

By: Representatives Green, Fleming

To: Transportation

HOUSE BILL NO. 1452
(As Passed the House)

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; TO LIMIT THE
18 MAXIMUM DOLLAR AMOUNT OF GRANTS THAT MAY BE MADE TO ALL COUNTIES;
19 AND FOR RELATED PURPOSES.

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

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

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

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

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

40 57-44-7. (1) There is created a special fund in the State
41 Treasury to be designated as the "Local Governments Freight Rail
42 Service Project Revolving Loan Fund," which fund shall consist of
43 such monies as provided in Sections 57-44-11 through 57-44-39.
44 The fund shall be maintained in perpetuity for the purposes
45 established in this chapter. Unexpended amounts remaining in the
46 fund at the end of a fiscal year shall not lapse into the State
47 General Fund, and any interest earned on amounts in the fund shall
48 be deposited to the credit of the fund. Monies in the fund may
49 not be used or expended for any purpose except as authorized under
50 this chapter. However, the Mississippi Development Authority, in
51 order to promote the safety of the general public, shall establish
52 a program to permit monies from the Local Governments Freight Rail
53 Service Project Revolving Loan Fund to be provided to counties in
54 the form of grants to assist counties in defraying expenses
55 relating to the closing and/or upgrading of railroad grade
56 crossings. Only projects approved by the Mississippi Department
57 of Transportation shall be eligible for such grants. The
58 Mississippi Development Authority, by rule and regulation, shall
59 establish the maximum amount of any grant awarded to a county and
60 may establish such other rules and regulations as it deems
61 appropriate or necessary to administer the grant program and
62 ensure that monies in the fund are made available to all counties
63 on an equitable basis. However, the maximum amount of such grants
64 to all counties may not exceed Five Million Dollars
65 (\$5,000,000.00), in the aggregate.

66 (2) The Mississippi Development Authority shall establish a
67 loan program by which loans, at a rate of interest not to exceed

68 one percent (1%) less than the federal reserve discount rate, may
69 be made available to counties and incorporated municipalities to
70 provide loans to counties and incorporated municipalities which
71 may be used by the governing authorities of such counties and
72 municipalities to provide loans to railroad corporations for
73 freight rail service projects. Loans from the revolving fund may
74 be made to counties and municipalities as set forth in a loan
75 agreement in amounts established by the Mississippi Development
76 Authority. The Mississippi Development Authority may establish a
77 maximum amount for any loan in order to provide for broad and
78 equitable participation in the program.

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

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

101 27-33-77 and all sums allocated to the county or the municipality
102 under Section 27-65-75 until such time as the county or the
103 municipality is again current in its loan payments as certified by
104 the Mississippi Development Authority.

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

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