

By: Dearing, Minor, Horhn

To: Highways and  
Transportation;  
Finance

## SENATE BILL NO. 2760

1 AN ACT TO AUTHORIZE THE MISSISSIPPI TRANSPORTATION COMMISSION  
2 TO UPDATE THE STATE RAIL PLAN AND REVIEW POTENTIAL RECOMMENDATIONS  
3 FOR NEEDED RAIL PROJECTS IN THE STATE; TO AUTHORIZE THE  
4 MISSISSIPPI TRANSPORTATION COMMISSION TO CONSTRUCT AND OWN A RAIL  
5 LINE, OR A PORTION THEREOF, THAT CONNECTS TO THE RAIL LINE OF A  
6 RAILROAD CORPORATION; TO AUTHORIZE THE COMMISSION TO SELL OR LEASE  
7 SUCH LINE TO A RAILROAD CORPORATION; TO AUTHORIZE BONDS ISSUED  
8 PURSUANT TO THIS ACT TO FUND THE CONSTRUCTION OF SUCH RAIL LINE;  
9 TO CREATE A BOND SINKING FUND WITHIN THE RAILROAD REVITALIZATION  
10 FUND INTO WHICH SHALL BE DEPOSITED CERTAIN LEASE AND LOAN PAYMENTS  
11 AND THE PROCEEDS OF CERTAIN SALES; TO PROVIDE THAT MONEY IN SUCH  
12 ACCOUNT SHALL BE UTILIZED TO PAY THE DEBT SERVICE ON THE BONDS  
13 ISSUED PURSUANT TO THIS ACT; TO PROVIDE FOR THE ISSUANCE OF  
14 \$100,000,000.00 AS STATE GENERAL OBLIGATION BONDS TO FUND THE RAIL  
15 PROJECTS AUTHORIZED UNDER THIS ACT; TO AMEND SECTIONS 57-43-1,  
16 57-43-3, 57-43-5, 57-43-7, 57-43-9, 57-43-11 AND 57-43-13,  
17 MISSISSIPPI CODE OF 1972, TO EXPAND THE USES FOR WHICH FUNDS IN  
18 THE RAILROAD REVITALIZATION FUND MAY BE UTILIZED; TO PROVIDE THAT  
19 GRANTS MADE FROM THE RAILROAD REVITALIZATION FUND SHALL INCLUDE AS  
20 A CONDITION THAT, AS A PREREQUISITE TO RECEIVING A GRANT, A  
21 RAILROAD CORPORATION SHALL AGREE NOT TO ABANDON ANY SECTION OF  
22 RAIL LINE UPON WHICH SUCH GRANT IS SPENT FOR A PERIOD OF NOT LESS  
23 THAN 10 YEARS; TO AUTHORIZE COUNTIES AND MUNICIPALITIES TO ENTER  
24 INTO AGREEMENTS WITH THE MISSISSIPPI TRANSPORTATION COMMISSION TO  
25 RECEIVE A PORTION OF CERTAIN PAYMENTS TO THE RAILROAD  
26 REVITALIZATION FUND; TO AUTHORIZE THE MISSISSIPPI TRANSPORTATION  
27 COMMISSION TO LOAN MONIES FROM THE RAILROAD REVITALIZATION FUND TO  
28 RAILROAD CORPORATIONS FOR CERTAIN RAILROAD PROJECTS THAT THE  
29 COMMISSION HAS DETERMINED ARE IN THE PUBLIC INTEREST; TO PROVIDE  
30 FOR THE RATE OF INTEREST ON LOANS MADE BY THE COMMISSION; TO  
31 PROVIDE THAT AS A CONDITION OF THE RECEIPT OF SUCH A LOAN THAT THE  
32 RAILROAD CORPORATION AGREE NOT TO ABANDON ANY SECTION OF RAIL LINE  
33 ON WHICH THE PROCEEDS OF SUCH LOAN ARE TO BE SPENT UNTIL THE LOAN  
34 HAS BEEN REPAID; AND FOR RELATED PURPOSES.

