

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**House Bill No. 43**

**BY: Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

65           **SECTION 1.** Section 31-17-123, Mississippi Code of 1972, is  
66 amended as follows:

67           31-17-123. (1) The intent of the Legislature is to  
68 authorize borrowing funds under the provisions of Sections  
69 31-17-101 through 31-17-123 to offset any temporary cash flow  
70 deficiencies and should not be construed to authorize the  
71 borrowing of any funds in an amount that cannot be repaid during  
72 the fiscal year in which the funds are borrowed.

73           (2) (a) Notwithstanding any provision of this chapter to  
74 the contrary, in the event that the State Fiscal Officer and the  
75 State Treasurer make a determination that (i) state-source special  
76 funds are not sufficient to cover deficiencies in the General  
77 Fund, (ii) the State of Mississippi is unable to repay special  
78 fund borrowing within the fiscal year in which it was borrowed, or  
79 (iii) state-source funds are insufficient for disaster support  
80 and/or assistance purposes due to Hurricanes Katrina and/or Rita;  
81 and that the State Bond Commission makes a determination that such  
82 deficiency, inability to repay, or insufficiency is the result of  
83 a state of emergency within the State of Mississippi, the State

84 Bond Commission is authorized to obtain a line of credit, in an  
85 amount not to exceed Five Hundred Million Dollars  
86 (\$500,000,000.00), from a commercial lender, investment banking  
87 group or a consortium of either, or both. The length of  
88 indebtedness under this subsection shall not extend past three (3)  
89 years following the origination of the line of credit. The line  
90 of credit shall be authorized and approved by the State Bond  
91 Commission and shall have such terms and details as may be  
92 provided by resolution of the State Bond Commission. Loan  
93 proceeds shall be received and disbursed by the State Treasurer  
94 and deposited into the Disaster Recovery Fund, a special fund  
95 hereby created in the State Treasury, and shall be used to cover  
96 deficiencies in the General Fund, to repay special fund borrowing  
97 and/or to cover any insufficiency in disaster support and/or  
98 assistance. Monies remaining in the Disaster Recovery Fund at the  
99 end of a fiscal year shall not lapse into the State General Fund,  
100 but shall remain in the Disaster Recovery Fund.

101 (b) As security for the repayment of the principal and  
102 interest on the line of credit provided for in paragraph (a) of  
103 this subsection, the full faith, credit and resources of the State  
104 of Mississippi are hereby irrevocably pledged.

105 (c) Upon approval of the State Fiscal Officer, the  
106 Director of the Mississippi Emergency Management Agency is  
107 authorized to use amounts from the line of credit to match federal  
108 funds, and for personnel, call-back wages, base and overtime  
109 wages, travel, per diem and other out-of-pocket expenses incurred  
110 as a result of Hurricanes Katrina and/or Rita.

111 (d) This subsection (2) shall be complete authority for  
112 the borrowing authorized hereunder and shall not be subject to the  
113 limitations provided in the other provisions of this chapter or  
114 otherwise under state law.

115           (e) The State Treasurer shall notify the Legislative  
116 Budget Office and the State Department of Finance and  
117 Administration of each transfer into and out of the Disaster  
118 Recovery Fund on a quarterly basis.

119           **SECTION 2.** Section 27-104-13, Mississippi Code of 1972, is  
120 amended as follows:

121           27-104-13. (1) The State Fiscal Officer may disapprove or  
122 reduce and revise the estimates of general funds and state-source  
123 special funds for any general fund or special fund agency and for  
124 the "administration and other expenses" budget of the Mississippi  
125 Department of Transportation, in an amount not to exceed five  
126 percent (5%), if at any time he finds that funds will not be  
127 available within the period for which the budget is drawn, or if  
128 at any time he finds that the requested expenditures, or any part  
129 thereof, are not authorized by law, and that action shall be  
130 reported to the Legislative Budget Office.

131           The State Fiscal Officer may, upon his determination of need  
132 based upon a finding that funds will not be available within the  
133 period for which the budget is drawn, transfer funds as provided  
134 in Section 27-103-203, from the Working Cash-Stabilization Reserve  
135 Fund to the General Fund to supplement the general fund revenue.

