

By: Representatives Green, Fleming

To: Transportation

HOUSE BILL NO. 1452

1 AN ACT TO AMEND SECTION 57-44-1, MISSISSIPPI CODE OF 1972, TO
 2 INCLUDE THE DEVELOPMENT AND PROMOTION OF PUBLIC SAFETY AMONG THE
 3 LEGISLATIVE FINDINGS AND DECLARATION OF PURPOSE FOR CREATION OF
 4 THE LOCAL GOVERNMENTS FREIGHT RAIL SERVICE PROJECTS LAW; TO AMEND
 5 SECTION 57-44-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE
 6 MISSISSIPPI DEVELOPMENT AUTHORITY SHALL ESTABLISH A PROGRAM TO
 7 PERMIT MONIES FROM THE LOCAL GOVERNMENTS FREIGHT RAIL SERVICE
 8 PROJECT REVOLVING LOAN FUND TO BE PROVIDED TO COUNTIES IN THE FORM
 9 OF GRANTS TO ASSIST COUNTIES IN DEFRAYING EXPENSES RELATING TO THE
 10 CLOSING AND/OR UPGRADING OF RAILROAD GRADE CROSSINGS; TO PROVIDE
 11 THAT ONLY PROJECTS APPROVED BY THE MISSISSIPPI DEPARTMENT OF
 12 TRANSPORTATION SHALL BE ELIGIBLE FOR SUCH GRANTS; TO AUTHORIZE THE
 13 MISSISSIPPI DEVELOPMENT AUTHORITY TO ADOPT RULES AND REGULATIONS
 14 ESTABLISHING THE MAXIMUM AMOUNT OF ANY GRANT AWARDED TO A COUNTY
 15 AND SUCH OTHER RULES AND REGULATIONS AS APPROPRIATE TO ADMINISTER
 16 THE GRANT PROGRAM AND ENSURE THAT MONIES IN THE FUND ARE MADE
 17 AVAILABLE TO ALL COUNTIES ON AN EQUITABLE BASIS; AND FOR RELATED
 18 PURPOSES.

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

20 SECTION 1. Section 57-44-1, Mississippi Code of 1972, is
 21 amended as follows:

22 57-44-1. The implementation of freight rail service projects
 23 within the State of Mississippi develops and promotes, for the
 24 public good, safety and general welfare, trade, commerce,
 25 industry, and employment opportunities, and promotes the general
 26 welfare of the state by creating a climate favorable to the
 27 location of new industry, trade, and commerce and the development
 28 of existing industry, trade and commerce within the State of
 29 Mississippi. Implementation of freight rail service projects
 30 within this state will develop and promote, for the public good,
 31 safety and general welfare, trade, commerce, industry, and
 32 employment opportunities, and will promote the general welfare of
 33 the state. It is therefore in the public interest and is vital to

34 the public welfare of the people of Mississippi, and it is
35 declared to be the public purpose of this chapter to so develop
36 freight rail service projects within this state.

37 SECTION 2. Section 57-44-7, Mississippi Code of 1972, is
38 amended as follows:

39 57-44-7. (1) There is created a special fund in the State
40 Treasury to be designated as the "Local Governments Freight Rail
41 Service Project Revolving Loan Fund," which fund shall consist of
42 such monies as provided in Sections 57-44-11 through 57-44-39.
43 The fund shall be maintained in perpetuity for the purposes
44 established in this chapter. Unexpended amounts remaining in the
45 fund at the end of a fiscal year shall not lapse into the State
46 General Fund, and any interest earned on amounts in the fund shall
47 be deposited to the credit of the fund. Monies in the fund may
48 not be used or expended for any purpose except as authorized under
49 this chapter. However, the Mississippi Development Authority, in
50 order to promote the safety of the general public, shall establish
51 a program to permit monies from the Local Governments Freight Rail
52 Service Project Revolving Loan Fund to be provided to counties in
53 the form of grants to assist counties in defraying expenses
54 relating to the closing and/or upgrading of railroad grade
55 crossings. Only projects approved by the Mississippi Department
56 of Transportation shall be eligible for such grants. The
57 Mississippi Development Authority, by rule and regulation, shall
58 establish the maximum amount of any grant awarded to a county and
59 may establish such other rules and regulations as it deems
60 appropriate or necessary to administer the grant program and
61 ensure that monies in the fund are made available to all counties
62 on an equitable basis.

63 (2) The Mississippi Development Authority shall establish a
64 loan program by which loans, at a rate of interest not to exceed
65 one percent (1%) less than the federal reserve discount rate, may
66 be made available to counties and incorporated municipalities to

67 provide loans to counties and incorporated municipalities which
68 may be used by the governing authorities of such counties and
69 municipalities to provide loans to railroad corporations for
70 freight rail service projects. Loans from the revolving fund may
71 be made to counties and municipalities as set forth in a loan
72 agreement in amounts established by the Mississippi Development
73 Authority. The Mississippi Development Authority may establish a
74 maximum amount for any loan in order to provide for broad and
75 equitable participation in the program.

76 (3) A county that receives a loan from the revolving fund
77 shall pledge for repayment of the loan any part of the homestead
78 exemption annual tax loss reimbursement to which it may be
79 entitled under Section 27-33-77. An incorporated municipality
80 that receives a loan from the revolving fund shall pledge for
81 repayment of the loan any part of the sales tax revenue
82 distribution to which it may be entitled under Section 27-65-75.
83 Each loan agreement shall provide for (i) monthly payments, (ii)
84 semiannual payments or (iii) other periodic payments, the annual
85 total of which shall not exceed the annual total for any other
86 year of the loan by more than fifteen percent (15%). The loan
87 agreement shall provide for the repayment of all funds received
88 within not more than fifteen (15) years from the date of project
89 completion.

90 (4) The State Auditor, upon request of the Mississippi
91 Development Authority, shall audit the receipts and expenditures
92 of a county or an incorporated municipality whose loan payments
93 appear to be in arrears, and if he finds that the county or
94 municipality is in arrears in such payments, he shall immediately
95 notify the Executive Director of the Department of Finance and
96 Administration who shall withhold all future payments to the
97 county of homestead exemption reimbursements under Section
98 27-33-77 and all sums allocated to the county or the municipality
99 under Section 27-65-75 until such time as the county or the

100 municipality is again current in its loan payments as certified by
101 the Mississippi Development Authority.

102 (5) Evidences of indebtedness which are issued pursuant to
103 this chapter shall not be deemed indebtedness within the meaning
104 specified in Section 21-33-303 with regard to cities or
105 incorporated towns, and in Section 19-9-5 with regard to counties.

106 SECTION 3. This act shall take effect and be in force from
107 and after July 1, 2001.