

By: Representative Miles

To: Gaming; Ways and Means

HOUSE BILL NO. 215

1 AN ACT TO AMEND SECTION 75-76-129, MISSISSIPPI CODE OF 1972,
2 TO REDISTRIBUTE A PORTION OF THE STATE'S SHARE OF GAMING LICENSE
3 FEES TO SPECIAL FUNDS, THE PROCEEDS OF WHICH MAY BE USED FOR THE
4 LOCAL SYSTEM BRIDGE REPLACEMENT AND REHABILITATION PROGRAM AND THE
5 LOCAL SYSTEM ROAD PROGRAM; TO AMEND SECTION 65-37-13, MISSISSIPPI
6 CODE OF 1972, TO DELETE THE PROVISIONS THAT REQUIRE THE
7 LEGISLATURE TO APPROPRIATE MONIES TO THE LOCAL SYSTEM BRIDGE
8 REPLACEMENT AND REHABILITATION FUND; TO AMEND SECTION 65-18-9 AND
9 65-18-11, MISSISSIPPI CODE OF 1972, TO CREATE THE LOCAL SYSTEM
10 ROAD FUND; TO AUTHORIZE THE STATE ENGINEER TO ALLOCATE MONIES IN
11 THE FUND TO EACH COUNTY FOR CONSTRUCTING, RECONSTRUCTING OF LOCAL
12 SYSTEM ROADS; TO AMEND SECTION 27-5-101, MISSISSIPPI CODE OF 1972,
13 TO DELETE THE REQUIREMENT FOR THE PAYMENT OF A PORTION OF THE
14 REVENUES DERIVED FROM MOTOR FUEL TAXES TO BE DEPOSITED INTO THE
15 GAMING COUNTIES BOND SINKING FUND FOR THE PURPOSE OF PAYING THE
16 DEBT SERVICE ON BONDS ISSUED IN SUPPORT OF THE GAMING COUNTIES
17 INFRASTRUCTURE PROGRAM; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** Section 75-76-129, Mississippi Code of 1972, is
20 amended as follows:

21 **[Through June 30, 2022, this section shall read as follows:]**

22 75-76-129. On or before the last day of each month all
23 taxes, fees, interest, penalties, damages, fines or other monies
24 collected by the State Tax Commission during that month under the
25 provisions of this chapter, with the exception of (a) the local
26 government fees imposed under Section 75-76-195, and (b) an amount
27 equal to Three Million Dollars (\$3,000,000.00) of the revenue
28 collected pursuant to the fee imposed under Section
29 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)
30 of the revenue collected pursuant to the fee imposed under Section
31 75-76-177(1)(c), whichever is the greater amount, shall be paid by
32 the State Tax Commission to the State Treasurer to be deposited in
33 the State General Fund. The local government fees shall be
34 distributed by the State Tax Commission pursuant to Section

35 75-76-197. * * * An amount equal to Three Million Dollars
36 (\$3,000,000.00) of the revenue collected during that month
37 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be
38 deposited by the State Tax Commission into the bond sinking fund
39 created in Section 65-39-3. * * * The revenue collected during
40 that month pursuant to the fee imposed under Section
41 75-76-177(1)(c) that is in excess of Three Million Dollars
42 (\$3,000,000.00), but is less than twenty-five percent (25%) of the
43 amount of revenue collected during that month, shall be
44 distributed as follows:

45 (a) One Million Five Hundred Thousand Dollars
46 (\$1,500,000.00) shall be deposited each month into the Local
47 System Bridge Replacement and Rehabilitation Fund created under
48 Section 65-37-13.

49 (b) The amount each month that exceeds One Million Five
50 Hundred Thousand Dollars (\$1,500,000.00) shall be deposited each
51 month into the Local System Road Fund created under Section
52 65-18-9.

53 **[From and after July 1, 2022, this section shall read as**
54 **follows:]**

55 75-76-129. On or before the last day of each month, all
56 taxes, fees, interest, penalties, damages, fines or other monies
57 collected by the State Tax Commission during that month under the
58 provisions of this chapter, with the exception of the local
59 government fees imposed under Section 75-76-195, shall be paid by
60 the State Tax Commission to the State Treasurer to be deposited in
61 the State General Fund. The local government fees shall be
62 distributed by the State Tax Commission pursuant to Section
63 75-76-197.

64 **SECTION 2.** Section 65-37-13, Mississippi Code of 1972, is
65 amended as follows:

66 65-37-13. (1) There is created in the State Treasury a
67 special fund to be designated as the "Local System Bridge

68 Replacement and Rehabilitation Fund." The fund shall consist of
69 the monies directed to be deposited into the fund under Section
70 75-76-129, and such other monies as the Legislature may designate
71 for deposit into the fund. Monies in the fund may be expended
72 upon legislative appropriation in accordance with the provisions
73 of Sections 65-37-1 through 65-37-15.

