

By: Senator(s) McCaughn, Suber, Tate,
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To: Forestry; Finance

SENATE BILL NO. 2525

1 AN ACT TO CREATE A 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 DEVELOPMENTAL 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 available
16 to designated forestry facility projects that lead to the
17 expansion of Mississippi's forestry 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 three (3) growth to two
22 (2) drain ratio of trees within a fifty (50) mile radius of the



23 facility, which complies with guidelines as set forth by the
24 Mississippi Forestry 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 and or
31 project.

32 (d) "The committee" means a committee consisting of the
33 Executive Director of the Mississippi Development Authority, Chief
34 of Economic Development and the Forest Products designee, that is
35 tasked with approving grant recipients in accordance with this
36 section.

37 (2) To apply, applicants must have both a project supervisor
38 and the relevant community board of supervisors submit their
39 proposals to the Mississippi Development Authority (MDA). The
40 MDA shall accept applications from eligible recipients, prioritize
41 these applications and submit suggested recipients to the
42 committee by no later than December 1. Beginning July 1, 2024,
43 and each year thereafter, the committee shall review the submitted
44 list and choose to award grants to the eligible recipients through
45 the Mississippi Development Authority. The MDA will consider and
46 prioritize projects in relation to the following criteria:



47 (a) The project has a minimum of a Ten Million Dollars
48 (\$10,000,000.00) investment;

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

51 (c) The project proposes to use funds for the purpose
52 of utility, infrastructure and/or transportation development;

53 (d) The project produces a high level of public
54 benefit;

55 (e) The project demonstrates best practices in
56 preservation and complies with the required growth to drain ratio;

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

59 (g) The distribution of geographic size and location of
60 the project; and

61 (h) The project will be completed on time.

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

68 (4) Eligible costs of grant funds include the acquisition of
69 land and any improvements thereon, the instillation of power
70 lines, gas lines, water systems, sewage systems, roads, railroads
71 and other infrastructure-related projects that are necessary for



72 project completion and or expansion, and comply with existing
73 community needs and infrastructure.

74 (5) Grants may be awarded for both existing projects and
75 prospective purchases or acquisitions on which the applicant has
76 closed. In the latter case, the applicant shall demonstrate:

77 (a) The closing occurred no more than twelve (12)
78 months prior to the date of application for the grant; and

79 (b) The subject purchase was made to help establish or
80 complete a forestry-related project.

81 (6) Any eligible organization making an acquisition of
82 forestry project property or interest therein pursuant to this
83 section shall grant to the Mississippi Development Authority or
84 other holder a perpetual easement placing reasonable restrictions
85 on the use or development of the land. In cases where the
86 easement is granted to a holder other than the Mississippi
87 Development Authority, all terms and conditions of the easement
88 shall be reviewed by and found by the Mississippi Development
89 Authority to accomplish the perpetual preservation of the
90 Mississippi forestry industry. Such other holder shall
91 demonstrate to MDA that it has the capacity and expertise to
92 manage and enforce the terms of the easement.

93 (7) Grantees must adhere to Mississippi state procedures and
94 guidelines as it relates to the implementation and financing of
95 the approved project. Grantees must also submit any and all audit
96 financial statements as required by the State of Mississippi.



97 (8) Nothing in this section shall preclude the subsequent
98 transfer or assignment by a state agency or other owner or holder
99 of any property interest acquired pursuant to this section to the
100 State of Mississippi, the county, city, town or municipality for
101 which the land is located, for the purpose of further preserving,
102 improving or maintaining the downtown property. The Mississippi
103 Development Authority shall facilitate transfers and assignments
104 of any such interests held by MDA.

105 (9) There is created in the State Treasury a special fund to
106 be known as the "Forestry Facility Grant Program Fund," from which
107 shall be established with a sum of Five Million Dollars
108 (\$5,000,000.00). Awards authorized under the Forestry Facility
109 Grant Program shall be disbursed by the Mississippi Development
110 Authority. The fund shall consist of monies appropriated by the
111 Legislature and funds received as grants, endowments or gifts from
112 the federal government, its agencies and instrumentalities and
113 funds from any other available sources, public or private. Any
114 unexpended monies remaining in the fund, including interest
115 thereon, at the end of each fiscal year, shall not lapse to the
116 State General Fund but shall remain in the fund.