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

36 SECTION 1. Railroads that carry persons or property for hire  
37 are an important component of the infrastructure of the State of  
38 Mississippi. Railroads, for the public good and general welfare,  
39 develop and promote trade, commerce, industry and employment  
40 opportunities and promote the general welfare of the state by  
41 creating a climate favorable to the location of new industry,  
42 trade and commerce and the expansion of existing industry, trade

43 and commerce within the State of Mississippi. Because of the fact  
44 that municipalities historically developed around the presence of  
45 a railroad, they are today, as a result of the presence of  
46 railroads, often confronted with problems, such as traffic  
47 congestion resulting from roadway/railway grade crossings,  
48 increased traffic usage at roadway/railroad grade crossings and  
49 increased noise. In many situations, the only effective remedies  
50 to such problems are to reroute all or part of the rail line  
51 running through the municipality, to separate the railroad grade  
52 crossings from the roadways and/or to close one or more of the  
53 roadway/railroad grade crossings. It is, therefore, in the public  
54 interest and is vital to the public welfare of the people of  
55 Mississippi, and it is declared to be the public purpose of this  
56 chapter to develop a program within the State of Mississippi with  
57 respect to railroads to encourage and assist in the maintenance  
58 and improvement of the existing railroad infrastructure, the  
59 amelioration or elimination of the problems resulting from the  
60 presence of railroads within highly populated and highly  
61 trafficked sections of the municipalities of Mississippi, the  
62 development, expansion and promotion of trade and commerce within  
63 the state, the creation and promotion of industrial development  
64 within the state, the separation or closing of roadway/railroad  
65 grade crossings and other railroad revitalization, rehabilitation,  
66 relocation and industrial development projects and such other  
67 railroad projects that are in the public interest and are vital to  
68 the public welfare of the people of Mississippi, the economic  
69 development of the state and the safety of the people of  
70 Mississippi.

71 SECTION 2. The Mississippi Transportation Commission, in  
72 cooperation with the railroad corporations operating in the State  
73 of Mississippi, shall periodically update the State Rail Plan.  
74 The State Rail Plan shall include a review of potential  
75 recommendations for needed railroad revitalization,  
76 rehabilitation, relocation, maintenance, improvement and economic  
77 or industrial development projects within the state and shall  
78 include recommendations for the development of such projects. The  
79 Mississippi Transportation Commission may promulgate rules to

80 ensure appropriate allocations of monies in the Railroad  
81 Revitalization Fund to railroad projects authorized under this  
82 chapter and shall consider such criteria as public interest,  
83 economic benefit, financial viability, cost effectiveness,  
84 continuity of Mississippi's railroad infrastructure and public  
85 safety.

86       SECTION 3. (1) To further the public purposes of this  
87 chapter, the Mississippi Transportation Commission is authorized  
88 to conduct feasibility studies with regard to railroad projects  
89 authorized under this chapter and, pursuant to information  
90 gathered in such studies, select routes and locations, perform  
91 preliminary engineering, acquire necessary rights-of-way and  
92 property, and otherwise plan, develop, construct and own a rail  
93 line, or portion thereof, that connects to the rail line of a  
94 railroad corporation. Such planning, development and construction  
95 of the rail line shall be accomplished using all the authority and  
96 powers granted to the Mississippi Transportation Commission  
97 pursuant to Section 65-1-1 et seq., and shall be accomplished in  
98 cooperation and in agreement with the railroad corporation to  
99 which the state-owned rail line connects. The Mississippi  
100 Transportation Commission may enter into an agreement with such  
101 connecting railroad corporation for the lease, lease/sale or sale  
102 of the rail line for commercial operations on such terms and  
103 conditions and with such safeguards as will best promote and  
104 protect the public interest. To that end, the Mississippi  
105 Transportation Commission is hereby authorized to transfer  
106 possession and/or title to such state-owned rail line and  
107 rights-of-way by deed, lease, contract or other customary business  
108 instrument. Funds for the projects authorized under this section  
109 may be provided by proceeds derived from the issuance of bonds  
110 pursuant to Sections 5 through 19 of this act.

111       (2) If the Mississippi Transportation Commission develops  
112 and constructs a rail line pursuant to the authority granted it in

113 this section from the proceeds of bonds issued pursuant to  
114 Sections 5 through 19 of this act, and enters into an agreement  
115 for the lease/sale of such rail line, the lease term of any  
116 lease/sale agreement entered into pursuant to this section shall  
117 terminate no later than the date of the maturity of the bonds  
118 issued to fund such project. The lease payments paid by the  
119 connecting railroad over a period of time, not to exceed the  
120 maturity of the bonds issued to fund the project, shall be in an  
121 amount sufficient to retire the bonds issued to fund the project.