74 * * *

75 (2) Such monies as are deposited into the fund under the
76 provisions of this section may be expended upon requisition
77 therefor by the State Aid Engineer in accordance with the
78 provisions of Sections 65-37-1 through 65-37-15. The Office of
79 State Aid Road Construction shall be entitled to reimbursement
80 from monies in the fund, upon requisitions therefor by the State
81 Aid Engineer, for the actual expenses incurred by the office in
82 administering the provisions of the local system bridge
83 replacement and rehabilitation program. Unexpended amounts
84 remaining in the fund at the end of a fiscal year shall not lapse
85 into the State General Fund, and any interest earned on amounts in
86 the fund shall be deposited to the credit of the fund.

87 (3) Monies in the Local System Bridge Replacement and
88 Rehabilitation Fund shall be allocated and become available for
89 distribution to counties in accordance with the formula prescribed
90 in Section 65-37-4 beginning January 1, 1995, on a
91 project-by-project basis. Monies in the Local System Bridge
92 Replacement and Rehabilitation Fund may not be used or expended
93 for any purpose except as authorized under Sections 65-37-1
94 through 65-37-15.

95 (4) Monies in the Local System Bridge Replacement and
96 Rehabilitation Fund may be credited to a county in advance of the
97 normal accrual to finance certain projects, subject to the
98 approval of the State Aid Engineer and subject further to the
99 following limitations:

100 (a) That the maximum amount of such monies that may be
101 advanced to any county shall not exceed ninety percent (90%) of
102 the funds estimated to accrue to such county during the remainder
103 of the term of office of the board of supervisors of such county;

104 (b) That no advance credit of funds will be made to any
105 county when the unobligated balance in the Local System Bridge
106 Replacement and Rehabilitation Fund is less than One Million
107 Dollars (\$1,000,000.00); and

108 (c) That such advance crediting of funds be effected by
109 the State Aid Engineer at the time of the approval of the plans
110 and specifications for the proposed projects.

111 It is the intent of this provision to utilize to the fullest
112 practicable extent the balance of monies in the Local System
113 Bridge Replacement and Rehabilitation Fund on hand at all times.

114 **SECTION 3.** Section 65-18-9, Mississippi Code of 1972, is
115 amended as follows:

116 65-18-9. (1) The State Aid Engineer shall allocate annually
117 the amount of the state aid road allocation of a county that is
118 requested by such county for use in the construction,
119 reconstruction and paving of local system roads in the county if
120 the county has met the requirements of this chapter; provided,
121 however, that the State Aid Engineer shall not allocate more than
122 twenty-five percent (25%) of the annual state aid road allocation
123 of a county for such purposes.

124 (2) The State Aid Engineer shall allocate annually the
125 amount of the Local System Bridge Replacement and Rehabilitation
126 Program allocation of a county that is requested by such county
127 for use in the construction, reconstruction and paving of local
128 system roads in the county if:

129 (a) The State Aid Engineer has certified, pursuant to
130 Section 65-37-7, that all the local system bridges within the
131 county have a sufficiency rating of greater than fifty (50) or
132 that all such bridges within the county with a sufficiency rating

133 of fifty (50) or less are currently under contract for replacement
134 or rehabilitation; and

135 (b) The county has met the requirements of this
136 chapter.

137 (3) There is created in the State Treasury a special fund to
138 be designated as the "Local System Road Fund." The fund shall
139 consist of the monies directed to be deposited into the fund under
140 Section 75-76-129 and such other monies as the Legislature may
141 designate for deposit into the fund. The State Aid Engineer shall
142 allocate annually to each county monies in the fund according to
143 state aid road formula under Section 27-65-75(4). Monies
144 allocated to a county under this subsection may be used by a
145 county in the construction, reconstruction and paving of local
146 system roads in the county if the county meets the requirements of
147 this chapter.

148 (4) The State Aid Engineer shall establish specific designs
149 and standards to be followed by such counties in the construction,
150 reconstruction and paving of local system roads. The specific
151 designs and standards shall be based upon policies on geometric
152 design of local rural roads, highways and streets adopted and
153 published by the American Association of State Highway and
154 Transportation Officials.

155 **SECTION 4.** Section 65-18-11, Mississippi Code of 1972, is
156 amended as follows:

157 65-18-11. (1) In order for a county to be eligible to
158 utilize its Local System Bridge Replacement and Rehabilitation
159 Program allocation, any of its state aid road funds, or any of the
160 monies allocated to it from the Local System Road Fund, for the
161 Local System Road Program, a county must meet the following
162 conditions:

163 (a) The county has employed a county engineer, together
164 with such other technical assistance as is necessary to carry out
165 the duties of this chapter, the same as provided under the

166 provisions of Section 65-9-15, for its state aid road system and,
167 through its official minutes, has authorized the county engineer
168 to perform the necessary engineering services connected with the
169 Local System Road Program. The county engineer shall prepare the
170 necessary plans and designs for all construction projects,
171 including state aid projects and projects provided under this
172 chapter. He also shall provide engineering supervision for the
173 construction of such projects and shall approve all estimate
174 payments made on the projects. Engineering cost for any project
175 performed under the Local System Road Program may be paid from any
176 funds allocated to a county under the program; however, the
177 maximum fee paid to an engineer shall not exceed twelve percent
178 (12%) of the final construction cost. No such cost shall be
179 reimbursed to the county before the letting of the project; and

180 (b) The county has presented a plan for the
181 construction, reconstruction and paving of a local system road
182 which plan has been made and approved by the county engineer of
183 the county, showing the specific road or project to be improved,
184 stating the condition of the existing roadbed, drainage and
185 bridges and outlining the type of construction or reconstruction
186 to be made and the designs and specifications therefor, including
187 the paving of the road and the sources of revenue to be used and
188 the sources and types of material to be used thereon. The plan
189 shall be presented to the State Aid Engineer for the initial
190 approval of the beginning of a project to receive monies.