136           If the estimates of general funds and state-source special  
137 funds of all general fund and special fund agencies and of the  
138 "administration and other expenses" budget of the Mississippi  
139 Department of Transportation have been reduced by five percent  
140 (5%), additional reductions may be made, but shall consist of a  
141 uniform percentage reduction of general funds and state-source  
142 special funds to all general fund and special fund agencies and to  
143 the "administration and other expenses" budget of the Mississippi  
144 Department of Transportation.

145           Any state-source special funds reduced under the provisions  
146 of this subsection (1) shall be transferred to the State General

147 Fund upon requisitions for warrants signed by the respective  
148 agency head, and the transfer shall be made within a reasonable  
149 period to be determined by the State Fiscal Officer.

150 (2) The State Tax Commission and University Research Center,  
151 utilizing all available revenue forecast data, shall annually  
152 develop a general fund revenue estimate to be adopted by the  
153 Legislative Budget Office as of the date of sine die adjournment.

154 If, at the end of October, or at the end of any month  
155 thereafter of any fiscal year, the revenues received for the  
156 fiscal year fall below ninety-eight percent (98%) of the  
157 Legislative Budget Office general fund revenue estimate at the  
158 date of sine die adjournment, the State Fiscal Officer shall  
159 reduce allocations of general funds and state-source special funds  
160 to general fund and special fund agencies and to the  
161 "administration and other expenses" budget of the Mississippi  
162 Department of Transportation, in an amount necessary to keep  
163 expenditures within the sum of actual general fund receipts,  
164 including any transfers to the General Fund from the Working  
165 Cash-Stabilization Reserve Fund for the fiscal year.

166 The State Fiscal Officer may, upon his determination of need  
167 based on the revenue shortfall, transfer funds as provided in  
168 Section 27-103-203 from the Working Cash-Stabilization Reserve  
169 Fund to the General Fund to supplement the general fund revenue.  
170 State-source special funds in an amount equal to any reduction  
171 made under the provisions of this subsection (2) shall be  
172 transferred to the State General Fund upon requisitions for  
173 warrants signed by the respective agency head, and the transfer  
174 shall be made within a reasonable period to be determined by the  
175 State Fiscal Officer.

176 No agency's allocation shall be reduced in an amount to  
177 exceed five percent (5%); however, if the allocations of general  
178 funds and state-source special funds to all general fund and

179 special fund agencies and to the "administration and other  
180 expenses" budget of the Mississippi Department of Transportation  
181 have been reduced by five percent (5%), any additional reductions  
182 required to be made under this subsection (2) shall consist of a  
183 uniform percentage reduction of general funds and state-source  
184 special funds to all general fund and special fund agencies and to  
185 the "administration and other expenses" budget of the Mississippi  
186 Department of Transportation. Any receipt from loans authorized  
187 by Sections 31-17-101 through 31-17-123 shall not be included as  
188 revenue receipts.

189 The State Fiscal Officer shall immediately send notice of any  
190 action taken under authority of this subsection (2) to the  
191 Legislative Budget Office.

192 The provisions of this subsection (2) requiring the State  
193 Fiscal Officer to reduce allocations of general funds and  
194 state-source special funds to general fund and special fund  
195 agencies and to the "administration and other expenses" budget of  
196 the Mississippi Department of Transportation shall be suspended  
197 during the period from the effective date of this act through June  
198 30, 2006.

199 (3) For the purpose of this section, the term "state-source  
200 special funds" means any special funds in any agency derived from  
201 any source, but shall not include the following special funds:  
202 special funds derived from federal sources, from local or regional  
203 political subdivisions, from agricultural commodity assessments,  
204 or from donations; special funds held in a fiduciary capacity for  
205 the benefit of specific persons or classes of persons;  
206 self-generated special funds of the state institutions of higher  
207 learning or the state community or junior colleges; special funds  
208 of Mississippi Industries for the Blind, the State Port at  
209 Gulfport, Yellow Creek Inland Port, Pat Harrison Waterway  
210 District, Pearl River Basin Development District, Pearl River

211 Valley Water Management District, Tombigbee River Valley Water  
212 Management District, Yellow Creek Watershed Authority, or Coast  
213 Coliseum Commission; special funds of the Department of Wildlife,  
214 Fisheries and Parks derived from the issuance of hunting or  
215 fishing licenses; and special funds generated by agencies whose  
216 primary function includes the establishment of standards and the  
217 issuance of licenses for the practice of a profession within the  
218 State of Mississippi.

