

By: Senator(s) McCaughn, Suber, Tate,  
Seymour, Whaley, Hickman

To: Forestry; Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2525

1 AN ACT TO CREATE THE MISSISSIPPI FORESTRY FACILITY GRANT FUND  
2 AND PROGRAM TO BE USED FOR UTILITY, INFRASTRUCTURE AND  
3 TRANSPORTATION PROJECTS WITH A \$10,000,000.00 INVESTMENT; TO  
4 PROVIDE THAT SUCH FUNDS SHALL BE ADMINISTERED BY THE MISSISSIPPI  
5 DEVELOPMENT AUTHORITY; TO PRESCRIBE CERTAIN CONDITIONS ON  
6 ALLOCATIONS FROM THE FUND; TO PRESCRIBE ELIGIBLE COSTS FROM WHICH  
7 MONIES FROM THE FUND MAY BE ALLOCATED; TO AUTHORIZE COOPERATIVE  
8 AGREEMENTS FOR THE IMPLEMENTATION OF SUCH GRANTS; TO AMEND SECTION  
9 57-1-55, MISSISSIPPI CODE OF 1972, IN CONFORMITY WITH THE  
10 PRECEDING PROVISIONS; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** This act shall be known and may be cited as the  
13 "Forestry Facility Grant Program." The Forestry Facility Grant  
14 Program will authorize the Mississippi Development Authority,  
15 through appropriations by the Legislature, to make grants  
16 available to designated forestry facility projects that lead to  
17 the expansion of Mississippi's forestry products industry.

18 **SECTION 2.** (1) For the purposes of this section:

19 (a) "Under public control" means held or controlled by  
20 the public, or held by a public option.

21 (b) "Growth-to-drain" means a one and five (1.5) growth  
22 to one (1) drain ratio of trees within a fifty-mile radius of the



23 facility, which can be verified by the Mississippi Forestry  
24 Commission.

25 (c) "Eligible recipients" shall mean a forestry  
26 facility project that satisfies the criteria as outlined in this  
27 section, and has applied for grant funding to install utility,  
28 infrastructure and transportation projects only. A recipient will  
29 be found to be ineligible for a grant, if their project seeks to  
30 use grant funding for construction of their facility or project.

31 (d) "The committee" means a committee consisting of the  
32 Executive Director of the Mississippi Development Authority, Chief  
33 of Economic Development, the MDA Forest Products expert, an  
34 appointee from the Governor's office and an appointee from the  
35 Lieutenant Governor's office, that is tasked with approving grant  
36 recipients in accordance with this section.

37 (2) Eligible applicants include municipalities, county  
38 governments, existing forestry product facilities and regional  
39 economic development entities. To apply, applicants must submit  
40 their proposals to the Mississippi Development Authority (MDA).  
41 The MDA shall accept applications from eligible recipients,  
42 prioritize these applications and submit suggested recipients to  
43 the committee by no later than December 1. Beginning July 1,  
44 2024, and each year thereafter, the committee shall review the  
45 submitted list and choose to award grants to the eligible  
46 recipients through the Mississippi Development Authority. The MDA



47 will consider and prioritize projects in relation to the following  
48 criteria:

49 (a) The project has a minimum investment of Ten Million  
50 Dollars (\$10,000,000.00);

51 (b) The project site utilizes at least fifty (50) acres  
52 of land under public control;

53 (c) Applicant proposes to use funds for the purpose of  
54 utility, infrastructure and/or transportation development;

55 (d) The project produces a high level of public  
56 benefit;

57 (e) The project demonstrates best practices and  
58 complies with the required growth-to-drain ratio;

59 (f) The project will comply with and expand upon  
60 existing infrastructure in the community;

61 (g) The distribution of geographic size and location of  
62 the project; and

63 (h) The applicant can demonstrate the ability of the  
64 proposed project to be completed on time.

65 (3) The Mississippi Development Authority shall provide  
66 grant funds to the forestry facility projects as approved by the  
67 committee upon completion of the project. Award amounts shall not  
68 exceed seventy-five percent (75%) of the total infrastructure  
69 project cost. Grantees shall not receive compensation for  
70 expenses related to the construction of their project.



71 (4) Eligible costs of grant funds include the acquisition of  
72 land and any improvements thereon, the installation of power  
73 lines, gas lines, water systems, sewage systems, roads, railroads  
74 and other infrastructure-related projects that are necessary for  
75 project completion and/or expansion, and complying with existing  
76 community needs and infrastructure.

77 (5) Grants may be awarded for both existing projects and  
78 development of prospective sites. In the latter case, the project  
79 shall be made to help establish or complete a forestry products  
80 project.

81 (6) Public grantees must adhere to Mississippi state  
82 procedures and guidelines as it relates to the implementation and  
83 financing of the approved project. Grantees must also submit any  
84 and all audit financial statements as required by the State of  
85 Mississippi.