191 (2) After the initial approval of the plan and plans as
192 specified in subsection (1)(b) of this section has been made by
193 the State Aid Engineer, the county shall be eligible to receive
194 all funds made available to the county under the Local System Road
195 Program to be used exclusively for the construction,
196 reconstruction or paving of the local system road. The project
197 may be done either by contract or by using county equipment and
198 employees. It shall be according to the original plan or any

199 amendments thereto which have been approved by the State Aid
200 Engineer. The board may use county equipment and employees if the
201 construction can be accomplished at a more reasonable cost than
202 can be achieved by contract.

203 **SECTION 5.** Section 27-5-101, Mississippi Code of 1972, is
204 amended as follows:

205 **[With regard to any county which is exempt from the**
206 **provisions of Section 19-2-3, this section shall read as follows:]**

207 27-5-101. Unless otherwise provided in this section, on or
208 before the fifteenth day of each month, all gasoline, diesel fuel
209 or kerosene taxes which are levied under the laws of this state
210 and collected during the previous month shall be paid and
211 apportioned by the State Tax Commission as follows:

212 (a) (i) Except as otherwise provided in Section
213 31-17-127, from the gross amount of gasoline, diesel fuel or
214 kerosene taxes produced by the state, there shall be deducted an
215 amount equal to one-sixth (1/6) of principal and interest
216 certified by the State Treasurer to the State Tax Commission to be
217 due on the next semiannual bond and interest payment date, as
218 required under the provisions of Chapter 130, Laws of 1938, and
219 subsequent acts authorizing the issuance of bonds payable from
220 gasoline, diesel fuel or kerosene tax revenue on a parity with the
221 bonds issued under authority of said Chapter 130. The State
222 Treasurer shall certify to the State Tax Commission on or before
223 the fifteenth day of each month the amount to be paid to the
224 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
225 of 1938, and subsequent acts authorizing the issuance of bonds
226 payable from gasoline, diesel fuel or kerosene tax revenue, on a
227 parity with the bonds issued under authority of said Chapter 130;
228 and the State Tax Commission shall, on or before the twenty-fifth
229 day of each month, pay into the State Treasury for credit to the
230 "Highway Bonds Sinking Fund" the amount so certified to him by the
231 State Treasurer due to be paid into such fund each month. The

232 payments to the "Highway Bonds Sinking Fund" shall be made out of
233 gross gasoline, diesel fuel or kerosene tax collections before
234 deductions of any nature are considered; however, such payments
235 shall be deducted from the allocation to the Mississippi
236 Department of Transportation under paragraph (c) of this section.

237 (ii) From collections derived from the portion of
238 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
239 from the portion of the tax on aviation gas under Section 27-55-11
240 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
241 portion of the special fuel tax levied under Sections 27-55-519
242 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
243 Cents (10¢) per gallon, from the portion of the taxes levied under
244 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
245 gallon that exceeds One Cent (1¢) per gallon on special fuel and
246 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
247 as aircraft fuel, from the portion of the excise tax on compressed
248 gas used as a motor fuel that exceeds the rate of tax in effect on
249 June 30, 1987, and from the portion of the gasoline excise tax in
250 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
251 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
252 shall be deducted:

253 1. An amount as provided in Section
254 27-65-75(4) to the credit of a special fund designated as the
255 "Office of State Aid Road Construction."

256 2. An amount equal to the tax collections
257 derived from Two Cents (2¢) per gallon of the gasoline excise tax
258 for distribution to the State Highway Fund to be used exclusively
259 for the construction, reconstruction and maintenance of highways
260 of the State of Mississippi or the payment of interest and
261 principal on bonds when specifically authorized by the Legislature
262 for that purpose.

263 3. The balance shall be deposited in the
264 State Treasury to the credit of the State Highway Fund.

265 (b) Subject to the provisions that said basis of
266 distribution shall in nowise affect adversely the amount
267 specifically pledged in paragraph (a) of this section to be paid
268 into the "Highway Bonds Sinking Fund," the following shall be
269 deducted from the amount produced by the state tax on gasoline,
270 diesel fuel or kerosene tax collections, excluding collections
271 derived from the portion of the gasoline excise tax that exceeds
272 Seven Cents (7¢) per gallon, from the portion of the tax on
273 aviation gas under Section 27-55-11 that exceeds Six and
274 Four-tenths Cents (6.4¢) per gallon, from the portion of the
275 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
276 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
277 gallon, from the portion of the taxes levied under Section
278 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
279 exceeds One Cent (1¢) per gallon on special fuel and Five and
280 One-fourth Cents (5.25¢) per gallon on special fuel used as
281 aircraft fuel, from the portion of the excise tax on compressed
282 gas used as a motor fuel that exceeds the rate of tax in effect on
283 June 30, 1987, and from the portion of the gasoline excise tax in
284 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
285 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