219       **SECTION 3.** (1) (a) There is established an emergency aid  
220 to local governments loan program to be administered by the  
221 Department of Finance and Administration, referred to in this  
222 section as "department," for the purpose of assisting counties,  
223 incorporated municipalities and public school districts that  
224 suffer revenue losses as a result of a natural disaster for which  
225 a state of emergency has been duly proclaimed. Loan proceeds  
226 distributed to counties, incorporated municipalities and public  
227 school districts shall be considered to be, and shall be utilized  
228 by recipient in the same manner as, governmental, enterprise or  
229 internal service fund type revenues, specifically for essential  
230 government services.

231           (b) The department may contract for facilities and  
232 staff needed to administer this section, including routine  
233 management, as it deems necessary. The department may advertise  
234 for or solicit proposals from public or private sources, or both,  
235 for administration of this section or any services required for  
236 administration of this section or any portion thereof. It is the  
237 intent of the Legislature that the department endeavor to ensure  
238 that the costs of administration of this section are as low as  
239 possible.

240       (2) (a) There is created a special fund in the State  
241 Treasury to be designated as the "Emergency Aid to Local  
242 Governments Fund," referred to in this section as "fund," which

243 fund shall consist of money transferred from the Disaster Recovery  
244 Fund created in Section 31-17-123 and money designated for deposit  
245 therein from any other source, public or private, including, but  
246 not limited to, appropriations, bond proceeds, grants, gifts or  
247 donations. The fund shall be credited with all repayments of  
248 principal and interest derived from loans made from the fund.  
249 Unexpended amounts remaining in the fund at the end of a fiscal  
250 year shall not lapse into the State General Fund, and any interest  
251 earned on amounts in the fund shall be deposited to the credit of  
252 the State General Fund. Monies in the fund may not be used or  
253 expended for any purpose except as authorized under this section.

254 (b) The department shall establish a loan program by  
255 which loans may be made available to counties, incorporated  
256 municipalities and public school districts, to assist those  
257 counties, incorporated municipalities and public school districts.  
258 Any governmental entity in the current fiscal year that  
259 demonstrates a projected revenue loss equal to or exceeding  
260 one-half (1/2) of its governmental fund type revenues in the  
261 fiscal year prior to the occurrence of the natural disaster  
262 eligible under this section may qualify for a loan. The interest  
263 rate on loans made under this section may vary from time to time  
264 and from loan to loan, and shall be at or below market interest  
265 rates as determined by the department. The department shall act  
266 as quickly as is practicable and prudent in deciding on any loan  
267 request that it receives. No loan shall be granted under this  
268 section unless the county, municipality or public school district  
269 requesting the loan has exhausted all other available public or  
270 private programs to obtain funds for the revenue loss that it is  
271 projected to suffer. Such public or private programs shall  
272 include, but not be limited to, loans, grants and donations.

273 (c) The aggregate amount of any loans received under  
274 this section by a county, incorporated municipality or public

275 school district shall not exceed one hundred percent (100%) of the  
276 difference between the revenue received by a county, incorporated  
277 municipality or public school district from governmental fund type  
278 revenues that are used to fund essential services in the fiscal  
279 year prior to the occurrence of the natural disaster and the  
280 estimated revenue from such sources after the occurrence of the  
281 natural disaster plus available cash reserves or fund balances at  
282 the fiscal year end, as determined by the department. The State  
283 Bond Commission shall set the maximum amount of any loan made  
284 under this section at an amount that will ensure the equitable  
285 distribution of the amounts available for loans to the eligible  
286 governmental entities affected by the natural disaster.

