

By: Senator(s) Dearing

To: Highways and
Transportation; Finance

SENATE BILL NO. 3019

1 AN ACT TO AMEND SECTION 57-44-1, 57-44-3, 57-44-5, 57-44-7,
2 AND 57-44-9, MISSISSIPPI CODE OF 1972, ESTABLISHED A LOCAL
3 GOVERNMENTS RAILROAD GRADE CROSSING PROJECT GRANT PROGRAM WITHIN
4 THE EXISTING LOCAL GOVERNMENTS FREIGHT RAIL SERVICE PROJECT
5 REVOLVING LOAN PROGRAM ADMINISTERED BY THE MISSISSIPPI DEVELOPMENT
6 AUTHORITY; TO AUTHORIZE THE ISSUANCE OF GRANTS TO COUNTIES AND
7 MUNICIPALITIES BY THE MISSISSIPPI DEVELOPMENT AUTHORITY FOR
8 RAILROAD GRADE CROSSING PROJECTS; AND FOR RELATED PURPOSES.

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

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

12 57-44-1. The implementation of freight rail service projects
13 within the State of Mississippi develops and promotes, for the
14 public good and general welfare, trade, commerce, industry, and
15 employment opportunities, and promotes the general welfare of the
16 state by creating a climate favorable to the location of new
17 industry, trade, and commerce and the development of existing
18 industry, trade and commerce within the State of Mississippi.
19 Implementation of freight rail service projects within this state
20 will develop and promote, for the public good and general welfare,
21 trade, commerce, industry, and employment opportunities, and will
22 promote the general welfare of the state. The closure or
23 improvement of railroad grade crossing promotes the good and
24 general welfare and safety of the people of this state. It is
25 therefore in the public interest and is vital to the public
26 welfare of the people of Mississippi, and it is declared to be the
27 public purpose of this chapter to so develop freight rail service
28 projects within this state and to provide grant funds for the
29 closure or improvement of railroad grade crossings.

30 SECTION 2. Section 57-44-3, Mississippi Code of 1972, is
31 amended as follows:

32 57-44-3. As used in this chapter the term:

33 (a) "Freight rail service project" means the
34 acquisition, construction, installation, operation, modification,
35 renovation, or rehabilitation of any freight rail service
36 facilities. A project may also include any fixtures, machinery,
37 or equipment used on, in or in connection with any such
38 facilities. A project may be for any freight transportation
39 purpose, provided that the authority determines that the project
40 will further the public purposes of this chapter.

41 (b) "Railroad grade crossing project" means the closure
42 of public roadway/railroad grade crossings, realignment of
43 construction costs of roadways being rerouted to facilitate a
44 closure of a public roadway/railroad grade crossing, the
45 improvement of existing public roadway/railroad grade crossings
46 and the installation of safe roadway/railroad grade crossings.

47 SECTION 3. Section 57-44-5, Mississippi Code of 1972, is
48 amended as follows:

49 57-44-5. (1) There is established a local governments
50 freight rail service project revolving loan program to be
51 administered by the Mississippi Development Authority for the
52 purpose of making loans to counties and municipalities that the
53 governing authorities of such counties and municipalities may
54 utilize to make loans to railroad corporations for freight rail
55 service projects.

56 (2) There is established a local governments railroad grade
57 crossing project grant program to be administered by the
58 Mississippi Development Authority for the purpose of providing
59 grants to counties and municipalities that the governing
60 authorities of such counties and municipalities may utilize for
61 railroad grade crossing projects.

62 SECTION 4. Section 57-44-7, Mississippi Code of 1972, is
63 amended as follows:

64 57-44-7. (1) There is created a special fund in the State
65 Treasury to be designated as the "Local Governments Freight Rail
66 Service and Railroad Grade Crossing Project Grant and Revolving
67 Loan Fund," which fund shall consist of such monies as provided in
68 Sections 57-44-11 through 57-44-39. The fund shall be maintained
69 in perpetuity for the purposes established in this chapter.
70 Unexpended amounts remaining in the fund at the end of a fiscal
71 year shall not lapse into the State General Fund, and any interest
72 earned on amounts in the fund shall be deposited to the credit of
73 the fund. Monies in the fund may not be used or expended for any
74 purpose except as authorized under this chapter.