86 (7) There is created in the State Treasury a special fund to  
87 be known as the "Forestry Facility Grant Program Fund," from which  
88 shall be established with a sum of Ten Million Dollars  
89 (\$10,000,000.00). Awards authorized under the Forestry Facility  
90 Grant Program shall be disbursed by the Mississippi Development  
91 Authority. The fund shall consist of monies appropriated by the  
92 Legislature and funds received as grants, endowments or gifts from  
93 the federal government, its agencies and instrumentalities and  
94 funds from any other available sources, public or private. Any  
95 unexpended monies remaining in the fund, including interest



96 thereon, at the end of each fiscal year, shall not lapse to the  
97 State General Fund, but shall remain in the fund.

98 (8) The Director of the Mississippi Development Authority  
99 shall establish, administer, manage, and make expenditures and  
100 allocations of grant funds and shall establish guidelines for  
101 applications, evaluations and awards of grant funds. The MDA  
102 shall utilize no more than two percent (2%) of funds awarded to  
103 the program for administrative expenses.

104 (9) To carry out this act, the Mississippi Development  
105 Authority may enter into cooperative agreements with entities in  
106 the public and private sectors, including:

107 (a) Primary forestry product mills and residual forest  
108 products facilities;

109 (b) Companies in a recognized forestry-related  
110 industry;

111 (c) State and local agencies; and

112 (d) Nonprofit organizations for economic development.

113 (10) The Mississippi Development Authority may require that  
114 recipients seek and secure technical assistance from the  
115 Mississippi Forestry Commission. The Mississippi Forestry  
116 Commission will provide administrative support to local forestry  
117 project grantees to ensure proper growth-to-drain criteria as  
118 defined herein.

119 **SECTION 3.** Section 57-1-55, Mississippi Code of 1972, is  
120 amended as follows:



121           57-1-55. (1) The \* \* \* Mississippi Development Authority  
122 shall have the following general powers and duties: To develop  
123 and manage programs which enhance the climate for economic growth  
124 through assistance to private sector businesses, local communities  
125 and individuals, and through an extensive national and  
126 international marketing effort.

127           (2) The \* \* \* Mississippi Development Authority shall have  
128 the following general powers and duties with respect to economic  
129 development:

130                   (a) To plan, supervise and direct an active program of  
131 solicitation of industries to locate within the state;

132                   (b) To prepare, maintain and disseminate information  
133 which is needed by companies in evaluating site locations;

134                   (c) To consult with, advise and assist prospective  
135 industries wishing to locate within the state;

136                   (d) To encourage new or expanding industries, which  
137 will add to the economy, to locate within the state;

138                   (e) To maintain a coordinated liaison function with  
139 other development groups, including state and federal agencies,  
140 and planning and development districts, utility companies,  
141 chambers of commerce and railroads;

142                   (f) To assist communities and counties within the state  
143 in preparation for economic growth;

144                   (g) To assist new and existing business and industry  
145 and encourage their development and expansion;



146           (h) To plan and conduct a nationwide advertising  
147 program promoting the state to prospective industry. Any contract  
148 entered into for such purposes shall be advertised, bid and  
149 accepted in accordance with the same procedure as prescribed for  
150 the advertisement and acceptance of bids for the purchase of  
151 commodities and contracts for public purchases under Chapter 7,  
152 Title 31, Mississippi Code of 1972;

153           (i) To work with economic development agencies of the  
154 federal government in areas of industrial development and provide  
155 information to industrial prospects regarding the availability of  
156 federal funds and assistance;

157           (j) To work with the Department of Corrections,  
158 pursuant to the provisions of Section 47-5-501 et seq., in  
159 identifying and evaluating acceptable industries and businesses  
160 and in acting as an agent of the Department of Corrections by  
161 communicating with such concerns and aggressively soliciting their  
162 participation in the Correctional Industries Work Program;

163           (k) To perform related work as required;

164           (l) To disseminate information about financial and  
165 other programs of the \* \* \* Mississippi Development Authority that  
166 will assist in the creation or expansion of industries processing  
167 wood products in this state;

168           (m) To market processed and raw agricultural products  
169 domestically and abroad;



170 (n) To aid in the establishment of business incubation  
171 centers by private business interests, not\_for\_profit  
172 corporations, and/or governmental entities. The department may  
173 provide funds by contract for the establishment of business  
174 incubation centers and may contract for space in which business  
175 incubation centers will be located. Business incubation centers  
176 are defined as facilities and support services that encourage the  
177 establishment of successful small businesses by providing a  
178 short-term sheltered environment. The department may solicit and  
179 accept grants and other financial aid or support from private or  
180 public sources to aid in the development of business incubation  
181 centers. In addition, advice and assistance to established  
182 business incubation centers may be provided by the  
183 department; \* \* \*

184 (o) To employ licensed real estate brokers and  
185 appraisers necessary for the industrial development of any real  
186 estate under the ownership or control of the \* \* \* Mississippi  
187 Development Authority. Any contract entered into for such  
188 purposes shall be advertised, bid and accepted in accordance with  
189 the same procedure as prescribed for the advertisement and  
190 acceptance of bids for the purchase of commodities and contracts  
191 for public purchases under Chapter 7, Title 31, Mississippi Code  
192 of 1972 \* \* \*; and

193 (p) The Mississippi Development Authority will  
194 establish, administer, manage, make expenditures and allocations





195 from the Forestry Facility Grant Program under the provisions of  
196 Section 2 of this act.

197       **SECTION 4.** This act shall take effect and be in force from  
198 and after July 1, 2023.