122 At the end of the lease term or the date on which all such bonds  
123 are retired, whichever is the earlier to occur, the Mississippi  
124 Transportation Commission shall sell the state-owned rail line to  
125 the connecting railroad for a price that, when combined with the  
126 total amount of lease payments, shall be an amount not less than  
127 the proceeds of the bonds issued to fund the project. All lease  
128 payments shall be deposited into the sinking fund account created  
129 pursuant to Section 4 of this act.

130 (3) In the event that the Mississippi Transportation  
131 Commission develops and constructs such rail line with the  
132 proceeds of bonds issued pursuant to Sections 5 through 19 of this  
133 act and enters into an agreement for the sale of such rail line,  
134 the terms of any sale agreement entered into pursuant to this  
135 section shall include a purchase price and shall be in an amount  
136 not less than an amount sufficient to retire the bonds issued to  
137 accomplish the project. Such purchase price payment shall be  
138 deposited into the sinking fund account created pursuant to  
139 Section 4 of this act.

140 (4) Where the rental payments and monetary consideration  
141 provided in a lease/sale agreement will be sufficient to repay  
142 fully the proceeds of the bond issuance or where the monetary  
143 consideration for a sale of the rail line is sufficient to repay  
144 fully the proceeds of the bonds issued to fund the project,  
145 contracts for the sale or lease/sale of the rail line may be

146 negotiated and consummated without the necessity of advertising  
147 and obtaining competitive bids. In no event shall the Mississippi  
148 Transportation Commission sell to the connecting railroad  
149 corporation a state-owned rail line until all the principal of and  
150 interest on the bonds issued to fund the project have been repaid.

151 SECTION 4. For the purpose of providing for the payment of  
152 the principal of and interest upon bonds issued under the  
153 provisions of Sections 5 through 19 of this act, there is hereby  
154 created within the Railroad Revitalization Fund a bond sinking  
155 fund account. Such sinking fund account shall consist of the  
156 money required to be deposited into such fund by this chapter and  
157 such other amount as shall be paid into such fund by appropriation  
158 or other authorization by the Legislature. Funds required in  
159 excess of the amounts available in such sinking fund account to  
160 pay the principal of and interest upon bonds issued under the  
161 provisions of Sections 5 through 19 of this act shall be  
162 appropriated from the State General Fund.

163 SECTION 5. (1) The Mississippi Transportation Commission,  
164 at one time, or from time to time, may declare by resolution the  
165 necessity for issuance of general obligation bonds of the State of  
166 Mississippi to provide funds for all costs incurred or to be  
167 incurred by the Mississippi Transportation Commission or the  
168 Mississippi Department of Transportation in performing the  
169 projects authorized under this chapter. Bonds authorized by this  
170 section may be issued only upon a determination by the State Bond  
171 Commission, acting in conjunction with the State Bond Advisory  
172 Division, that such issuance would have no adverse impact on  
173 Mississippi's bond credit rating. Upon the adoption of a  
174 resolution by the Mississippi Transportation Commission, declaring  
175 the necessity for the issuance of any part or all of the general  
176 obligation bonds authorized by this section, the Mississippi  
177 Transportation Commission shall deliver a certified copy of its  
178 resolution or resolutions to the State Bond Commission. Upon

179 receipt of such resolution, the State Bond Commission, acting in  
180 conjunction with the State Bond Advisory Division, must determine  
181 whether or not such issuance would have an adverse impact on  
182 Mississippi's bond credit rating. In the event the State Bond  
183 Commission determines that the issuance of such bonds as specified  
184 in the resolution would not have an adverse impact on  
185 Mississippi's bond credit rating, the State Bond Commission, in  
186 its discretion, may act as the issuing agent, prescribe the form  
187 of the bonds, advertise for and accept bids, issue and sell the  
188 bonds so authorized to be sold and do any and all other things  
189 necessary and advisable in connection with the issuance and sale  
190 of such bonds. In the event the State Bond Commission determines  
191 that the issuance of such bonds as specified in the resolution of  
192 the Mississippi Transportation Commission would have an adverse  
193 impact on the state's bond credit rating, the State Bond  
194 Commission shall return the resolution to the Mississippi  
195 Transportation Commission with a certified statement declaring the  
196 issuance of such bonds to be unauthorized at such time. The total  
197 amount of bonds issued under Sections 5 through 19 of this act  
198 shall not, at any one (1) time, exceed One Hundred Million Dollars  
199 (\$100,000,000.00).