287 (d) A county or public school district that receives a  
288 loan from the fund shall pledge for repayment of the loan any part  
289 of the homestead exemption annual tax loss reimbursement to which  
290 it may be entitled under Section 27-33-77, as may be required by  
291 the department. An incorporated municipality that receives a loan  
292 from the fund or the emergency fund shall pledge for repayment of  
293 the loan any part of the sales tax revenue distribution to which  
294 it may be entitled under Section 27-65-75 or any part of the  
295 homestead exemption annual tax loss reimbursement to which it may  
296 be entitled under Section 27-33-77, as may be required by the  
297 department. All recipients of such loans shall establish a  
298 dedicated source of revenue for repayment of the loan. Before any  
299 county, incorporated municipality or public school district shall  
300 receive any loan, it shall have executed with the department a  
301 loan agreement evidencing that loan, a copy of which shall be  
302 filed by the department with the State Tax Commission. The loan  
303 agreement shall not be construed to prohibit any recipient from  
304 prepaying any part or all of the funds received. The repayment  
305 schedule in each loan agreement shall provide for (i) monthly  
306 payments, (ii) semiannual payments or (iii) other periodic



307 payments. The loan agreement shall provide for the repayment of  
308 all funds received from the fund within not more than three (3)  
309 years. The State Tax Commission shall, at the direction of the  
310 department, withhold semiannually from counties, incorporated  
311 municipalities and public school districts and monthly from  
312 incorporated municipalities, from the amount to be remitted to the  
313 county, municipality or public school district, the sum necessary  
314 to pay all or a portion of the periodic payments for the loan.

315 (e) Any county, incorporated municipality or public  
316 school district which receives a loan from the state for that  
317 purpose but which is not eligible to pledge for repayment under  
318 the provisions of paragraph (d) of this subsection, shall repay  
319 that loan by making payments each month to the State Treasurer  
320 through the Department of Finance and Administration for and on  
321 behalf of the department according to Section 7-7-15, to be  
322 credited to the fund in lieu of pledging homestead exemption  
323 annual tax loss reimbursement or sales tax revenue distribution.

324 Loan repayments shall be according to a repayment schedule  
325 contained in each loan agreement as provided in paragraph (d) of  
326 this subsection.

327 (f) Evidences of indebtedness which are issued pursuant  
328 to this act shall not be deemed indebtedness within the meaning  
329 specified in Section 21-33-303 with regard to cities and  
330 incorporated towns, in Section 19-9-5 with regard to counties and  
331 in Section 37-59-5 with regard to public school districts.

332 (g) The State Auditor, upon request of the department,  
333 shall audit the receipts and expenditures of a county, an  
334 incorporated municipality or a public school district if loan  
335 repayments appear to be in arrears, and if the Auditor finds that  
336 the county, incorporated municipality or public school district is  
337 in arrears in those repayments, the Auditor shall immediately  
338 notify the executive director of the department who may take any

339 action as may be necessary to enforce the terms of the loan  
340 agreement, including liquidation and enforcement of the security  
341 given for repayment of the loan, and the executive director of the  
342 department may, in his discretion, notify the State Tax Commission  
343 to withhold all future payments to the county, incorporated  
344 municipality or school district of homestead exemption annual tax  
345 loss reimbursements under Section 27-33-77 and/or all sums  
346 allocated to the incorporated municipality under Section 27-65-75,  
347 until such time as the county, incorporated municipality or public  
348 school district is again current in its loan repayments as  
349 certified by the department.

350 (h) All monies deposited in the fund shall be used only  
351 for providing the loans authorized under this section. In  
352 addition, any amounts in the fund may be used to defray the  
353 reasonable costs of administering the fund. The department is  
354 authorized to use amounts available to it from the fund to  
355 contract for those facilities and staff needed to administer and  
356 provide routine management for the funds and loan program.

357 (3) In administering this section the department shall have  
358 the following powers and duties:

359 (a) To supervise the use of all funds made available  
360 under this section;

361 (b) To promulgate rules and regulations, to make  
362 variances and exceptions thereto, and to establish procedures in  
363 accordance with this section for the implementation of the loan  
364 program;

365 (c) To requisition monies in the fund and distribute  
366 those monies in accordance with this section;

367 (d) To maintain, in accordance with generally accepted  
368 government accounting standards, an accurate record of all monies  
369 in the fund made available to counties, incorporated  
370 municipalities and public school districts under this section;

371           (e) To file annually with the Legislature a report  
372 detailing how monies in the fund were distributed during the  
373 preceding fiscal year to each county, incorporated municipality  
374 and public school district.

