AN ACT TO AMEND SECTION 57-44-1, MISSISSIPPI CODE OF 1972, TO INCLUDE THE DEVELOPMENT AND PROMOTION OF PUBLIC SAFETY AMONG THE LEGISLATIVE FINDINGS AND DECLARATION OF PURPOSE FOR CREATION OF THE LOCAL GOVERNMENTS FREIGHT RAIL SERVICE PROJECTS LAW; TO AMEND SECTION 57-44-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY SHALL ESTABLISH A PROGRAM TO PERMIT MONIES FROM THE LOCAL GOVERNMENTS FREIGHT RAIL SERVICE PROJECT REVOLVING LOAN FUND TO BE PROVIDED TO COUNTIES IN THE FORM OF GRANTS TO ASSIST COUNTIES IN DEFRAYING EXPENSES RELATING TO THE UPGRADING OF RAILROAD GRADE CROSSINGS; TO PROVIDE THAT ONLY PROJECTS APPROVED BY THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION SHALL BE ELIGIBLE FOR SUCH GRANTS; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO ADOPT RULES AND REGULATIONS ESTABLISHING THE MAXIMUM AMOUNT OF ANY GRANT AWARDED TO A COUNTY AND SUCH OTHER RULES AND REGULATIONS AS APPROPRIATE TO ADMINISTER THE GRANT PROGRAM AND ENSURE THAT MONIES IN THE FUND ARE MADE AVAILABLE TO ALL COUNTIES ON AN EQUITABLE BASIS; TO PROVIDE THAT FEDERAL FUNDS SHALL BE UTILIZED TO PAY A CERTAIN AMOUNT OF THE COST OF EACH RAILROAD GRADE CROSSING PROJECT; TO LIMIT THE MAXIMUM DOLLAR AMOUNT OF GRANTS THAT MAY BE MADE TO ALL COUNTIES; AND FOR RELATED PURPOSES.

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

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

57-44-1. The implementation of freight rail service projects within the State of Mississippi develops and promotes, for the public good, safety and general welfare, trade, commerce, industry, and employment opportunities, and promotes the general welfare of the state by creating a climate favorable to the location of new industry, trade, and commerce and the development of existing industry, trade and commerce within the State of Mississippi. Implementation of freight rail service projects within this state will develop and promote, for the public good, safety and general welfare, trade, commerce, industry, and employment opportunities, and will promote the general welfare of...
the state. It is therefore in the public interest and is vital to
the public welfare of the people of Mississippi, and it is
declared to be the public purpose of this chapter to so develop
freight rail service projects within this state.

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

57-44-7. (1) There is created a special fund in the State
Treasury to be designated as the "Local Governments Freight Rail
Service Project Revolving Loan Fund," which fund shall consist of
such monies as provided in Sections 57-44-11 through 57-44-39.
The fund shall be maintained in perpetuity for the purposes
established in this chapter. Unexpended amounts remaining in the
fund at the end of a fiscal year shall not lapse into the State
General Fund, and any interest earned on amounts in the fund shall
be deposited to the credit of the fund. Monies in the fund may
not be used or expended for any purpose except as authorized under
this chapter. However, the Mississippi Development Authority, in
order to promote the safety of the general public, shall establish
a program to permit monies from the Local Governments Freight Rail
Service Project Revolving Loan Fund to be provided to counties in
the form of grants to assist counties in defraying expenses
relating to the upgrading of railroad grade crossings. Only
projects approved by the Mississippi Department of Transportation
shall be eligible for such grants. The Mississippi Development
Authority, by rule and regulation, shall establish the maximum
amount of any grant awarded to a county and may establish such
other rules and regulations as it deems appropriate or necessary
to administer the grant program and ensure that monies in the fund
are made available to all counties on an equitable basis. Federal
funds shall be utilized to pay not less than five percent (5%) of
the cost of each project. However, the maximum amount of such
grants to all counties may not exceed Five Million Dollars
($5,000,000.00), in the aggregate.
(2) The Mississippi Development Authority shall establish a loan program by which loans, at a rate of interest not to exceed one percent (1%) less than the federal reserve discount rate, may be made available to counties and incorporated municipalities to provide loans to counties and incorporated municipalities which may be used by the governing authorities of such counties and municipalities to provide loans to railroad corporations for freight rail service projects. Loans from the revolving fund may be made to counties and municipalities as set forth in a loan agreement in amounts established by the Mississippi Development Authority. The Mississippi Development Authority may establish a maximum amount for any loan in order to provide for broad and equitable participation in the program.

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

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

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

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