

By: Representative Compretta (By Request)

To: Ways and Means

HOUSE BILL NO. 1675

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 WHENEVER 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 24 MONTHS; AND
 8 FOR 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
 16 such 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 the interim funds; however, the principal on the loan
 23 shall be paid within twenty-four (24) months after financing is
 24 obtained. The interest rate on such interim financing shall not
 25 exceed that allowed in Section 75-17-107.

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

29 (4) Such borrowing, whether or not evidenced by a negotiable
 30 note or notes, may be placed or sold at public or private sale for



31 such price and in such manner and, from time to time, as may be
32 determined by the commission, and the commission may pay all
33 expenses, premiums and commissions that the commission deems
34 necessary or advantageous in connection with the issuance.

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

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

42 **SECTION 3.** This act shall take effect and be in force from
43 and after July 1, 2002.

