

By: Representative McBride

To: Transportation

HOUSE BILL NO. 1003

1 AN ACT TO AMEND SECTION 65-4-15, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE THE OFFICE OF STATE AID ROAD CONSTRUCTION TO ESCALATE
3 ITS BUDGET AND EXPEND MONEY IT RECEIVES FROM THE MISSISSIPPI
4 DEVELOPMENT AUTHORITY FOR THE ACTUAL EXPENSES INCURRED BY THE
5 OFFICE IN ADMINISTERING AND PROVIDING ENGINEERING SERVICES TO
6 POLITICAL SUBDIVISIONS UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT;
7 AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 65-4-15, Mississippi Code of 1972, is
10 amended as follows:

11 65-4-15. (1) There is hereby established a special fund in
12 the State Treasury to be known as the "Economic Development
13 Highway Fund" which shall consist of such monies as the
14 Legislature shall appropriate thereto or such other monies as the
15 Legislature may designate to be deposited therein. Any monies to
16 the credit of such fund may be expended by the Mississippi
17 Department of Transportation or political subdivision, as
18 appropriate, upon approval of requisitions therefor by the
19 Mississippi Development Authority for any expenses incurred by the
20 Transportation Department or political subdivision in constructing
21 and improving highways and highway segments which have been
22 approved by the Mississippi Development Authority under the
23 provisions of this chapter. From and after July 1, 2004, no
24 monies to the credit of the fund may be expended for the
25 construction and improvement of highways for high economic benefit
26 projects that are being developed for the primary purpose of
27 conducting retail sales unless the Mississippi Development
28 Authority has received an application for the project prior to
29 July 1, 2004. The Office of State Aid Road Construction shall be

30 entitled to reimbursement from monies in the fund, upon approval
31 by the Mississippi Development Authority of requisitions therefor
32 by the State Aid Engineer, for the actual expenses incurred by the
33 office in administering and providing engineering services to
34 political subdivisions. The Office of State Aid Road Construction
35 may escalate its budget and expend such funds in accordance with
36 rules and regulations of the Department of Finance and
37 Administration in a manner consistent with the escalation of
38 federal funds. Monies remaining unexpended to the credit of such
39 special fund at the end of a fiscal year shall not lapse into the
40 State General Fund, and any interest earned on the investment of
41 monies in the special fund shall be deposited to the credit of the
42 fund.

43 (2) Monies in the Economic Development Highway Fund which
44 are derived from proceeds of bonds issued under this chapter after
45 July 1, 2003, may be used to reimburse reasonable, actual and
46 necessary costs incurred by the Mississippi Development Authority
47 in providing assistance to a political subdivision related to a
48 project for which funding is provided from the use of proceeds of
49 such bonds. An accounting of actual costs incurred for which
50 reimbursement is sought shall be maintained for each project by
51 the Mississippi Development Authority. Reimbursement of
52 reasonable, actual and necessary costs for a project shall not
53 exceed three percent (3%) of the proceeds of bonds issued for such
54 a project. Monies authorized for a particular project may not be
55 used to reimburse administrative costs for unrelated projects.
56 Reimbursements to the Mississippi Development Authority under this
57 subsection shall satisfy any applicable federal tax law
58 requirements.

59 **SECTION 2.** This act shall take effect and be in force from
60 and after July 1, 2005.