

By: Representative Bowles

To: Transportation;
Appropriations

HOUSE BILL NO. 409

1
2 AN ACT TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE
3 KNOWN AS THE "STATE AID ROAD CONSTRUCTION SUPPLEMENTAL FUND"; TO
4 PROVIDE THAT THE STATE FISCAL OFFICER SHALL TRANSFER THE SUM OF
5 \$25,000,000.00 ANNUALLY FROM THE STATE GENERAL FUND TO THE SPECIAL
6 FUND DURING FISCAL YEARS 2000 THROUGH 2004; TO PROVIDE THAT MONIES
7 IN THE SPECIAL FUND SHALL BE ALLOCATED EQUALLY TO EACH OF THE
8 COUNTIES AND MAY BE EXPENDED IN THE SAME MANNER AND SUBJECT TO THE
9 SAME CONDITIONS AS OTHER STATE AID FUNDS; TO AMEND SECTION
10 65-9-17, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS
11 OF THIS ACT; AND FOR RELATED PURPOSES.

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

13 SECTION 1. (1) There is created in the State Treasury a
14 special fund to be designated as the "State Aid Road Construction
15 Supplemental Fund." The State Fiscal Officer shall transfer the
16 sum of Twenty-five Million Dollars (\$25,000,000.00) annually from
17 the State General Fund to the special fund during fiscal years
18 2000 through 2004. The transfers shall be made in four (4) equal
19 quarterly payments each fiscal year, with the first payment in
20 each fiscal year to be made on July 1.

21 (2) Such monies as are deposited in the fund under the
22 provisions of this section, upon legislative appropriation, shall
23 be allocated and distributed to and may be expended by the several
24 counties of the state in the manner and procedure and in
25 accordance with the same conditions as prescribed for the
26 allocation and expenditure of other State Aid funds under Chapter
27 9 of Title 65, Mississippi Code of 1972. However, the State Aid
28 Engineer shall allocate monies in the State Aid Road Construction
29 Supplemental Fund equally to each of the counties and may not
30 deduct administrative expenses for the Office of State Aid Road

31 Construction from any of the monies in the special fund.
32 Unexpended amounts remaining in the special fund at the end of a
33 fiscal year shall not lapse into the State General Fund, and any
34 interest earned on amounts in the special fund shall be deposited
35 to the credit of the special fund.

36 SECTION 2. Section 65-9-17, Mississippi Code of 1972, is
37 amended as follows:

38 65-9-17. (1) When any county shall have met the
39 requirements of this chapter and shall have become eligible for
40 state aid, the State Aid Engineer, as soon as practicable, shall
41 notify such county in writing of such eligibility and that its
42 proportionate part of any state funds allocated to it for state
43 aid may be utilized for construction in the manner provided by
44 law, and such notice shall also be given in writing to the
45 Department of Finance and Administration and to the State
46 Treasurer.

47 (2) State aid funds shall be allocated to each county for
48 use on state aid system roads in accordance with the provisions of
49 Section 27-65-75 and Section 1 of House Bill No. _____, 1999 Regular
50 Session.

51 (3) State aid funds may be credited to a county in advance
52 of the normal accrual to finance certain state aid improvements,
53 subject to the approval of the State Aid Engineer and subject
54 further to the following limitations:

55 (a) That the maximum amount of state aid funds that may
56 be advanced to any county shall not exceed ninety percent (90%) of
57 the state aid funds estimated to accrue to such county during the
58 remainder of the term of office of the board of supervisors of
59 such county.

60 (b) That no advance credit of funds will be made to any
61 county when the unobligated balance in the State Aid Road Fund is
62 less than One Million Dollars (\$1,000,000.00).

63 (c) That such advance crediting of funds be effected by
64 the State Aid Engineer at the time of the approval of the plans
65 and specifications for the proposed improvements.

66 It is the intent of this provision to utilize to the fullest
67 practicable extent the balance of state aid funds on hand at all

68 times.

