

By: Senator(s) Simmons (13th), Chassaniol,  
Fillingane, Simmons (12th)

To: Municipalities;  
Appropriations

SENATE BILL NO. 2375

1 AN ACT TO CREATE THE SMALL MUNICIPALITIES FEDERAL MATCH FUND  
2 AS A SPECIAL FUND IN THE STATE TREASURY FOR THE PURPOSE OF  
3 PROVIDING MATCHING FUNDS TO SMALL COMMUNITIES THROUGHOUT  
4 MISSISSIPPI WHICH RECEIVE DISCRETIONARY FEDERAL FUNDS; TO PROVIDE  
5 THAT MONIES APPROPRIATED OUT OF THE FUND MAY BE USED TO REIMBURSE  
6 ACTUAL OVERSIGHT COSTS INCURRED BY THE DEPARTMENT OF FINANCE AND  
7 ADMINISTRATION UP TO A CERTAIN AMOUNT; TO REQUIRE THE DEPARTMENT  
8 OF FINANCE AND ADMINISTRATION TO FILE A REPORT ON THE FUND TO  
9 CERTAIN PUBLIC OFFICIALS; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** (1) There is created a special fund in the State  
12 Treasury to be known as the "Small Municipalities Federal Match  
13 Fund" which shall consist of monies from any source designated for  
14 deposit into the fund. Unexpended amounts remaining in the fund  
15 at the end of a fiscal year shall not lapse into the State General  
16 Fund, and any investment earnings or interest earned on amounts in  
17 the fund shall be deposited to the credit of the fund.

18 (2) (a) Monies in the fund shall be disbursed by the  
19 Department of Finance and Administration for the purpose of  
20 providing funds to small municipalities throughout Mississippi  
21 which receive discretionary federal funds.



22 (b) As used in this section, "small municipality" shall  
23 mean a municipality which has a population of less than ten  
24 thousand (10,000) according to the latest federal decennial  
25 census.

26 (c) In addition to the purposes in paragraph (a) of  
27 this subsection, monies appropriated out of the fund may be used  
28 to reimburse reasonable actual and necessary oversight costs  
29 incurred by the Mississippi Development Authority in administering  
30 this fund. Reimbursement of reasonable actual and necessary costs  
31 and expenses for assistance shall not exceed one and twenty-five  
32 one-hundredths percent (1.25%) of the monies appropriated out of  
33 the fund.

34 (3) On or before January 5 of each year, the Department of  
35 Finance and Administration shall file an accounting of and report  
36 on funds disbursed from the Small Municipalities Federal Match  
37 Fund, including an accounting of the actual costs and expenses  
38 incurred by the department and the amount of funds disbursed. The  
39 report shall be filed with the Speaker of the House, the  
40 Lieutenant Governor, the Chairs of the Appropriations Committees  
41 of the Senate and the House, the Chair of the Finance Committee of  
42 the Senate, the Chair of the Ways and Means Committee of the House  
43 and the Governor.

44 **SECTION 2.** This act shall take effect and be in force from and  
45 after July 1, 2025.