375           (4) The State Bond Commission, at one time, or from time to  
376 time, may declare the necessity for funds for the purposes  
377 provided in this section, including the costs incident to the  
378 administration of the loan program. Upon approval by the State  
379 Bond Commission, the department is authorized to transfer the  
380 necessary amount from the Disaster Recovery Fund created in  
381 Section 31-17-123 to the fund in ample time to discharge such  
382 loans and incidental costs.

383           (5) The department is authorized, without further process of  
384 law, to certify the necessity for warrants and is authorized and  
385 directed to issue such warrants, in such amounts as may be  
386 necessary to make loans under the program authorized by this  
387 section.

388           (6) After any state funds in the fund are no longer needed  
389 for the particular purpose for which they were appropriated,  
390 deposited or transferred into the fund, the department shall  
391 transfer those state funds back to the particular fund or funds in  
392 the State Treasury from which they were appropriated or  
393 transferred into the fund, upon certification of the State Fiscal  
394 Officer that the state funds are not currently needed.

395           **SECTION 4.** Section 27-33-77, Mississippi Code of 1972, is  
396 amended as follows:

397           27-33-77. Beginning with the 1985 supplemental roll, and for  
398 each succeeding year's roll thereafter, the amount of tax loss to  
399 be reimbursed because of exemptions provided for in this article  
400 shall be Fifty Dollars (\$50.00) each for county taxes exempted and  
401 school taxes exempted for a total of One Hundred Dollars (\$100.00)

402 per applicant qualifying for homestead exemption under this  
403 article.

404 The reimbursement received by the county shall be distributed  
405 by the county treasurer to the general fund.

406 Provided further, that tax losses sustained by municipalities  
407 because of exemptions granted to homeowners described in  
408 subsection (2) of Section 27-33-67 shall be reimbursed up to the  
409 amount of the actual exemption allowed, not to exceed Two Hundred  
410 Dollars (\$200.00) per qualified applicant.

411 The reimbursement received by a county, municipality or  
412 school district may be pledged as security for a loan if the  
413 reimbursement to the county or school district is otherwise  
414 authorized or required by law to be pledged as security for such a  
415 loan.

416 **SECTION 5.** Section 27-65-75, Mississippi Code of 1972, is  
417 amended as follows:

418 27-65-75. On or before the fifteenth day of each month, the  
419 revenue collected under the provisions of this chapter during the  
420 preceding month shall be paid and distributed as follows:

421 (1) On or before August 15, 1992, and each succeeding month  
422 thereafter through July 15, 1993, eighteen percent (18%) of the  
423 total sales tax revenue collected during the preceding month under  
424 the provisions of this chapter, except that collected under the  
425 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
426 business activities within a municipal corporation shall be  
427 allocated for distribution to the municipality and paid to the  
428 municipal corporation. On or before August 15, 1993, and each  
429 succeeding month thereafter, eighteen and one-half percent  
430 (18-1/2%) of the total sales tax revenue collected during the  
431 preceding month under the provisions of this chapter, except that  
432 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
433 and 27-65-21, on business activities within a municipal

434 corporation shall be allocated for distribution to the  
435 municipality and paid to the municipal corporation.

436 A municipal corporation, for the purpose of distributing the  
437 tax under this subsection, shall mean and include all incorporated  
438 cities, towns and villages.

439 Monies allocated for distribution and credited to a municipal  
440 corporation under this subsection may be pledged as security for  
441 a loan if the distribution received by the municipal corporation  
442 is otherwise authorized or required by law to be pledged as  
443 security for such a loan.

444 In any county having a county seat that is not an  
445 incorporated municipality, the distribution provided under this  
446 subsection shall be made as though the county seat was an  
447 incorporated municipality; however, the distribution to the  
448 municipality shall be paid to the county treasury in which the  
449 municipality is located, and those funds shall be used for road,  
450 bridge and street construction or maintenance in the county.