286 (i) Twenty percent (20%) of such amount which
287 shall be earmarked and set aside for the construction,
288 reconstruction and maintenance of the highways and roads of the
289 state, provided that if such twenty percent (20%) should reduce
290 any county to a lesser amount than that received in the fiscal
291 year ending June 30, 1966, then such twenty percent (20%) shall be
292 reduced to a percentage to provide that no county shall receive
293 less than its portion for the fiscal year ending June 30, 1966;

294 (ii) The amount allowed as refund on gasoline or
295 as tax credit on diesel fuel or kerosene used for agricultural,
296 maritime, industrial, domestic, and nonhighway purposes;

297 (iii) Five percent (5%) of such amount shall be
298 paid to the State Highway Fund;

299 (iv) The amount or portion thereof authorized by
300 legislative appropriation to the Fisheries and Wildlife Fund
301 created under Section 59-21-25;

302 (v) The amount for deposit into the special
303 aviation fund under paragraph (d) of this section; and

304 (vi) The remainder shall be divided on a basis of
305 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
306 same basis as Four and One-half Cents (4-1/2¢) and Two and
307 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
308 six and forty-three one-hundredths (6.43) and three and
309 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
310 fuel or kerosene). The amount produced by the nine-fourteenths
311 (9/14) division shall be allocated to the Transportation
312 Department and paid into the State Treasury as provided in this
313 section and in Section 27-5-103 and the five-fourteenths (5/14)
314 division shall be returned to the counties of the state on the
315 following basis:

316 1. In each fiscal year, each county shall be
317 paid each month the same percentage of the monthly total to be
318 distributed as was paid to that county during the same month in
319 the fiscal year which ended April 9, 1960, until the county
320 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
321 fiscal year, at which time funds shall be distributed under the
322 provisions of paragraph (b)(vi)4 of this section.

323 2. If after payments in 1 above, any county
324 has not received a total of One Hundred Ninety Thousand Dollars
325 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
326 and each fiscal year thereafter, then any available funds not
327 distributed under 1 above shall be used to bring such county or
328 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
329 or such funds shall be divided equally among such counties not

330 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
331 there is not sufficient money to bring all the counties to said
332 One Hundred Ninety Thousand Dollars (\$190,000.00).

333 3. When a county has been paid an amount
334 equal to the total which was paid to the same county during the
335 fiscal year ended April 9, 1960, such county shall receive no
336 further payments during the then current fiscal year until the
337 last month of such current fiscal year, at which time distribution
338 will be made under 2 above, except as set out in 4 below.

339 4. During the last month of the current
340 fiscal year, should it be determined that there are funds
341 available in excess of the amount distributed for the year under 1
342 and 2 above, then such excess funds shall be distributed among the
343 various counties as follows:

344 One-third (1/3) of such excess to be
345 divided equally among the counties;

346 One-third (1/3) of such excess to be paid
347 to the counties in the proportion which the population of each
348 county bears to the total population of the state according to the
349 last federal census;

350 One-third (1/3) of such excess to be paid
351 to the counties in the proportion which the number of square miles
352 of each county bears to the total square miles in the state.

353 5. It is the declared purpose and intent of
354 the Legislature that no county shall be paid less than was paid
355 during the year ended April 9, 1960, unless the amount to be
356 distributed to all counties in any year is less than the amount
357 distributed to all counties during the year ended April 9, 1960.

358 The Municipal Aid Fund as established by Section 27-5-103
359 shall not participate in any portion of any funds allocated to any
360 county hereunder over and above One Hundred Ninety Thousand
361 Dollars (\$190,000.00).

362 In any county having countywide road or bridge bonds, or
363 supervisors district or district road or bridge bonds outstanding,
364 which exceed, in the aggregate, twelve percent (12%) of the
365 assessed valuation of the taxable property of the county or
366 district, it shall be the duty of the board of supervisors to set
367 aside not less than sixty percent (60%) of such county's share or
368 district's share of the gasoline, diesel fuel or kerosene taxes to
369 be used in paying the principal and interest on such road or
370 bridge bonds as they mature.

371 In any county having such countywide road or bridge bonds or
372 district road or bridge bonds outstanding which exceed, in the
373 aggregate, eight percent (8%) of the assessed valuation of the
374 taxable property of the county, but which do not exceed, in the
375 aggregate, twelve percent (12%) of the assessed valuation of the
376 taxable property of the county, it shall be the duty of the board
377 of supervisors to set aside not less than thirty-five percent
378 (35%) of such county's share of the gasoline, diesel fuel or
379 kerosene taxes to be used in paying the principal and interest of
380 such road or bridge bonds as they mature.