200 (2) Any investment earnings on bond proceeds deposited into  
201 the Railroad Revitalization Fund pursuant to this act shall be  
202 used to pay debt service on bonds issued under this act, in  
203 accordance with the proceedings authorizing issuance of such  
204 bonds.

205 SECTION 6. The principal of and interest on the bonds  
206 authorized under Sections 5 through 19 of this act shall be  
207 payable in the manner provided in this section. Such bonds shall  
208 bear such date or dates, be in such denomination or denominations,  
209 bear interest at such rate or rates (not to exceed the limits set  
210 forth in Section 75-17-101, Mississippi Code of 1972), be payable  
211 at such place or places within or without the State of

212 Mississippi, shall mature absolutely at such time or times not to  
213 exceed twenty-five (25) years from date of issue, be redeemable  
214 before maturity at such time or times and upon such terms, with or  
215 without premium, shall bear such registration privileges, and  
216 shall be substantially in such form, all as shall be determined by  
217 resolution of the State Bond Commission.

218       SECTION 7. The bonds authorized by Sections 5 through 19 of  
219 this act shall be signed by the Chairman of the State Bond  
220 Commission, or by his facsimile signature, and the official seal  
221 of the State Bond Commission shall be affixed thereto, attested by  
222 the Secretary of the State Bond Commission. The interest coupons,  
223 if any, to be attached to such bonds may be executed by the  
224 facsimile signatures of such officers. Whenever any such bonds  
225 shall have been signed by the officials designated to sign the  
226 bonds who were in office at the time of such signing but who may  
227 have ceased to be such officers before the sale and delivery of  
228 such bonds, or who may not have been in office on the date such  
229 bonds may bear, the signatures of such officers upon such bonds  
230 and coupons shall nevertheless be valid and sufficient for all  
231 purposes and have the same effect as if the person so officially  
232 signing such bonds had remained in office until their delivery to  
233 the purchaser, or had been in office on the date such bonds may  
234 bear. However, notwithstanding anything herein to the contrary,  
235 such bonds may be issued as provided in the Registered Bond Act of  
236 the State of Mississippi.

237       SECTION 8. All bonds and interest coupons issued under the  
238 provisions of Sections 5 through 19 of this act have all the  
239 qualities and incidents of negotiable instruments under the  
240 provisions of the Uniform Commercial Code, and in exercising the  
241 powers granted by Sections 5 through 19 of this act, the State  
242 Bond Commission shall not be required to and need not comply with  
243 the provisions of the Uniform Commercial Code.

244       SECTION 9. The State Bond Commission may act as the issuing

245 agent for the bonds authorized under Sections 5 through 19 of this  
246 act, prescribe the form of the bonds, advertise for and accept  
247 bids, issue and sell the bonds so authorized to be sold, pay all  
248 fees and costs incurred in such issuance and sale, and do any and  
249 all other things necessary and advisable in connection with the  
250 issuance and sale of such bonds. The State Bond Commission is  
251 authorized and empowered to pay the costs that are incident to the  
252 sale, issuance and delivery of the bonds authorized under Sections  
253 5 through 19 of this act from the proceeds derived from the sale  
254 of such bonds. The State Bond Commission shall sell such bonds on  
255 sealed bids at public sale, and for such price as it may determine  
256 to be for the best interest of the State of Mississippi, but no  
257 such sale shall be made at a price less than par plus accrued  
258 interest to the date of delivery of the bonds to the purchaser.  
259 All interest accruing on such bonds so issued shall be payable  
260 semiannually or annually; however, the first interest payment may  
261 be for any period of not more than one (1) year.

262 Notice of the sale of any such bond shall be published at  
263 least one (1) time, not less than ten (10) days before the date of  
264 sale, and shall be so published in one or more newspapers  
265 published or having a general circulation in the City of Jackson,  
266 Mississippi, and in one or more other newspapers or financial  
267 journals with a national circulation, to be selected by the State  
268 Bond Commission.

269 The State Bond Commission, when issuing any bonds under the  
270 authority of Sections 5 through 19 of this act, may provide that  
271 bonds, at the option of the state, may be called in for payment  
272 and redemption at the call price named therein and accrued  
273 interest on such date or dates named therein.