451 (2) On or before September 15, 1987, and each succeeding  
452 month thereafter, from the revenue collected under this chapter  
453 during the preceding month, One Million One Hundred Twenty-five  
454 Thousand Dollars (\$1,125,000.00) shall be allocated for  
455 distribution to municipal corporations as defined under subsection  
456 (1) of this section in the proportion that the number of gallons  
457 of gasoline and diesel fuel sold by distributors to consumers and  
458 retailers in each such municipality during the preceding fiscal  
459 year bears to the total gallons of gasoline and diesel fuel sold  
460 by distributors to consumers and retailers in municipalities  
461 statewide during the preceding fiscal year. The State Tax  
462 Commission shall require all distributors of gasoline and diesel  
463 fuel to report to the commission monthly the total number of  
464 gallons of gasoline and diesel fuel sold by them to consumers and  
465 retailers in each municipality during the preceding month. The

466 State Tax Commission shall have the authority to promulgate such  
467 rules and regulations as is necessary to determine the number of  
468 gallons of gasoline and diesel fuel sold by distributors to  
469 consumers and retailers in each municipality. In determining the  
470 percentage allocation of funds under this subsection for the  
471 fiscal year beginning July 1, 1987, and ending June 30, 1988, the  
472 State Tax Commission may consider gallons of gasoline and diesel  
473 fuel sold for a period of less than one (1) fiscal year. For the  
474 purposes of this subsection, the term "fiscal year" means the  
475 fiscal year beginning July 1 of a year.

476 (3) On or before September 15, 1987, and on or before the  
477 fifteenth day of each succeeding month, until the date specified  
478 in Section 65-39-35, the proceeds derived from contractors' taxes  
479 levied under Section 27-65-21 on contracts for the construction or  
480 reconstruction of highways designated under the highway program  
481 created under Section 65-3-97 shall, except as otherwise provided  
482 in Section 31-17-127, be deposited into the State Treasury to the  
483 credit of the State Highway Fund to be used to fund that highway  
484 program. The Mississippi Department of Transportation shall  
485 provide to the State Tax Commission such information as is  
486 necessary to determine the amount of proceeds to be distributed  
487 under this subsection.

488 (4) On or before August 15, 1994, and on or before the  
489 fifteenth day of each succeeding month through July 15, 1999, from  
490 the proceeds of gasoline, diesel fuel or kerosene taxes as  
491 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
492 (\$4,000,000.00) shall be deposited in the State Treasury to the  
493 credit of a special fund designated as the "State Aid Road Fund,"  
494 created by Section 65-9-17. On or before August 15, 1999, and on  
495 or before the fifteenth day of each succeeding month, from the  
496 total amount of the proceeds of gasoline, diesel fuel or kerosene  
497 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million

498 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
499 one-fourth percent (23-1/4%) of those funds, whichever is the  
500 greater amount, shall be deposited in the State Treasury to the  
501 credit of the "State Aid Road Fund," created by Section 65-9-17.  
502 Those funds shall be pledged to pay the principal of and interest  
503 on state aid road bonds heretofore issued under Sections 19-9-51  
504 through 19-9-77, in lieu of and in substitution for the funds  
505 previously allocated to counties under this section. Those funds  
506 may not be pledged for the payment of any state aid road bonds  
507 issued after April 1, 1981; however, this prohibition against the  
508 pledging of any such funds for the payment of bonds shall not  
509 apply to any bonds for which intent to issue those bonds has been  
510 published, for the first time, as provided by law before March 29,  
511 1981. From the amount of taxes paid into the special fund under  
512 this subsection and subsection (9) of this section, there shall be  
513 first deducted and paid the amount necessary to pay the expenses  
514 of the Office of State Aid Road Construction, as authorized by the  
515 Legislature for all other general and special fund agencies. The  
516 remainder of the fund shall be allocated monthly to the several  
517 counties in accordance with the following formula:

518           (a) One-third (1/3) shall be allocated to all counties  
519 in equal shares;

520           (b) One-third (1/3) shall be allocated to counties  
521 based on the proportion that the total number of rural road miles  
522 in a county bears to the total number of rural road miles in all  
523 counties of the state; and

524           (c) One-third (1/3) shall be allocated to counties  
525 based on the proportion that the rural population of the county  
526 bears to the total rural population in all counties of the state,  
527 according to the latest federal decennial census.

528 For the purposes of this subsection, the term "gasoline,  
529 diesel fuel or kerosene taxes" means such taxes as defined in  
530 paragraph (f) of Section 27-5-101.

531 The amount of funds allocated to any county under this  
532 subsection for any fiscal year after fiscal year 1994 shall not be  
533 less than the amount allocated to the county for fiscal year  
534 1994.

535 Any reference in the general laws of this state or the  
536 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
537 construed to refer and apply to subsection (4) of Section  
538 27-65-75.

