

By: Representatives Scott, Bailey, Banks,  
Blackmon, Broomfield, Buck, Burnett, Clarke,  
Coleman (65th), Flaggs, Harrison, Hines,  
Middleton, Myers, Straughter, Thomas, West,  
Young

To: Ways and Means

HOUSE BILL NO. 1546

1 AN ACT TO AMEND SECTION 57-1-18, MISSISSIPPI CODE OF 1972, TO  
2 INCREASE FROM 10,000 TO 20,000 FOR MAXIMUM POPULATION OF A SMALL  
3 MUNICIPALITY UNDER THE SMALL MUNICIPALITIES AND LIMITED POPULATION  
4 COUNTIES FUND GRANT PROGRAM; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 57-1-18, Mississippi Code of 1972, is  
7 amended as follows:

8 57-1-18. (1) For the purposes of this section, the  
9 following terms shall have the meanings ascribed in this section  
10 unless the context clearly indicates otherwise:

11 (a) "Limited population county" means a county in the  
12 State of Mississippi with a population of thirty thousand (30,000)  
13 or less according to the most recent federal decennial census at  
14 the time the county submits its application to the MDA under this  
15 section.

16 (b) "MDA" means the Mississippi Development Authority.

17 (c) "Project" means highways, streets and other  
18 roadways, bridges, sidewalks, utilities, airfields, airports,  
19 acquisition of equipment, acquisition of real property,  
20 development of real property, improvements to real property, and  
21 any other project approved by the MDA.

22 (d) "Small municipality" means a municipality in the  
23 State of Mississippi with a population of twenty thousand (20,000)  
24 or less according to the most recent federal decennial census at  
25 the time the municipality submits its application to the MDA under  
26 this section.

27 (2) (a) There is hereby created in the State Treasury a  
28 special fund to be designated as the "Small Municipalities and

29 Limited Population Counties Fund," which shall consist of funds  
30 appropriated or otherwise made available by the Legislature in any  
31 manner and funds from any other source designated for deposit into  
32 such fund. Unexpended amounts remaining in the fund at the end of  
33 a fiscal year shall not lapse into the State General Fund, and any  
34 investment earnings or interest earned on amounts in the fund  
35 shall be deposited to the credit of the fund. Monies in the fund  
36 shall be used to make grants to small municipalities and limited  
37 population counties or natural gas districts created by law and  
38 contained therein to assist in completing projects under this  
39 section.

40 (b) Monies in the fund which are derived from proceeds  
41 of bonds issued under Sections 1 through 16, Laws of 2002, Chapter  
42 538, and/or Sections 1 through 16 of House Bill No. 1595, 2003  
43 Regular Session, may be used to reimburse reasonable actual and  
44 necessary costs incurred by the MDA in providing assistance  
45 related to a project for which funding is provided under this  
46 section from the use of proceeds of such bonds. An accounting of  
47 actual costs incurred for which reimbursement is sought shall be  
48 maintained for each project by the MDA. Reimbursement of  
49 reasonable actual and necessary costs for a project shall not  
50 exceed three percent (3%) of the proceeds of bonds issued for such  
51 project. Monies authorized for a particular project may not be  
52 used to reimburse administrative costs for unrelated projects.  
53 Reimbursements under this subsection shall satisfy any applicable  
54 federal tax law requirements.

55 (3) The MDA shall establish a grant program to make grants  
56 to small municipalities and limited population counties from the  
57 Small Municipalities and Limited Population Counties Fund. A  
58 small municipality or limited population county may apply to the  
59 MDA for a grant under this section in the manner provided for in  
60 this section.

61           (4) A small municipality or limited population county  
62 desiring assistance under this section must submit an application  
63 to the MDA. The application must include a description of the  
64 project for which assistance is requested, the cost of the project  
65 for which assistance is requested, the amount of assistance  
66 requested and any other information required by the MDA.

67           (5) The MDA shall have all powers necessary to implement and  
68 administer the program established under this section, and the  
69 department shall promulgate rules and regulations, in accordance  
70 with the Mississippi Administrative Procedures Law, necessary for  
71 the implementation of this section.

72           (6) The MDA shall file an annual report with the Governor,  
73 Secretary of the Senate and the Clerk of the House of  
74 Representatives not later than December 1 of each year, describing  
75 all assistance provided under this section.

76           **SECTION 2.** This act shall take effect and be in force from  
77 and after July 1, 2004.