274 SECTION 10. The bonds issued under the provisions of  
275 Sections 5 through 19 of this act shall be payable from the bond  
276 sinking fund account in the Railroad Revitalization Fund and are  
277 general obligations of the State of Mississippi, and for the



278 payment thereof the full faith and credit of the State of  
279 Mississippi is irrevocably pledged. If the funds available in the  
280 bond sinking fund account in the Railroad Revitalization Fund and  
281 any funds appropriated by the Legislature for such purpose are  
282 insufficient to pay the principal of and the interest upon such  
283 bonds as they become due, the deficiency shall be paid by the  
284 State Treasurer from any funds in the State Treasury not otherwise  
285 appropriated. All such bonds shall contain recitals on their  
286 faces substantially covering the foregoing provisions of this  
287 section.

288       SECTION 11. Upon the issuance and sale of bonds under the  
289 provisions of Sections 5 through 19 of this act, the State Bond  
290 Commission shall transfer the proceeds of any such sale or sales  
291 to the Railroad Revitalization Fund created pursuant to Section  
292 57-43-1. The proceeds of such bonds shall be disbursed solely  
293 upon the order of the Mississippi Transportation Commission under  
294 such restrictions, if any, as may be contained in the resolution  
295 providing for the issuance of the bonds.

296       SECTION 12. The bonds authorized under Sections 5 through 19  
297 of this act may be issued without any other proceedings or the  
298 happening of any other conditions or things other than those  
299 proceedings, conditions and things which are specified or required  
300 by Sections 5 through 19 of this act. Any resolution providing  
301 for the issuance of bonds under the provisions of Sections 5  
302 through 19 of this act shall become effective immediately upon its  
303 adoption by the State Bond Commission, and any such resolution may  
304 be adopted at any regular or special meeting of the State Bond  
305 Commission by a majority of its members.

306       SECTION 13. The bonds authorized under the authority of  
307 Sections 5 through 19 of this act may be validated in the Chancery  
308 Court of the First Judicial District of Hinds County, Mississippi,  
309 in the manner and with the force and effect provided by Chapter  
310 13, Title 31, Mississippi Code of 1972, for the validation of

311 county, municipal, school district and other bonds. The notice to  
312 taxpayers required by such statutes shall be published in a  
313 newspaper published or having a general circulation in the City of  
314 Jackson, Mississippi.

315 SECTION 14. Any holder of bonds issued under the provisions  
316 of Sections 5 through 19 of this act or of any of the interest  
317 coupons pertaining thereto may, either at law or in equity, by  
318 suit, action, mandamus or other proceeding, protect and enforce  
319 any and all rights granted under Sections 5 through 19 of this  
320 act, or under such resolution, and may enforce and compel  
321 performance of all duties required by Sections 5 through 19 of  
322 this act to be performed, in order to provide for the payment of  
323 bonds and interest thereon.

324 SECTION 15. All bonds issued under the provisions of  
325 Sections 5 through 19 of this act shall be legal investments for  
326 trustees and other fiduciaries, and for savings banks, trust  
327 companies and insurance companies organized under the laws of the  
328 State of Mississippi, and such bonds shall be legal securities  
329 which may be deposited with and shall be received by all public  
330 officers and bodies of this state and all municipalities and  
331 political subdivisions for the purpose of securing the deposit of  
332 public funds.

333 SECTION 16. Bonds issued under the provisions of Sections 5  
334 through 19 of this act and income therefrom shall be exempt from  
335 all taxation in the State of Mississippi.

336 SECTION 17. The proceeds of the bonds issued under Sections  
337 5 through 19 of this act shall be used solely for the purposes  
338 therein provided, including the costs incident to the issuance and  
339 sale of such bonds.

340 SECTION 18. The State Treasurer is authorized, without  
341 further process of law, to certify to the Department of Finance  
342 and Administration the necessity for warrants, and the Department  
343 of Finance and Administration is authorized and directed to issue

344 such warrants, in such amounts as may be necessary to pay when due  
345 the principal of, premium, if any, and interest on, or the  
346 accreted value of, all bonds issued under Sections 5 through 19 of  
347 this act; and the State Treasurer shall forward the necessary  
348 amount to the designated place or places of payment of such bonds  
349 in ample time to discharge such bonds, or the interest thereon, on  
350 the due dates thereof.

351 SECTION 19. Sections 5 through 19 of this act shall be  
352 deemed to be full and complete authority for the exercise of the  
353 powers therein granted, but this act shall not be deemed to repeal  
354 or to be in derogation of any existing law of this state.