381 In any county having such countywide road or bridge bonds or
382 district road or bridge bonds outstanding which exceed, in the
383 aggregate, five percent (5%) of the assessed valuation of the
384 taxable property of the county, but which do not exceed, in the
385 aggregate, eight percent (8%) of the assessed valuation of the
386 taxable property of the county, it shall be the duty of the board
387 of supervisors to set aside not less than twenty percent (20%) of
388 such county's share of the gasoline, diesel fuel or kerosene taxes
389 to be used in paying the principal and interest of such road and
390 bridge bonds as they mature.

391 In any county having such countywide road or bridge bonds or
392 district road or bridge bonds outstanding which do not exceed, in
393 the aggregate, five percent (5%) of the assessed valuation of the
394 taxable property of the county, it shall be the duty of the board

395 of supervisors to set aside not less than ten percent (10%) of
396 such county's share of the gasoline, diesel fuel or kerosene taxes
397 to be used in paying the principal and interest on such road or
398 bridge bonds as they mature.

399 The portion of any such county's share of the gasoline,
400 diesel fuel or kerosene taxes thus set aside for the payment of
401 the principal and interest of road or bridge bonds, as provided
402 for in this section, shall be used first in paying the currently
403 maturing installments of the principal and interest of such
404 countywide road or bridge bonds, if there be any such countywide
405 road or bridge bonds outstanding, and secondly, in paying the
406 currently maturing installments of principal and interest of
407 district road or bridge bonds outstanding. It shall be the duty
408 of the board of supervisors to pay bonds and interest maturing in
409 each supervisors district out of the supervisors district's share
410 of the gasoline, diesel fuel or kerosene taxes of such district.

411 The remaining portion of such county's share of the gasoline,
412 diesel fuel or kerosene taxes, after setting aside the portion
413 above provided for the payment of the principal and interest of
414 bonds, shall be used in the construction and maintenance of any
415 public highways, bridges, or culverts of the county, including the
416 roads in special or separate road districts, in the discretion of
417 the board of supervisors, or in paying the interest and principal
418 of county road and bridge bonds or district road and bridge bonds,
419 in the discretion of the board of supervisors.

420 In any county having no countywide road or bridge bonds or
421 district road or bridge bonds outstanding, all such county's share
422 of the gasoline, diesel fuel or kerosene taxes shall be used in
423 the construction, reconstruction, and maintenance of the public
424 highways, bridges, or culverts of the county as the board of
425 supervisors may determine.

426 In every county in which there are county road bonds or
427 seawall or road protection bonds outstanding which were issued for

428 the purpose of building bridges or constructing public roads or
429 seawalls, such funds shall be used in the manner provided by law.

430 (c) From the amount produced by the nine-fourteenths
431 (9/14) division allocated to the Transportation Department, there
432 shall be deducted:

433 (i) The amount paid to the State Treasurer for the
434 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

435 (ii) Any amounts due counties in accordance with
436 Section 65-33-45 which have outstanding bonds issued for seawall
437 or road protection purposes, issued under provisions of Chapter
438 319, Laws of 1924, and amendments thereto;

439 * * *

440 (iii) Except as otherwise provided in Section
441 31-17-127, the remainder shall be paid by the State Tax Commission
442 to the State Treasurer on the fifteenth day of each month next
443 succeeding the month in which the gasoline, diesel fuel or
444 kerosene taxes were collected to the credit of the State Highway
445 Fund.

446 The funds allocated for the construction, reconstruction, and
447 improvement of state highways, bridges, and culverts, or so much
448 thereof as may be necessary, shall first be used in conjunction
449 with funds supplied by the federal government for such purposes
450 and allocated to the State Transportation Department to be
451 expended on the state highway system. It is specifically provided
452 hereby that the necessary portion of such funds hereinabove
453 allocated to the State Transportation Department may be used for
454 the prompt payment of principal and interest on highway bonds
455 heretofore issued, including such bonds issued or to be issued
456 under the provisions of Chapter 312, Laws of 1956, and amendments
457 thereto.

458 Nothing contained in this section shall be construed to
459 reduce the amount of such gasoline, diesel fuel or kerosene excise
460 taxes levied by the state, allotted under the provisions of Title

461 65, Chapter 33, Mississippi Code of 1972, to counties in which
462 there are outstanding bonds issued for seawall or road protection
463 purposes issued under the provisions of Chapter 319, Laws of 1924,
464 and amendments thereto; the amount of said gasoline, diesel fuel
465 or kerosene excise taxes designated in this section for the
466 payment of bonds and interest authorized and issued or to be
467 issued under the provisions of Chapter 130, Laws of 1938, and
468 subsequent acts authorizing the issuance of bonds payable from
469 gasoline, diesel fuel or kerosene tax revenue, shall, in such
470 counties, be considered as being paid "into the State Treasury to
471 the credit of the State Highway Fund" within the meaning of
472 Section 65-33-45 in computing the amount to be paid to such
473 counties under the provisions of said section, and this section
474 shall be administered in connection with Title 65, Chapter 33,
475 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
476 65-33-49 dealing with seawalls, as if made a part of this section.

477 (d) The proceeds of the Five and One-fourth Cents
478 (5.25¢) of the tax per gallon on oils used as a propellant for jet
479 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
480 per gallon on aviation gasoline and the tax of One Cent (1¢) per
481 gallon for each gallon of gasoline for which a refund has been
482 made pursuant to Section 27-55-23 because such gasoline was used
483 for aviation purposes, shall be paid to the State Treasury into a
484 special fund to be used exclusively, pursuant to legislative
485 appropriation, for the support and development of aeronautics as
486 defined in Section 61-1-3.