539 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
540 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
541 the special fund known as the "State Public School Building Fund"  
542 created and existing under the provisions of Sections 37-47-1  
543 through 37-47-67. Those payments into that fund are to be made on  
544 the last day of each succeeding month hereafter.

545 (6) An amount each month beginning August 15, 1983, through  
546 November 15, 1986, as specified in Section 6 of Chapter 542, Laws  
547 of 1983, shall be paid into the special fund known as the  
548 Correctional Facilities Construction Fund created in Section 6 of  
549 Chapter 542, Laws of 1983.

550 (7) On or before August 15, 1992, and each succeeding month  
551 thereafter through July 15, 2000, two and two hundred sixty-six  
552 one-thousandths percent (2.266%) of the total sales tax revenue  
553 collected during the preceding month under the provisions of this  
554 chapter, except that collected under the provisions of Section  
555 27-65-17(2) shall be deposited by the commission into the School  
556 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
557 or before August 15, 2000, and each succeeding month thereafter,  
558 two and two hundred sixty-six one-thousandths percent (2.266%) of  
559 the total sales tax revenue collected during the preceding month



560 under the provisions of this chapter, except that collected under  
561 the provisions of Section 27-65-17(2), shall be deposited into the  
562 School Ad Valorem Tax Reduction Fund created under Section  
563 37-61-35 until such time that the total amount deposited into the  
564 fund during a fiscal year equals Forty-two Million Dollars  
565 (\$42,000,000.00). Thereafter, the amounts diverted under this  
566 subsection (7) during the fiscal year in excess of Forty-two  
567 Million Dollars (\$42,000,000.00) shall be deposited into the  
568 Education Enhancement Fund created under Section 37-61-33 for  
569 appropriation by the Legislature as other education needs and  
570 shall not be subject to the percentage appropriation requirements  
571 set forth in Section 37-61-33.

572 (8) On or before August 15, 1992, and each succeeding month  
573 thereafter, nine and seventy-three one-thousandths percent  
574 (9.073%) of the total sales tax revenue collected during the  
575 preceding month under the provisions of this chapter, except that  
576 collected under the provisions of Section 27-65-17(2), shall be  
577 deposited into the Education Enhancement Fund created under  
578 Section 37-61-33.

579 (9) On or before August 15, 1994, and each succeeding month  
580 thereafter, from the revenue collected under this chapter during  
581 the preceding month, Two Hundred Fifty Thousand Dollars  
582 (\$250,000.00) shall be paid into the State Aid Road Fund.

583 (10) On or before August 15, 1994, and each succeeding month  
584 thereafter through August 15, 1995, from the revenue collected  
585 under this chapter during the preceding month, Two Million Dollars  
586 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
587 Valorem Tax Reduction Fund established in Section 27-51-105.

588 (11) Notwithstanding any other provision of this section to  
589 the contrary, on or before February 15, 1995, and each succeeding  
590 month thereafter, the sales tax revenue collected during the  
591 preceding month under the provisions of Section 27-65-17(2) and

592 the corresponding levy in Section 27-65-23 on the rental or lease  
593 of private carriers of passengers and light carriers of property  
594 as defined in Section 27-51-101 shall be deposited, without  
595 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
596 established in Section 27-51-105.

597 (12) Notwithstanding any other provision of this section to  
598 the contrary, on or before August 15, 1995, and each succeeding  
599 month thereafter, the sales tax revenue collected during the  
600 preceding month under the provisions of Section 27-65-17(1) on  
601 retail sales of private carriers of passengers and light carriers  
602 of property, as defined in Section 27-51-101 and the corresponding  
603 levy in Section 27-65-23 on the rental or lease of these vehicles,  
604 shall be deposited, after diversion, into the Motor Vehicle Ad  
605 Valorem Tax Reduction Fund established in Section 27-51-105.

606 (13) On or before July 15, 1994, and on or before the  
607 fifteenth day of each succeeding month thereafter, that portion of  
608 the avails of the tax imposed in Section 27-65-22 that is derived  
609 from activities held on the Mississippi state fairgrounds complex,  
610 shall be paid into a special fund that is created in the State  
611 Treasury and shall be expended upon legislative appropriation  
612 solely to defray the costs of repairs and renovation at the Trade  
613 Mart and Coliseum.