75 (2) (a) The Mississippi Development Authority shall
76 establish a loan program by which loans, at a rate of interest not
77 to exceed one percent (1%) less than the federal reserve discount
78 rate, may be made available to counties and incorporated
79 municipalities to provide loans to counties and incorporated
80 municipalities which may be used by the governing authorities of
81 such counties and municipalities to provide loans to railroad
82 corporations for freight rail service projects. Loans from the
83 revolving fund may be made to counties and municipalities as set
84 forth in a loan agreement in amounts established by the
85 Mississippi Development Authority. The Mississippi Development
86 Authority may establish a maximum amount for any loan in order to
87 provide for broad and equitable participation in the program.

88 (b) The Mississippi Development Authority shall
89 establish a grant program by which grants may be made available to
90 counties and incorporated municipalities to provide grants to
91 counties and incorporated municipalities which may be used by the
92 governing authorities of such counties and municipalities for
93 railroad grade crossing projects. Grants from the revolving fund
94 may be made to counties and municipalities as set forth in a grant

95 agreement in amounts established by the Mississippi Development
96 Authority. The Mississippi Development Authority may establish a
97 maximum amount for any grant in order to provide for broad and
98 equitable participation in the program.

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

113 (4) The State Auditor, upon request of the Mississippi
114 Development Authority, shall audit the receipts and expenditures
115 of a county or an incorporated municipality whose loan payments
116 appear to be in arrears, and if he finds that the county or
117 municipality is in arrears in such payments, he shall immediately
118 notify the Executive Director of the Department of Finance and
119 Administration who shall withhold all future payments to the
120 county of homestead exemption reimbursements under Section
121 27-33-77 and all sums allocated to the county or the municipality
122 under Section 27-65-75 until such time as the county or the
123 municipality is again current in its loan payments as certified by
124 the Mississippi Development Authority.

125 (5) Evidences of indebtedness which are issued pursuant to
126 this chapter shall not be deemed indebtedness within the meaning

127 specified in Section 21-33-303 with regard to cities or
128 incorporated towns, and in Section 19-9-5 with regard to counties.

129 SECTION 5. Section 57-44-9, Mississippi Code of 1972, is
130 amended as follows:

131 57-44-9. In administering the provisions of this chapter,
132 the Mississippi Development Authority shall have the following
133 powers and duties:

134 (a) To supervise the use of all funds made available
135 under this chapter;

136 (b) To review all freight rail service projects for
137 which loans are made under this chapter by local governments;

138 (c) To review all railroad grade crossing projects for
139 which grant are issued under this chapter;

140 (c) To requisition monies in the Local Governments
141 Freight Rail Service and Railroad Grade Project Grant and
142 Revolving Loan Fund and distribute those monies to counties and
143 municipalities, on a project-by-project basis in accordance with
144 the provisions of this chapter;

145 (d) To insure that the funds made available to a county
146 or an incorporated municipality under this chapter provide for an
147 equitable distribution of projects and funds among the counties
148 and incorporated municipalities;

149 (e) To maintain an accurate record of all funds made
150 available to counties and municipalities.

151 (f) To adopt and promulgate such rules and regulations
152 as may be necessary or desirable for the purpose of implementing
153 the provisions of this chapter; and

154 (g) To file annually with the Legislature a report
155 detailing how monies in the * * * fund were spent during the
156 preceding fiscal year in each county and incorporated
157 municipality, the number of freight rail service projects and
158 railroad grade crossing projects constructed, and the cost of each
159 project.

160 SECTION 6. This act shall take effect and be in force from
161 and after July 1, 2001.