

By: Representatives Gunn, Lamar, White, Baker, Sykes, Gipson, Miles, Rushing, Oliver, Brown, Ladner, Wilson, McNeal, Gibbs (72nd), Hopkins, Foster, Scoggin, Holloway, Criswell, Dixon, Burnett, Mickens, Steverson, Eubanks

To: Ways and Means

HOUSE BILL NO. 722
(As Passed the House)

1 AN ACT TO PROVIDE THAT AN AMOUNT EQUAL TO A PORTION OF THE
2 USE TAX REVENUE COLLECTED UNDER THE MISSISSIPPI USE TAX LAW SHALL
3 BE DISTRIBUTED TO MUNICIPALITIES; TO PROVIDE THAT SUCH FUNDS
4 DISTRIBUTED TO MUNICIPALITIES SHALL BE EXPENDED SOLELY FOR PAYING
5 COSTS ASSOCIATED WITH REPAIR, MAINTENANCE AND RECONSTRUCTION OF
6 ROADS, STREETS AND BRIDGES IN MUNICIPALITIES; TO PROVIDE THAT A
7 PORTION OF USE TAX REVENUE COLLECTED UNDER THE MISSISSIPPI USE TAX
8 LAW SHALL BE DEPOSITED INTO A SPECIAL FUND IN THE STATE TREASURY
9 AND USED TO ASSIST COUNTIES IN PAYING COSTS ASSOCIATED WITH THE
10 REPAIR, MAINTENANCE AND RECONSTRUCTION OF ROADS, STREETS AND
11 BRIDGES IN COUNTIES; TO PROVIDE THAT A PORTION OF USE TAX REVENUE
12 COLLECTED UNDER THE MISSISSIPPI USE TAX LAW SHALL BE DEPOSITED
13 INTO A SPECIAL FUND IN THE STATE TREASURY AND USED BY THE
14 MISSISSIPPI DEVELOPMENT AUTHORITY TO PROVIDE GRANTS TO ASSIST
15 MUNICIPALITIES AND COUNTIES IN PAYING COSTS ASSOCIATED WITH THE
16 REPAIR, MAINTENANCE AND RECONSTRUCTION OF ROADS, STREETS AND
17 BRIDGES IN MUNICIPALITIES; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** (1) This act shall be known and may be cited as
20 the "Improve Mississippi Act of 2018".

21 (2) This act is part of a needed comprehensive approach to
22 state and local road, street and bridge improvements and the
23 Legislature recognizes that transportation improvements throughout
24 the state would help to enhance our state's economic development
25 and address the transportation needs of our citizens.



26 SECTION 2. (1) (a) The Department of Revenue shall
27 allocate and distribute an amount equal to fifteen percent (15%)
28 of the total amount of use tax revenue collected during the
29 preceding fiscal year under this article to municipalities in this
30 state in the manner provided in this section. The Department of
31 Revenue shall distribute the funds among municipalities based on
32 the proportion that the amount of sales tax revenue distributed to
33 a municipality during the preceding fiscal year under Section
34 27-65-75(1)(a) bears to the total amount of sales tax revenue
35 distributed to all municipalities during the preceding fiscal year
36 under Section 27-65-75(1)(a). The department shall make the
37 distributions on or before January 31, 2019, and each succeeding
38 January 31 thereafter. The distributions shall be made from use
39 tax collections.

40 (b) Funds distributed to a municipality under this
41 subsection (1) shall be expended solely for paying costs
42 associated with repair, maintenance and/or reconstruction of
43 roads, streets and bridges in municipalities.

44 (2) (a) (i) The Department of Revenue shall deposit an
45 amount equal to fifteen percent (15%) of the total amount of use
46 tax revenue collected during the preceding fiscal year under this
47 article into a special fund that is hereby created in the State
48 Treasury. The fund shall be maintained by the State Treasurer as
49 a separate and special fund, separate and apart from the General
50 Fund of the state. The fund shall consist of monies deposited



51 therein as provided in this paragraph (a) and monies from any
52 other source designated for deposit into such fund. Monies in the
53 fund may be expended by the Office of State Aid Road Construction,
54 upon appropriation by the Legislature, to provide funds to assist
55 counties in this state in paying costs associated with the repair,
56 maintenance and/or reconstruction of roads, streets and bridges in
57 counties. Unexpended amounts remaining in the fund at the end of
58 a fiscal year shall not lapse into the State General Fund, and any
59 interest earned or investment earnings on amounts in the fund
60 shall be deposited to the credit of the fund.