355 SECTION 20. Section 57-43-1, Mississippi Code of 1972, is  
356 amended as follows:[WAN1]

357 57-43-1. (1) There is hereby established in the State  
358 Treasury a \* \* \* fund to be designated as the "Railroad  
359 Revitalization Fund" to be maintained for and dedicated to the  
360 purpose of providing grants, loans and/or funding for the purposes  
361 established in this chapter. The Railroad Revitalization Fund  
362 shall consist of monies collected as a result of the locomotive  
363 fuel tax, proceeds of bonds issued pursuant to this chapter,  
364 appropriations from the Legislature, and, in the discretion of the  
365 Mississippi Transportation Commission, federal funds available for  
366 the purposes of this chapter. All monies received by the  
367 Mississippi Transportation Commission to carry out the purposes of  
368 this chapter shall be deposited into the Railroad Revitalization  
369 Fund.

370 (2) Monies (including interest earnings) in the Railroad  
371 Revitalization Fund shall be expended either separately or in  
372 combination with any available federal funds for:

373 (a) Railroad research, railroad planning and railroad  
374 administration costs incurred by the Mississippi Transportation  
375 Commission directly attributable to railroad \* \* \* projects  
376 authorized under this chapter;

377           (b) Assistance to railroads for the revitalization,  
378 rehabilitation, relocation, improvement, maintenance or repair of  
379 rail lines; \* \* \*

380           (c) Construction, improvement, rehabilitation,  
381 maintenance or repair of railroad facilities, excluding the  
382 purchase, \* \* \* improvement, maintenance or repair of rolling  
383 stock of a railroad;

384           (d) Railroad-related projects that develop, expand  
385 and/or promote economic and industrial development within the  
386 state;

387           (e) Separation or closing of roadway/railroad grade  
388 crossings; and

389           (f) Such other railroad projects that are authorized  
390 under this chapter. \* \* \*

391           (3) Except as may be specifically designated otherwise,  
392 funds appropriated or otherwise provided by the Legislature for  
393 rail line assistance shall be deposited in the Railroad  
394 Revitalization Fund. Any monies received by the Mississippi  
395 Transportation Commission by agreements, grants, gifts or other  
396 means from railroad corporations, the United States government,  
397 individuals, companies or other business entities, municipalities,  
398 counties, local railroad authorities or regional railroad  
399 authorities, the Department of Economic and Community Development,  
400 economic development districts created pursuant to Section  
401 19-5-99, county port authorities, county development commissions  
402 or other federal, state or local governmental agencies for the  
403 purposes set forth in this chapter, \* \* \* may be credited to the  
404 Railroad Revitalization Fund. Any money remaining in the fund at  
405 the end of any fiscal year shall not lapse into the State General  
406 Fund and any interest received from investment of monies in the  
407 fund shall be credited to the fund and shall not be deposited into  
408 the State General Fund.

409           (4) Use of the Railroad Revitalization Fund for railroad

410 research, planning and administration costs incurred by the  
411 Mississippi Transportation Commission, including, but not limited  
412 to, the development and periodic update of the State Rail Plan,  
413 that are directly attributable to \* \* \* projects authorized under  
414 this chapter shall be limited to an annual amount not to exceed  
415 Twenty-five Thousand Dollars (\$25,000.00) \* \* \*.

416 (5) As used in this chapter:

417 (a) "Railroad" means a railroad that carries persons or  
418 property for hire and is designated as a public highway by Section  
419 184, Mississippi Constitution of 1890.

420 (b) "Railroad corporation" means a company engaged in  
421 the business of operating a railroad and may be a Mississippi  
422 railroad corporation organized under the provisions of Title 77,  
423 Chapter 9, Article 3, Mississippi Code of 1972, or a foreign  
424 corporation authorized to do business in this state.

425 SECTION 21. Section 57-43-3, Mississippi Code of 1972, is  
426 amended as follows:[WAN2]

427 57-43-3. The \* \* \* Mississippi Transportation Commission may  
428 enter into agreements with railroads, the United States  
429 government, persons, municipalities, counties, local railroad  
430 authorities, regional railroad authorities, the Department of  
431 Economic and Community Development, economic development districts  
432 created pursuant to Section 19-5-99, county port authorities or  
433 county development commissions or other federal, state or local  
434 governmental agencies for carrying out the purposes of this  
435 chapter. \* \* \*

436 SECTION 22. Section 57-43-5, Mississippi Code of 1972, is  
437 amended as follows:[WAN3]

438 57-43-5. The Mississippi Transportation Commission may  
439 accept federal funds to carry out the provisions of this chapter.

