinance or resolution of 352 the governing authorities of the municipality as a revitalization 353 zone and approved and certified by the MDA as meeting the 354 requirements of this section.

355 (2) (a) There is created in the State Treasury a special 356 fund to be designated as the "Mississippi Main Street Investment 357 Grant Fund" which shall consist of funds from any source

designated for deposit into the fund. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used by the MDA for the purposes authorized in subsection (3) of this section.

364 Monies in the fund which are derived from the (b) 365 proceeds of general obligation bonds may be used to reimburse 366 reasonable actual and necessary costs incurred by the MDA in providing grants under this section through the use of proceeds of 367 368 such general obligation bonds. An accounting of actual costs 369 incurred for which reimbursement is sought shall be maintained for 370 the program. Reimbursement of reasonable actual and necessary 371 costs for assistance shall not exceed three percent (3%) of the 372 proceeds of bonds issued for such assistance. Reimbursements made 373 under this subsection shall satisfy any applicable federal tax law 374 requirements.

375 The MDA shall establish a program to make grants (3) 376 to \* \* \* a municipality to assist with maintaining and improving 377 the viability of revitalization zones. The proceeds of a grant 378 made to \* \* \* a municipality under this section may be used for 379 maintaining and/or improving the viability of a revitalization zone through means deemed appropriate by the governing authorities 380 381 of **\* \* \*** a municipality, including, but not limited to, making 382 loans, grants and/or other forms of assistance to any person or

383 public or private association or other entity for use for 384 infrastructure projects, improvements to properties, signage and 385 other purposes related to maintaining and/or improving the 386 viability of the revitalization zone.

387 (4) If **\* \* \*** a municipality desires a grant under this (a) 388 section, the municipality shall submit an application to the MDA 389 seeking (i) approval and certification of the proposed 390 revitalization zone and (ii) a grant for the purposes authorized 391 in this section. The application shall include, at a minimum: 392 1. The name of the proposed revitalization 393 zone, together with the words, "revitalization zone"; 394 A description of the revitalization zone 2. 395 by metes and bounds; 396 A map showing the parcels of real property 3. 397 included in the revitalization zone and the present use of such 398 parcels; 399 4. A master plan for the revitalization zone that has been approved by sixty percent (60%) of the property 400 401 owners within the zone at the time the municipality submits the 402 application; and 403 5. Any other information required by the MDA. 404 The governing authorities of \* \* \* a municipality may designate 405 the boundaries of a proposed revitalization zone by adoption of an 406 ordinance or resolution that is spread upon its minutes and 407 describes the boundaries of the zone.

408 (b) The MDA shall review the application to confirm 409 that the revitalization zone meets the requirements of this 410 section. A revitalization zone may embrace two (2) or more 411 separate parcels of real property, and such property may be 412 publicly and/or privately owned. Each revitalization zone shall 413 be of such size and form as to include all properties that, in the 414 determination of the municipality and the MDA, constitute an 415 integral part of the revitalization zone. If the MDA determines 416 that the boundaries of the proposed revitalization zone exceed the area that is reasonably deemed to be integral to the 417 418 revitalization zone, the MDA may reduce the boundaries of the 419 proposed area. Upon the approval and selection of a municipal revitalization zone project, the MDA shall certify the 420 421 revitalization zone.

422 (5) The MDA shall have all powers necessary to implement and 423 administer the program established under this section, and the MDA 424 shall promulgate rules and regulations, in accordance with the 425 Mississippi Administrative Procedures Law, necessary for the 426 implementation of this section.

427 SECTION 16. Upon the effective date of this act, the State 428 Fiscal Officer shall transfer the sum of Two Million Dollars 429 (\$2,000,000.00) from the Capital Expense Fund created in Section 430 27-103-303, Mississippi Code of 1972, to the Rural Fire Truck 431 Matching Assistance Fund created in House Bill 842, 2022 Regular 432 Session.

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S. B. No. 2780 22/SS26/R348SG PAGE 17 433 **SECTION 17.** This act shall take effect and be in force from 434 and after July 1, 2022, except for Section 14, which shall take 435 effect and be in force from and after the passage of this act.

S. B. No. 2780 22/SS26/R348SG PAGE 18 Create several special funds, and create Independent Schools Infrastructure Grant