61 (ii) Funds provided to counties under this
62 subsection (2) shall be allocated and distributed to counties in
63 the following proportions:

64 1. One-third (1/3) shall be allocated to all
65 counties in equal shares,

66 2. One-third (1/3) shall be allocated to
67 counties based on the proportion that the total number of rural
68 road miles in a county bears to the total number of rural road
69 miles in all counties of the state, and

70 3. One-third (1/3) shall be allocated to
71 counties based on the proportion that the rural population of a
72 county bears to the total rural population in all counties of the
73 state, according to the latest federal decennial census.

74 (b) The Department of Revenue shall make the deposits
75 into the special fund created in paragraph (a) of this subsection



76 (2) on or before January 31, 2019, and each succeeding January 31
77 thereafter. The department shall make the deposits from use tax
78 collections.

79 (c) The Office of State Aid Road Construction shall
80 have all powers necessary for the implementation of this
81 subsection (2).

82 (3) (a) (i) The Department of Revenue shall deposit an
83 amount equal to five percent (5%) of the total amount of use tax
84 revenue collected during the preceding fiscal year under this
85 article into a special fund that is hereby created in the State
86 Treasury. The fund shall be maintained by the State Treasurer as
87 a separate and special fund, separate and apart from the General
88 Fund of the state. The fund shall consist of monies deposited
89 therein as provided in this paragraph (a) and monies from any
90 other source designated for deposit into such fund. Monies in the
91 fund may be expended by the Mississippi Development Authority,
92 upon appropriation by the Legislature, to provide grants to assist
93 municipalities and counties in this state in paying costs
94 associated with the repair, maintenance and/or reconstruction of
95 roads, streets and bridges in municipalities and counties.
96 Unexpended amounts remaining in the fund at the end of a fiscal
97 year shall not lapse into the State General Fund, and any interest
98 earned or investment earnings on amounts in the fund shall be
99 deposited to the credit of the fund.



100 (ii) The Mississippi Development Authority shall
101 establish a program to make grants to municipalities and counties
102 for the purpose of assisting such municipalities and counties in
103 paying costs associated with the repair, maintenance and/or
104 reconstruction of roads, streets and bridges in municipalities and
105 counties. The maximum amount of a grant made to a municipality or
106 county under this subsection (3) cannot exceed One Million Five
107 Hundred Thousand Dollars (\$1,500,000.00). A municipality or
108 county may apply to the Mississippi Development Authority for a
109 grant under this subsection (3) in the manner provided for in this
110 subparagraph (ii). A municipality or county desiring a grant must
111 submit an application to the Mississippi Development Authority.
112 The application must include a description of the project for
113 which the grant is requested, the cost of the project for which
114 the grant is requested, the amount of the grant requested and any
115 other information required by the Mississippi Development
116 Authority.

117 (b) The Department of Revenue shall make the deposits
118 into the special fund created in paragraph (a) of this subsection
119 (3) on or before January 31, 2019, and each succeeding January 31
120 thereafter. The department shall make the deposits from use tax
121 collections.

122 (c) The Mississippi Development Authority shall have
123 all powers necessary to implement and administer the program
124 established under this subsection (3), and the Mississippi



125 Development Authority shall promulgate rules and regulations, in
126 accordance with the Mississippi Administrative Procedures Law,
127 necessary for the implementation of this subsection (3).

128 **SECTION 3**. Section 1 of this act shall be codified as a new
129 section in Article 1, Chapter 67, Title 27, Mississippi Code of
130 1972.

131 **SECTION 4**. This act shall take effect and be in force from
132 and after July 1, 2018.