440 All federal grants received under provisions of this chapter  
441 shall be deposited into the Railroad Revitalization Fund and shall  
442 be expended for the purposes set forth in the federal grants. The

443 Mississippi Transportation Commission, upon a finding that  
444 sufficient federal grants for railroad projects authorized under  
445 this chapter are not available, and with the approval of the  
446 Department of Finance and Administration, may make grants to  
447 railroad corporations in a total amount not to exceed Two Million  
448 Dollars (\$2,000,000.00) from the Railroad Revitalization Fund.\_  
449 Any grant made to a railroad corporation pursuant to this section  
450 shall include a condition that, as a prerequisite to its receipt  
451 of any such grant monies, the railroad corporation agrees not to  
452 abandon any section of rail line on which such grant monies are  
453 spent for a period of not less than ten (10) years.

454 SECTION 23. Section 57-43-7, Mississippi Code of 1972, is  
455 amended as follows:[WAN4]

456 57-43-7. Agreements between a railroad corporation and the  
457 Mississippi Transportation Commission which do not require  
458 repayment to the Railroad Revitalization Fund of all or a portion  
459 of the monies loaned to such railroad corporation pursuant to  
460 Section 57-43-11 to be made by the railroad, shall require that  
461 the railroad establish and maintain a separate railroad  
462 corporation fund to which a specified portion of the revenue  
463 derived from the revitalized, rehabilitated, relocated or improved  
464 rail line shall be credited and that these funds shall be used by  
465 the railroad for the revitalization, rehabilitation, relocation,  
466 improvement or maintenance of rail lines within the state, or the  
467 closing or separation of roadway/railroad grade crossings within  
468 the state. The terms and conditions governing the use of monies  
469 in the special railroad corporation fund shall be stipulated in  
470 the agreement. The agreement shall also stipulate a penalty for  
471 use of the funds in a manner other than as set forth in the  
472 agreement.

473 SECTION 24. Section 57-43-9, Mississippi Code of 1972, is  
474 amended as follows:[WAN5]

475 57-43-9. (1) The board of supervisors of a county or the

476 governing authority of a municipality may, with the approval of  
477 the Mississippi Transportation Commission, appropriate funds from  
478 the county or municipal general fund to the Railroad  
479 Revitalization Fund. Such funds shall be used in accordance with  
480 this chapter only for the purposes set forth in this chapter with  
481 respect to rail lines within the county from which the county or  
482 municipal funds are provided. \* \* \*

483 (2) The board of supervisors of a county and the governing  
484 authority of a municipality may enter into an agreement with the  
485 Mississippi Transportation Commission to receive a portion of the  
486 payments made by a railroad corporation to the Railroad  
487 Revitalization Fund pursuant to this chapter. The amount received  
488 by a county or municipality shall not exceed the amount  
489 appropriated to the Railroad Revitalization Fund by the county or  
490 municipality pursuant to this chapter.

491 SECTION 25. Section 57-43-11, Mississippi Code of 1972, is  
492 amended as follows:[WAN6]

493 57-43-11. (1) \* \* \* To further the purposes of this  
494 chapter, the Mississippi Transportation Commission may enter into  
495 agreements with railroad corporations, whereby the Mississippi  
496 Transportation Commission may loan monies from the Railroad  
497 Revitalization Fund to a railroad corporation in such amounts as  
498 are necessary to accomplish a railroad project authorized under  
499 this chapter that has been determined by the Mississippi  
500 Transportation Commission as being in the public interest. \* \* \*

501 (2) If the monies loaned to a railroad corporation in  
502 accordance with this section are the proceeds of bonds issued  
503 pursuant to Sections 5 through 19 of Senate Bill No. 2760, 2000  
504 Regular Session, the rate of interest on such loan shall be at a  
505 rate that is sufficient, when combined with the payment of  
506 principal, to retire the bonds issued to fund such loan when such  
507 loan is paid in full. The Mississippi Transportation Commission  
508 shall not make any such loan without first obtaining from the

509 railroad corporation that is seeking such loan sufficient security  
510 to ensure complete and full repayment of the loan and interest.  
511 Such sufficient security may include, but not be limited to, deeds  
512 of trust, mortgages and other security agreements. The loan  
513 agreement regarding the loan of the proceeds of bonds issued  
514 pursuant to Sections 5 through 19 of Senate Bill No. 2760, 2000  
515 Regular Session, shall require repayment of such loan to the  
516 sinking fund established in Section 4 of Senate Bill No. 2760,  
517 2000 Regular Session.