117 (10) The Director of the Mississippi Development Authority
118 shall establish, administer, manage, and make expenditures and
119 allocations of grant funds and shall establish guidelines for
120 applications, evaluations and awards of grant funds. The MDA



121 shall utilize no more than two percent (2%) of funds awarded to
122 the program for administrative expenses.

123 (11) To carry out this act, the Mississippi Development
124 Authority may enter into cooperative agreements with entities in
125 the public and private sectors, including:

126 (a) Mills and secondary mill resources;

127 (b) Companies in a recognized forestry-related
128 industry;

129 (c) State and local agencies; and

130 (d) Nonprofit organizations.

131 (12) To develop cooperative land-use strategies and conduct
132 activities that facilitate the conservation of natural and scenic
133 resources, the Mississippi Development Authority may require that
134 recipients seek and secure technical assistance from the
135 Mississippi Forestry Commission, to the extent that a recipient of
136 technical assistance is engaged in the preservation of forestry
137 project property. The Mississippi Forestry Commission will
138 provide administrative support to local forestry project grantees
139 to ensure proper grant administration and project implementation.

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

142 57-1-55. (1) The * * * Mississippi Development Authority
143 shall have the following general powers and duties: To develop
144 and manage programs which enhance the climate for economic growth
145 through assistance to private sector businesses, local communities



146 and individuals, and through an extensive national and
147 international marketing effort.

148 (2) The * * * Mississippi Development Authority shall have
149 the following general powers and duties with respect to economic
150 development:

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

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

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

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

159 (e) To maintain a coordinated liaison function with
160 other development groups, including state and federal agencies,
161 and planning and development districts, utility companies,
162 chambers of commerce and railroads;

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

165 (g) To assist new and existing business and industry
166 and encourage their development and expansion;

167 (h) To plan and conduct a nationwide advertising
168 program promoting the state to prospective industry. Any contract
169 entered into for such purposes shall be advertised, bid and
170 accepted in accordance with the same procedure as prescribed for



171 the advertisement and acceptance of bids for the purchase of
172 commodities and contracts for public purchases under Chapter 7,
173 Title 31, Mississippi Code of 1972;

174 (i) To work with economic development agencies of the
175 federal government in areas of industrial development and provide
176 information to industrial prospects regarding the availability of
177 federal funds and assistance;

178 (j) To work with the Department of Corrections,
179 pursuant to the provisions of Section 47-5-501 et seq., in
180 identifying and evaluating acceptable industries and businesses
181 and in acting as an agent of the Department of Corrections by
182 communicating with such concerns and aggressively soliciting their
183 participation in the Correctional Industries Work Program;

184 (k) To perform related work as required;

185 (l) To disseminate information about financial and
186 other programs of the * * * Mississippi Development Authority that
187 will assist in the creation or expansion of industries processing
188 wood products in this state;

189 (m) To market processed and raw agricultural products
190 domestically and abroad;

191 (n) To aid in the establishment of business incubation
192 centers by private business interests, not for profit
193 corporations, and/or governmental entities. The department may
194 provide funds by contract for the establishment of business
195 incubation centers and may contract for space in which business



196 incubation centers will be located. Business incubation centers
197 are defined as facilities and support services that encourage the
198 establishment of successful small businesses by providing a
199 short-term sheltered environment. The department may solicit and
200 accept grants and other financial aid or support from private or
201 public sources to aid in the development of business incubation
202 centers. In addition, advice and assistance to established
203 business incubation centers may be provided by the
204 department; * * *

205 (o) To employ licensed real estate brokers and
206 appraisers necessary for the industrial development of any real
207 estate under the ownership or control of the * * * Mississippi
208 Development Authority. Any contract entered into for such
209 purposes shall be advertised, bid and accepted in accordance with
210 the same procedure as prescribed for the advertisement and
211 acceptance of bids for the purchase of commodities and contracts
212 for public purchases under Chapter 7, Title 31, Mississippi Code
213 of 1972 * * *; and

214 (p) The Mississippi Development Authority will
215 establish, administer, manage, make expenditures and allocations
216 from the Forestry Facility Grant Program under the provisions of
217 Section 2 of this act.

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

