AN ACT TO AMEND SECTION 65-9-29, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE ALLOCATION AND MATCHING OF FEDERAL AID HIGHWAY FUNDS ALLOCATED TO MISSISSIPPI UNDER THE TRANSPORTATION EQUITY ACT FOR THE TWENTY-FIRST CENTURY (TEA-21); TO AMEND SECTION 65-9-30, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 65-9-29, Mississippi Code of 1972, is amended as follows:
65-9-29. (1) Federal aid highway funds allocated to Mississippi to be expended on the federal aid roads shall be expended as follows:
(a) Funds allocated to Mississippi and to be expended on the federal aid routes shall be divided between the Mississippi Department of Transportation and the several counties, so that fifty percent (50%) will be matched by the Mississippi Department of Transportation and expended on the federal aid routes on the state highway system, and fifty percent (50%) matched by the counties with state aid or local funds and expended on the federal aid routes in the several counties.
(b) Such division will be made upon allocation by the Administrator of the Federal Highway Administration. The expenditure of all federal funds shall be through and under the Mississippi Department of Transportation, subject to and in accordance with all rules and regulations and applicable laws of the federal government.
(c) Not less than fifty percent (50%) of the funds appropriated to Mississippi under the surface transportation program authorization of Public Law 105-178 (the Transportation Equity Act for the Twenty-first Century, hereinafter called TEA-21), shall be allocated for sub-state distribution in any area of the state and fifty percent (50%) of the amount allocated to areas with a population of less than five thousand (5,000) shall be allocated to the eighty-two (82) counties of the state and administered by the Office of State Aid Road Construction.

(d) Not less than thirty percent (30%) of the bridge replacement funds allocated to Mississippi under TEA-21 shall be allocated to the eighty-two (82) counties of the state to replace deficient bridges in accordance with all rules and regulations of the Federal Highway Administration and administered by the Office of State Aid Road Construction.

(e) The amount of funds allocated to each county for use on state aid system roads will be apportioned among the counties of this state by the Mississippi Transportation Commission in accordance with the formula in the manner provided in Section 65-9-3, Mississippi Code of 1972. The Mississippi Transportation Commission is authorized to finance from its own funds the preliminary surveys, engineering and plans for all work involving funds expended on federal aid projects on the state aid road system, and the rights-of-way required for state aid system roads constructed with federal aid highway funds will be provided by the county receiving such aid from its funds other than state aid funds. The Mississippi Transportation Commission will program federal aid highway funds made available to the counties under this section on such projects and limited to such counties as recommended by the State Aid Engineer.

(2) Federal "safer off-system" funds, and/or any other available federal road funds, except the federal aid highway funds hereinabove provided for separately, allocated to Mississippi and
to be expended on county roads, but not on the designated state highway system, shall be expended as follows:

(a) Federal "safer off-system" funds and/or any such other available federal road funds shall be matched with available state aid funds and expended on such county roads.

(b) The expenditure of such federal "safer off-system" funds and/or all such other available federal road funds shall be through and under the Mississippi Transportation Commission, subject to, and in accordance with, all rules and regulations and applicable laws of the federal government.

(c) The amount of such federal "safer off-system" funds and/or all such other available federal road funds allocated to each county for use on such county roads will be apportioned among the counties of this state by the Mississippi Transportation Commission in accordance with the formula in the manner provided in Section 65-9-3, Mississippi Code of 1972. The Mississippi Transportation Commission will program such federal "safer off-system" funds and/or all such other available federal road funds made available to the counties on such projects and limited to such counties as recommended by the State Aid Engineer.

(3) Federal aid off-system highway funds allocated to Mississippi, (except federal aid highway funds and federal "safer off-system" funds provided for separately in subsections (1) and (2) of this section), including * * * other special grants made available for expenditure of county roads, shall be expended as follows:

(a) Federal aid off-system highway funds expended on state aid roads shall be matched with available state aid funds and/or other available local funds, or as otherwise provided in Section 65-1-70, Mississippi Code of 1972.

(b) Federal aid off-system highway funds available for expenditure on roads not on the state aid system and not eligible for inclusion on the state aid system shall be matched with
available local funds, or as otherwise provided in Section 65-9-17 or Section 65-1-70, Mississippi Code of 1972.

(c) The expenditure of all federal off-system highway funds on county roads shall be programmed by the State Highway Commission, subject to and in accordance with applicable federal law, rules and regulations, and limited to such county projects as recommended by the State Aid Engineer. The State Aid Engineer is authorized to assign state aid personnel to administer off-system construction projects and other special federal aid program requirements in the same manner and under the same provisions and conditions as other projects authorized under this chapter.

SECTION 2. Section 65-9-30, Mississippi Code of 1972, is amended as follows:

65-9-30. (1) The State Aid Engineer shall maintain an accurate record of all federal aid highway funds, federal "safer off-system" funds, and all other available federal road funds allocated to the counties in accordance with the percentages set out in Section 65-9-3. He shall likewise maintain an accurate account of all state aid funds apportioned to the counties in accordance with the percentages and provisions set out in Section 27-65-75.

(2) The State Aid Engineer is hereby authorized to utilize state aid funds, and federal aid highway funds allocated to the counties as provided for in accordance with Section 65-9-29, and federal "safer off-system" funds, and/or any other available federal road funds allocated to Mississippi and to be expended on county roads, and allocated to the counties as provided for in accordance with Section 65-9-29, in such amounts as he deems necessary for an orderly and effective programming of all funds available to the counties, including an interchange of one (1) type of funds for another type of funds when necessary; provided, however, that each county shall receive, not less than annually, its pro rata share of the combined funds so allocated; and further
provided that the authority of the county boards of supervisors to 
otherwise adopt construction programs is in no way circumvented.

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