

By: Senator(s) Dearing

To: Highways and  
Transportation;  
Appropriations

SENATE BILL NO. 2255

1 AN ACT TO AUTHORIZE THE MISSISSIPPI TRANSPORTATION COMMISSION  
2 TO BORROW AN AMOUNT OF MONEY NOT TO EXCEED \$50,000,000.00 IN THE  
3 AGGREGATE FROM ANY SOURCE FOR CASH FLOW NEEDS THROUGHOUT THE YEAR  
4 WHEN THE EXECUTIVE DIRECTOR OF THE MISSISSIPPI DEPARTMENT OF  
5 TRANSPORTATION CERTIFIES TO THE COMMISSION THAT IN HIS OPINION THE  
6 DEPARTMENT WILL EXPERIENCE CASH FLOW DEFICIENCIES; TO PROVIDE THAT  
7 THE TERM OF ANY SUCH LOAN SHALL NOT BE MORE THAN 120 DAYS; AND FOR  
8 RELATED PURPOSES.

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

10 SECTION 1. (1) The commission may borrow an amount of money  
11 not to exceed Fifty Million Dollars (\$50,000,000.00) in the  
12 aggregate from any source for cash flow needs throughout the year  
13 when the executive director of the department certifies to the  
14 commission that in his opinion the department will experience cash  
15 flow deficiencies. The commission may pledge as security for such  
16 interim financing future funds that will be received by the  
17 department. Any such loan shall be repaid from the first  
18 available funds received by the department in the manner and  
19 subject to the same terms as provided in this section.

20 (2) Such interim financing shall be upon such terms and  
21 conditions as may be agreed upon by the commission and the party  
22 advancing such interim funds; provided, however, that the  
23 principal on any such loan shall be paid within one hundred twenty  
24 (120) days after such financing is obtained. The interest rate on  
25 such interim financing shall not exceed that allowed in Section  
26 75-17-107.

27 (3) Such borrowing shall be authorized by a resolution of  
28 the commission and may be evidenced by a negotiable note or notes  
29 in such form as may be prescribed in such resolution.

30           (4) Such borrowing, whether or not evidenced by a negotiable  
31 note or notes, may be placed or sold at public or private sale for  
32 such price and in such manner and from time to time as may be  
33 determined by the commission and the commission may pay all  
34 expenses, premiums and commissions which the commission may deem  
35 necessary or advantageous in connection with the issuance thereto.

36           (5) Such borrowing shall be limited to the amount that may  
37 be repaid by the anticipated funds that will be available to pay  
38 off the loan when required by the terms of the interim financing  
39 agreement.

40           SECTION 2. Section 1 of this act shall be codified as a  
41 separate code section in Chapter 1, Title 65, Mississippi Code of  
42 1972.

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