487 (e) State highway funds in an amount equal to the
488 difference between Forty-two Million Dollars (\$42,000,000.00) and
489 the annual debt service payable on the state's highway revenue
490 refunding bonds, Series 1985, shall be expended for the
491 construction or reconstruction of highways designated under the
492 highway program created under Section 65-3-97.

493 (f) "Gasoline, diesel fuel or kerosene taxes" as used
494 in this section shall be deemed to mean and include state
495 gasoline, diesel fuel or kerosene taxes levied and imposed on
496 distributors of gasoline, diesel fuel or kerosene, and all state
497 excise taxes derived from any fuel used to propel vehicles upon
498 the highways of this state, when levied by any statute.

499 **[With regard to any county which is required to operate on a**
500 **countywide system of road administration as described in Section**
501 **19-2-3, this section shall read as follows:]**

502 27-5-101. Unless otherwise provided in this section, on or
503 before the fifteenth day of each month, all gasoline, diesel fuel
504 or kerosene taxes which are levied under the laws of this state
505 and collected during the previous month shall be paid and
506 apportioned by the State Tax Commission as follows:

507 (a) (i) Except as otherwise provided in Section
508 31-17-127, from the gross amount of gasoline, diesel fuel or
509 kerosene taxes produced by the state, there shall be deducted an
510 amount equal to one-sixth (1/6) of principal and interest
511 certified by the State Treasurer to the State Tax Commission to be
512 due on the next semiannual bond and interest payment date, as
513 required under the provisions of Chapter 130, Laws of 1938, and
514 subsequent acts authorizing the issuance of bonds payable from
515 gasoline, diesel fuel or kerosene tax revenue on a parity with the
516 bonds issued under authority of said Chapter 130. The State
517 Treasurer shall certify to the State Tax Commission on or before
518 the fifteenth day of each month the amount to be paid to the
519 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
520 of 1938, and subsequent acts authorizing the issuance of bonds
521 payable from gasoline, diesel fuel or kerosene tax revenue, on a
522 parity with the bonds issued under authority of said Chapter 130;
523 and the State Tax Commission shall, on or before the twenty-fifth
524 day of each month, pay into the State Treasury for credit to the
525 "Highway Bonds Sinking Fund" the amount so certified to him by the

526 State Treasurer due to be paid into such fund each month. The
527 payments to the "Highway Bonds Sinking Fund" shall be made out of
528 gross gasoline, diesel fuel or kerosene tax collections before
529 deductions of any nature are considered; however, such payments
530 shall be deducted from the allocation to the Transportation
531 Department under paragraph (c) of this section.

532 (ii) From collections derived from the portion of
533 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
534 from the portion of the tax on aviation gas under Section 27-55-11
535 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
536 portion of the special fuel tax levied under Sections 27-55-519
537 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
538 Cents (10¢) per gallon, from the portion of the taxes levied under
539 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
540 gallon that exceeds One Cent (1¢) per gallon on special fuel and
541 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
542 as aircraft fuel, from the portion of the excise tax on compressed
543 gas used as a motor fuel that exceeds the rate of tax in effect on
544 June 30, 1987, and from the portion of the gasoline excise tax in
545 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
546 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
547 shall be deducted:

548 1. An amount as provided in Section
549 27-65-75(4) to the credit of a special fund designated as the
550 "Office of State Aid Road Construction."

551 2. An amount equal to the tax collections
552 derived from Two Cents (2¢) per gallon of the gasoline excise tax
553 for distribution to the State Highway Fund to be used exclusively
554 for the construction, reconstruction and maintenance of highways
555 of the State of Mississippi or the payment of interest and
556 principal on bonds when specifically authorized by the Legislature
557 for that purpose.

558 3. The balance shall be deposited in the
559 State Treasury to the credit of the State Highway Fund.

560 (b) Subject to the provisions that said basis of
561 distribution shall in nowise affect adversely the amount
562 specifically pledged in paragraph (a) of this section to be paid
563 into the "Highway Bonds Sinking Fund," the following shall be
564 deducted from the amount produced by the state tax on gasoline,
565 diesel fuel or kerosene tax collections, excluding collections
566 derived from the portion of the gasoline excise tax that exceeds
567 Seven Cents (7¢) per gallon, from the portion of the tax on
568 aviation gas under Section 27-55-11 that exceeds Six and
569 Four-tenths Cents (6.4¢) per gallon, from the portion of the
570 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
571 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
572 gallon, from the portion of the taxes levied under Section
573 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
574 One Cent (1¢) per gallon on special fuel and Five and One-fourth
575 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
576 from the portion of the excise tax on compressed gas used as a
577 motor fuel that exceeds the rate of tax in effect on June 30,
578 1987, and from the portion of the gasoline excise tax in excess of
579 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
580 Ten Cents (10¢) per gallon under Section 27-61-5:

581 (i) Twenty percent (20%) of such amount which
582 shall be earmarked and set aside for the construction,
583 reconstruction and maintenance of the highways and roads of the
584 state, provided that if such twenty percent (20%) should reduce
585 any county to a lesser amount than that received in the fiscal
586 year ending June 30, 1966, then such twenty percent (20%) shall be
587 reduced to a percentage to provide that no county shall receive
588 less than its portion for the fiscal year ending June 30, 1966;

589 (ii) The amount allowed as refund on gasoline or
590 as tax credit on diesel fuel or kerosene used for agricultural,
591 maritime, industrial, domestic and nonhighway purposes;

592 (iii) Five percent (5%) of such amount shall be
593 paid to the State Highway Fund;

594 (iv) The amount or portion thereof authorized by
595 legislative appropriation to the Fisheries and Wildlife Fund
596 created under Section 59-21-25;

597 (v) The amount for deposit into the special
598 aviation fund under paragraph (d) of this section; and

599 (vi) The remainder shall be divided on a basis of
600 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
601 same basis as Four and One-half Cents (4-1/2¢) and Two and
602 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
603 six and forty-three one-hundredths (6.43) and three and
604 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
605 fuel or kerosene). The amount produced by the nine-fourteenths
606 (9/14) division shall be allocated to the Transportation
607 Department and paid into the State Treasury as provided in this
608 section and in Section 27-5-103 and the five-fourteenths (5/14)
609 division shall be returned to the counties of the state on the
610 following basis:

611 1. In each fiscal year, each county shall be
612 paid each month the same percentage of the monthly total to be
613 distributed as was paid to that county during the same month in
614 the fiscal year which ended April 9, 1960, until the county
615 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
616 fiscal year, at which time funds shall be distributed under the
617 provisions of paragraph (b)(vi)4 of this section.

618 2. If after payments in 1 above, any county
619 has not received a total of One Hundred Ninety Thousand Dollars
620 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
621 and each fiscal year thereafter, then any available funds not

622 distributed under 1 above shall be used to bring such county or
623 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
624 or such funds shall be divided equally among such counties not
625 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
626 there is not sufficient money to bring all the counties to said
627 One Hundred Ninety Thousand Dollars (\$190,000.00).

628 3. When a county has been paid an amount
629 equal to the total which was paid to the same county during the
630 fiscal year ended April 9, 1960, such county shall receive no
631 further payments during the then current fiscal year until the
632 last month of such current fiscal year, at which time distribution
633 will be made under 2 above, except as set out in 4 below.

634 4. During the last month of the current
635 fiscal year, should it be determined that there are funds
636 available in excess of the amount distributed for the year under 1
637 and 2 above, then such excess funds shall be distributed among the
638 various counties as follows:

639 One-third (1/3) of such excess to be
640 divided equally among the counties;

641 One-third (1/3) of such excess to be paid
642 to the counties in the proportion which the population of each
643 county bears to the total population of the state according to the
644 last federal census;

645 One-third (1/3) of such excess to be paid
646 to the counties in the proportion which the number of square miles
647 of each county bears to the total square miles in the state.

648 5. It is the declared purpose and intent of
649 the Legislature that no county shall be paid less than was paid
650 during the year ended April 9, 1960, unless the amount to be
651 distributed to all counties in any year is less than the amount
652 distributed to all counties during the year ended April 9, 1960.

653 The Municipal Aid Fund as established by Section 27-5-103
654 shall not participate in any portion of any funds allocated to any

655 county hereunder over and above One Hundred Ninety Thousand
656 Dollars (\$190,000.00).

657 In any county having road or bridge bonds outstanding which
658 exceed, in the aggregate, twelve percent (12%) of the assessed
659 valuation of the taxable property of the county, it shall be the
660 duty of the board of supervisors to set aside not less than sixty
661 percent (60%) of such county's share of the gasoline, diesel fuel
662 or kerosene taxes to be used in paying the principal and interest
663 on such road or bridge bonds as they mature.

664 In any county having such road or bridge bonds outstanding
665 which exceed, in the aggregate, eight percent (8%) of the assessed
666 valuation of the taxable property of the county, but which do not
667 exceed, in the aggregate, twelve percent (12%) of the assessed
668 valuation of the taxable property of the county, it shall be the
669 duty of the board of supervisors to set aside not less than
670 thirty-five percent (35%) of such county's share of the gasoline,
671 diesel fuel or kerosene taxes to be used in paying the principal
672 and interest of such road or bridge bonds as they mature.

673 In any county having such road or bridge bonds outstanding
674 which exceed, in the aggregate, five percent (5%) of the assessed
675 valuation of the taxable property of the county, but which do not
676 exceed, in the aggregate, eight percent (8%) of the assessed
677 valuation of the taxable property of the county, it shall be the
678 duty of the board of supervisors to set aside not less than twenty
679 percent (20%) of such county's share of the gasoline, diesel fuel
680 or kerosene taxes to be used in paying the principal and interest
681 of such road and bridge bonds as they mature.

