

By: Bowles, Nicholson

To: Transportation;
Appropriations

HOUSE BILL NO. 399

1 AN ACT TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE
2 KNOWN AS THE "STATE AID ROAD CONSTRUCTION SUPPLEMENTAL FUND"; TO
3 PROVIDE THAT THE STATE FISCAL OFFICER SHALL TRANSFER THE SUM OF
4 \$25,000,000.00 ANNUALLY FROM THE STATE GENERAL FUND TO THE SPECIAL
5 FUND DURING FISCAL YEARS 2001 THROUGH 2005; TO PROVIDE THAT MONIES
6 IN THE SPECIAL FUND SHALL BE ALLOCATED EQUALLY TO EACH OF THE
7 COUNTIES AND MAY BE EXPENDED IN THE SAME MANNER AND SUBJECT TO THE
8 SAME CONDITIONS AS OTHER STATE AID FUNDS; TO AMEND SECTION
9 65-9-17, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS
10 OF THIS ACT; AND FOR RELATED PURPOSES.

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

12 SECTION 1. (1) There is created in the State Treasury a
13 special fund to be designated as the "State Aid Road Construction
14 Supplemental Fund." The State Fiscal Officer shall transfer the
15 sum of Twenty-five Million Dollars (\$25,000,000.00) annually from
16 the State General Fund to the special fund during fiscal years
17 2001 through 2005. The transfers shall be made in four (4) equal
18 quarterly payments each fiscal year, with the first payment in
19 each fiscal year to be made on July 1.

20 (2) Such monies as are deposited in the fund under the
21 provisions of this section, upon legislative appropriation, shall
22 be allocated and distributed to and may be expended by the several
23 counties of the state in the manner and procedure and in
24 accordance with the same conditions as prescribed for the
25 allocation and expenditure of other State Aid funds under Chapter

26 9 of Title 65, Mississippi Code of 1972. However, the State Aid
27 Engineer shall allocate monies in the State Aid Road Construction
28 Supplemental Fund equally to each of the counties and may not
29 deduct administrative expenses for the Office of State Aid Road
30 Construction from any of the monies in the special fund.
31 Unexpended amounts remaining in the special fund at the end of a
32 fiscal year shall not lapse into the State General Fund, and any
33 interest earned on amounts in the special fund shall be deposited
34 to the credit of the special fund.

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

37 65-9-17. (1) When any county shall have met the
38 requirements of this chapter and shall have become eligible for
39 state aid, the State Aid Engineer, as soon as practicable, shall
40 notify such county in writing of such eligibility and that its
41 proportionate part of any state funds allocated to it for state
42 aid may be utilized for construction in the manner provided by
43 law, and such notice shall also be given in writing to the
44 Department of Finance and Administration and to the State
45 Treasurer.

46 (2) State aid funds shall be allocated to each county for
47 use on state aid system roads in accordance with the provisions of
48 Section 27-65-75 and Section 1 of House Bill No. , 2000 Regular
49 Session.

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

54 (a) That the maximum amount of state aid funds that may
55 be advanced to any county shall not exceed ninety percent (90%) of
56 the state aid funds estimated to accrue to such county during the

57 remainder of the term of office of the board of supervisors of
58 such county.

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

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

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

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

70 (a) On state aid projects, other than those on or off
71 the federal aid secondary system to be partially financed with
72 federal funds, state aid funds credited to such county in the
73 State Aid Road Fund shall be available to cover the cost of such
74 project. Upon the awarding of a contract for such state aid
75 project, the board of supervisors of any county will, by an
76 official order of the board, authorize the State Aid Engineer to
77 set up the project fund for such project from that county's state
78 aid fund in the State Treasury. The amount of the project fund
79 will cover the estimated cost of the project, including the
80 contractor's payments and any other costs authorized under this
81 chapter to be paid from state aid funds. Withdrawals from the
82 project fund will be made by requisitions prepared by the State
83 Aid Engineer, based on estimates and other supporting statements
84 and documents prepared or approved by the county engineer, such

85 requisitions, accompanied by such estimates and statements, to be
86 directed to the Department of Finance and Administration, which
87 will issue warrants in payment thereof. Requisitions may be drawn
88 to cover the final cost of the project accepted by the boards of
89 supervisors of the counties affected and the State Aid Engineer,
90 even though such cost exceeds the aforesaid estimated project
91 fund. Whenever, in the opinion of the State Aid Engineer, it
92 should appear that any such estimate or statement of account has
93 been improperly allowed or that any road construction project is
94 not proceeding in accordance with the plans, specifications and
95 standards set up therefor, then, in such event, due notice in
96 writing shall be given the board of supervisors of such county and
97 the contractor on such project, if any, stating the reason why
98 such account should not have been allowed or why such project is
99 not progressing satisfactorily; and if, within thirty (30) days
100 from the date of such notice in writing, such error or default is
101 not corrected to the satisfaction of the State Aid Engineer, all
102 state aid funds theretofore allocated to such eligible county
103 shall be immediately withdrawn and notice given the Department of
104 Finance and Administration and the State Treasurer that such
105 county has become ineligible therefor. Such county shall remain
106 ineligible until it again becomes eligible by satisfying the State
107 Aid Engineer as to its eligibility.

108 (b) On state aid projects on the federal aid secondary
109 system which are to be partially financed with federal funds,
110 state aid funds credited to such county in the State Aid Road Fund
111 shall be available to cover the sponsor's share of the cost of
112 such project. At the same time, the State Treasurer, on order

113 from the board of supervisors, shall transfer an amount up to one
114 hundred percent (100%) of such cost from the credit of such county
115 in the State Aid Road Fund to the credit of such county in the
116 State Highway Fund, earmarked for such project.

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

128 (d) Up to one-third (1/3) of state aid road funds
129 credited to a county in the State Aid Road Fund may be available
130 to match federal bridge replacement monies or other federal funds,
131 or both, to construct, replace, inspect or post bridges and to
132 conduct pavement management surveys on county roads which are not
133 on the state aid system. To implement such projects, the State
134 Treasurer shall, as requested in an order from the board of
135 supervisors of the county, make transfers out of the credit of
136 such county in the State Aid Road Fund.

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

141 Treasurer shall notify the commission of the amounts so received.

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

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

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