518 (3) If the monies loaned to a railroad corporation in  
519 accordance with this section are derived from a source other than  
520 from the proceeds of bonds issued pursuant to Sections 5 through  
521 19 of Senate Bill No. 2760, 2000 Regular Session, the Mississippi  
522 Transportation Commission may require such security from the  
523 railroad corporation that is seeking such loan as the commission  
524 deems appropriate. Any loan of funds derived from the locomotive  
525 fuel tax shall be made at no interest, provided payments are made  
526 in accordance with the agreement.

527 (4) Any portion of a loan outstanding during any delinquency  
528 shall bear interest at the legal rate on the entire balance due.  
529 In the event that a railroad corporation is not repaying a loan  
530 extended under this chapter in accordance with the terms of the  
531 loan agreement or arrangements satisfactory to the Mississippi  
532 Transportation Commission have not been made to repay the loan  
533 within a period of time after same is due and payable, as  
534 determined by the commission, the commission shall determine that  
535 there is a default, shall enter an order to that effect upon its  
536 official minutes, and send a certified copy of said order by  
537 certified mail, postage prepaid, to the railroad corporation. If  
538 said default is not satisfied in full within thirty (30) days  
539 following notification of default by the commission, the railroad  
540 corporation shall be required to pay in accordance with the  
541 default provisions of the loan agreement, and the Mississippi



542 Transportation Commission may also exercise any other rights it  
543 may have pursuant to such loan agreement at law or equity. Any  
544 such agreement between the Mississippi Transportation Commission  
545 and a railroad corporation regarding a loan from the Railroad  
546 Revitalization Fund shall also include a condition that, as a  
547 prerequisite to its receipt of such loan, the railroad corporation  
548 agree not to abandon any section of rail line on which the  
549 proceeds of such loan are to be spent until the loan has been  
550 repaid in accordance with the loan agreement.

551 SECTION 26. Section 57-43-13, Mississippi Code of 1972, is  
552 amended as follows:[WAN7]

553 57-43-13. For the purposes of achieving a reduction in the  
554 number of public roadway/railroad grade crossings in this state,  
555 a separate account within the Railroad Revitalization Fund is  
556 hereby \* \* \* established and entitled the Mississippi Grade  
557 Crossing Closure Account. The Mississippi Grade Crossing Closure  
558 Account is to be administered by the same agency responsible for  
559 administering the Railroad Revitalization Fund. \* \* \* Funding for  
560 this account shall be derived from thirty-five percent (35%) of  
561 collections from the locomotive fuel tax for the previous year.  
562 This account will be cumulative. Funds not obligated for  
563 expenditure in any fiscal year will continue to accrue to  
564 succeeding fiscal years; unexpended amounts remaining in such  
565 account at the end of a fiscal year shall not lapse into the State  
566 General Fund; and any interest earned on amounts in such account  
567 shall be deposited to the credit of such account. The Mississippi  
568 Transportation Commission, in cooperation with the railroads  
569 operating in Mississippi, shall promulgate rules to ensure  
570 equitable allocation of these funds to public roadway/railroad  
571 grade crossing closure projects throughout the state and shall  
572 consider the proportionate number of main line track miles of each  
573 railroad and the number of public roadway/railroad grade crossings  
574 on each railroad's main line. Funds from the Mississippi Grade

575 Crossing Closure Account shall be limited to the following  
576 purposes: financial aid for closure of public roadway/railroad  
577 grade crossings; realignment of construction costs of roadways  
578 being rerouted to facilitate a closure of a public  
579 roadway/railroad grade crossing; monies to match federal or other  
580 funds for a grade separation eliminating an at-grade crossing of a  
581 public roadway and railroad. The Mississippi Transportation  
582 Commission shall consider all requests from the state's diagnostic  
583 review of public roadway/railroad grade crossings and from  
584 individual railroads for expenditure of funds for these limited  
585 purposes and shall establish uniform criteria and guidelines  
586 relating to such crossings and the expenditure of funds.

587 SECTION 27. Sections 1 through 19 of this act shall be  
588 codified in Chapter 43, Title 57, Mississippi Code of 1972.

589 SECTION 28. This act shall take effect and be in force from  
590 and after July 1, 2000.