682 In any county having such road or bridge bonds outstanding
683 which do not exceed, in the aggregate, five percent (5%) of the
684 assessed valuation of the taxable property of the county, it shall
685 be the duty of the board of supervisors to set aside not less than
686 ten percent (10%) of such county's share of the gasoline, diesel

687 fuel or kerosene taxes to be used in paying the principal and
688 interest on such road or bridge bonds as they mature.

689 The portion of any such county's share of the gasoline,
690 diesel fuel or kerosene taxes thus set aside for the payment of
691 the principal and interest of road or bridge bonds, as provided
692 for in this section, shall be used in paying the currently
693 maturing installments of the principal and interest of such road
694 or bridge bonds, if there be any such road or bridge bonds
695 outstanding.

696 The remaining portion of such county's share of the gasoline,
697 diesel fuel or kerosene taxes, after setting aside the portion
698 above provided for the payment of the principal and interest of
699 bonds, shall be used in the construction and maintenance of any
700 public highways, bridges or culverts of the county, in the
701 discretion of the board of supervisors.

702 In any county having no road or bridge bonds outstanding, all
703 such county's share of the gasoline, diesel fuel or kerosene taxes
704 shall be used in the construction, reconstruction and maintenance
705 of the public highways, bridges or culverts of the county, as the
706 board of supervisors may determine.

707 In every county in which there are county road bonds or
708 seawall or road protection bonds outstanding which were issued for
709 the purpose of building bridges or constructing public roads or
710 seawalls, such funds shall be used in the manner provided by law.

711 (c) From the amount produced by the nine-fourteenths
712 (9/14) division allocated to the Transportation Department, there
713 shall be deducted:

714 (i) The amount paid to the State Treasurer for the
715 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

716 (ii) Any amounts due counties in accordance with
717 Section 65-33-45 which have outstanding bonds issued for seawall
718 or road protection purposes, issued under provisions of Chapter
719 319, Laws of 1924, and amendments thereto; and

720 * * *

721 (iii) Except as otherwise provided in Section
722 31-17-127, the remainder shall be paid by the State Tax Commission
723 to the State Treasurer on the fifteenth day of each month next
724 succeeding the month in which the gasoline, diesel fuel or
725 kerosene taxes were collected to the credit of the State Highway
726 Fund.

727 The funds allocated for the construction, reconstruction and
728 improvement of state highways, bridges and culverts, or so much
729 thereof as may be necessary, shall first be used in conjunction
730 with funds supplied by the federal government for such purposes
731 and allocated to the Transportation Department to be expended on
732 the state highway system. It is specifically provided hereby that
733 the necessary portion of such funds hereinabove allocated to the
734 Transportation Department may be used for the prompt payment of
735 principal and interest on highway bonds heretofore issued,
736 including such bonds issued or to be issued under the provisions
737 of Chapter 312, Laws of 1956, and amendments thereto.

738 Nothing contained in this section shall be construed to
739 reduce the amount of such gasoline, diesel fuel or kerosene excise
740 taxes levied by the state, allotted under the provisions of Title
741 65, Chapter 33, Mississippi Code of 1972, to counties in which
742 there are outstanding bonds issued for seawall or road protection
743 purposes issued under the provisions of Chapter 319, Laws of 1924,
744 and amendments thereto; the amount of said gasoline, diesel fuel
745 or kerosene excise taxes designated in this section for the
746 payment of bonds and interest authorized and issued or to be
747 issued under the provisions of Chapter 130, Laws of 1938, and
748 subsequent acts authorizing the issuance of bonds payable from
749 gasoline, diesel fuel or kerosene tax revenue, shall, in such
750 counties, be considered as being paid "into the State Treasury to
751 the credit of the State Highway Fund" within the meaning of
752 Section 65-33-45 in computing the amount to be paid to such

753 counties under the provisions of said section, and this section
754 shall be administered in connection with Title 65, Chapter 33,
755 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
756 65-33-49 dealing with seawalls, as if made a part of this section.

757 (d) The proceeds of the Five and One-fourth Cents
758 (5.25¢) of the tax per gallon on oils used as a propellant for jet
759 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
760 per gallon on aviation gasoline and the tax of One Cent (1¢) per
761 gallon for each gallon of gasoline for which a refund has been
762 made pursuant to Section 27-55-23 because such gasoline was used
763 for aviation purposes, shall be paid to the State Treasury into a
764 special fund to be used exclusively, pursuant to legislative
765 appropriation, for the support and development of aeronautics as
766 defined in Section 61-1-3.

767 (e) State highway funds in an amount equal to the
768 difference between Forty-two Million Dollars (\$42,000,000.00) and
769 the annual debt service payable on the state's highway revenue
770 refunding bonds, Series 1985, shall be expended for the
771 construction or reconstruction of highways designated under the
772 highway program created under Section 65-3-97.

773 (f) "Gasoline, diesel fuel or kerosene taxes" as used
774 in this section shall be deemed to mean and include state
775 gasoline, diesel fuel or kerosene taxes levied and imposed on
776 distributors of gasoline, diesel fuel or kerosene, and all state
777 excise taxes derived from any fuel used to propel vehicles upon
778 the highways of this state, when levied by any statute.

779 **SECTION 6.** This act shall take effect and be in force from
780 and after July 1, 2005.