69 (4) State aid funds shall be available to such county to the
70 following extent and in the following manner:

71 (a) On state aid projects, other than those on or off
72 the federal aid secondary system to be partially financed with
73 federal funds, state aid funds credited to such county in the
74 State Aid Road Fund shall be available to cover the cost of such
75 project. Upon the awarding of a contract for such state aid
76 project, the board of supervisors of any county will, by an
77 official order of the board, authorize the State Aid Engineer to
78 set up the project fund for such project from that county's state
79 aid fund in the State Treasury. The amount of the project fund
80 will cover the estimated cost of the project, including the
81 contractor's payments and any other costs authorized under this
82 chapter to be paid from state aid funds. Withdrawals from the
83 project fund will be made by requisitions prepared by the State
84 Aid Engineer, based on estimates and other supporting statements
85 and documents prepared or approved by the county engineer, such
86 requisitions, accompanied by such estimates and statements, to be
87 directed to the Department of Finance and Administration, which
88 will issue warrants in payment thereof. Requisitions may be drawn
89 to cover the final cost of the project accepted by the boards of
90 supervisors of the counties affected and the State Aid Engineer,
91 even though such cost exceeds the aforesaid estimated project
92 fund. Whenever, in the opinion of the State Aid Engineer, it
93 should appear that any such estimate or statement of account has
94 been improperly allowed or that any road construction project is
95 not proceeding in accordance with the plans, specifications and
96 standards set up therefor, then, in such event, due notice in
97 writing shall be given the board of supervisors of such county and
98 the contractor on such project, if any, stating the reason why
99 such account should not have been allowed or why such project is
100 not progressing satisfactorily; and if, within thirty (30) days

101 from the date of such notice in writing, such error or default is
102 not corrected to the satisfaction of the State Aid Engineer, all
103 state aid funds theretofore allocated to such eligible county
104 shall be immediately withdrawn and notice given the Department of
105 Finance and Administration and the State Treasurer that such
106 county has become ineligible therefor. Such county shall remain
107 ineligible until it again becomes eligible by satisfying the State
108 Aid Engineer as to its eligibility.

109 (b) On state aid projects on the federal aid secondary
110 system which are to be partially financed with federal funds,
111 state aid funds credited to such county in the State Aid Road Fund
112 shall be available to cover the sponsor's share of the cost of
113 such project. At the same time, the State Treasurer, on order
114 from the board of supervisors, shall transfer an amount up to one
115 hundred percent (100%) of such cost from the credit of such county
116 in the State Aid Road Fund to the credit of such county in the
117 State Highway Fund, earmarked for such project.

118 (c) State aid road funds credited to a county in the
119 State Aid Road Fund shall also be available to cover the sponsor's
120 cost of any other project of such county which is partially
121 financed with federal funds available through federal "safer
122 off-system" road funds and/or other federal road funds allocated
123 to the counties as provided for in accordance with Section
124 65-9-29(2). On order from the board of supervisors of such
125 county, the State Treasurer shall transfer an amount up to one
126 hundred percent (100%) of such cost from the credit of such county
127 in the State Aid Road Fund to the credit of such county in the
128 State Highway Fund, earmarked for such project.

129 (d) Up to one-third (1/3) of state aid road funds
130 credited to a county in the State Aid Road Fund may be available
131 to match federal bridge replacement monies or other federal funds,
132 or both, to construct, replace, inspect or post bridges and to
133 conduct pavement management surveys on county roads which are not

134 on the state aid system. To implement such projects, the State
135 Treasurer shall, as requested in an order from the board of
136 supervisors of the county, make transfers out of the credit of
137 such county in the State Aid Road Fund.

138 (5) The State Treasurer is hereby authorized to continue to
139 receive and deposit all funds from the federal government made
140 available by it, either by existing law or by any law which may be
141 passed hereafter, to the credit of the State Highway Fund, and the
142 Treasurer shall notify the commission of the amounts so received.

143 All accounts against the above-mentioned funds shall be
144 certified to by the Executive Director of the Mississippi
145 Department of Transportation, who shall request the Department of
146 Finance and Administration to issue its warrant on the State
147 Treasurer for the amount of the accounts; and the Treasurer shall
148 pay same if sufficient funds are available, all in the manner
149 prescribed herein or as may be required by law.

150 (6) The board of supervisors of each county is hereby
151 authorized and empowered to pay funds into the State Treasury in
152 the manner above set out, and to use and expend such funds for the
153 purposes set out in this chapter. For the purpose of providing
154 such funds, the board of supervisors is hereby authorized and
155 empowered to use and expend any county road and bridge funds,
156 including revenue received from any gasoline taxes paid to such
157 county, or any funds available in the General Fund, or to issue
158 road and bridge bonds of such county in any lawful amount in the
159 manner and method and subject to the restrictions, limitations and
160 conditions, and payable from the same sources of revenue, now
161 provided by law.

162 SECTION 3. This act shall take effect and be in force from
163 and after its passage.