614 (14) On or before August 15, 1998, and each succeeding month  
615 thereafter through July 15, 2005, that portion of the avails of  
616 the tax imposed in Section 27-65-23 that is derived from sales by  
617 cotton compresses or cotton warehouses and that would otherwise be  
618 paid into the General Fund, shall be deposited in an amount not to  
619 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
620 created under Section 69-37-39.

621 (15) Notwithstanding any other provision of this section to  
622 the contrary, on or before September 15, 2000, and each succeeding  
623 month thereafter, the sales tax revenue collected during the

624 preceding month under the provisions of Section 27-65-19(1)(f) and  
625 (g)(i)2, shall be deposited, without diversion, into the  
626 Telecommunications Ad Valorem Tax Reduction Fund established in  
627 Section 27-38-7.

628 (16) On or before August 15, 2000, and each succeeding month  
629 thereafter, the sales tax revenue collected during the preceding  
630 month under the provisions of this chapter on the gross proceeds  
631 of sales of a project as defined in Section 57-30-1 shall be  
632 deposited, after all diversions except the diversion provided for  
633 in subsection (1) of this section, into the Sales Tax Incentive  
634 Fund created in Section 57-30-3.

635 (17) Notwithstanding any other provision of this section to  
636 the contrary, on or before April 15, 2002, and each succeeding  
637 month thereafter, the sales tax revenue collected during the  
638 preceding month under Section 27-65-23 on sales of parking  
639 services of parking garages and lots at airports shall be  
640 deposited, without diversion, into the special fund created under  
641 Section 27-5-101(d).

642 (18) On or before August 15, 2007, and each succeeding month  
643 thereafter through July 15, 2008, from the sales tax revenue  
644 collected during the preceding month under the provisions of this  
645 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)  
646 shall be deposited into the Special Funds Transfer Fund created in  
647 Section 4 of Chapter 556, Laws of 2003.

648 (19) (a) On or before August 15, 2005, and each succeeding  
649 month thereafter, the sales tax revenue collected during the  
650 preceding month under the provisions of this chapter on the gross  
651 proceeds of sales of a business enterprise located within a  
652 redevelopment project area under the provisions of Sections  
653 57-91-1 through 57-91-11, and the revenue collected on the gross  
654 proceeds of sales from sales made to a business enterprise located  
655 in a redevelopment project area under the provisions of Sections

656 57-91-1 through 57-91-11 (provided that such sales made to a  
657 business enterprise are made on the premises of the business  
658 enterprise), shall, except as otherwise provided in this  
659 subsection (19), be deposited, after all diversions, into the  
660 Redevelopment Project Incentive Fund as created in Section  
661 57-91-9.

662 (b) For a municipality participating in the Economic  
663 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
664 the diversion provided for in subsection (1) of this section  
665 attributable to the gross proceeds of sales of a business  
666 enterprise located within a redevelopment project area under the  
667 provisions of Sections 57-91-1 through 57-91-11, and attributable  
668 to the gross proceeds of sales from sales made to a business  
669 enterprise located in a redevelopment project area under the  
670 provisions of Sections 57-91-1 through 57-91-11 (provided that  
671 such sales made to a business enterprise are made on the premises  
672 of the business enterprise), shall be deposited into the  
673 Redevelopment Project Incentive Fund as created in Section  
674 57-91-9, as follows:

675 (i) For the first six (6) years in which payments  
676 are made to a developer from the Redevelopment Project Incentive  
677 Fund, one hundred percent (100%) of the diversion shall be  
678 deposited into the fund;

679 (ii) For the seventh year in which such payments  
680 are made to a developer from the Redevelopment Project Incentive  
681 Fund, eighty percent (80%) of the diversion shall be deposited  
682 into the fund;

683 (iii) For the eighth year in which such payments  
684 are made to a developer from the Redevelopment Project Incentive  
685 Fund, seventy percent (70%) of the diversion shall be deposited  
686 into the fund;

687                   (iv) For the ninth year in which such payments are  
688 made to a developer from the Redevelopment Project Incentive Fund,  
689 sixty percent (60%) of the diversion shall be deposited into the  
690 fund; and

691                   (v) For the tenth year in which such payments are  
692 made to a developer from the Redevelopment Project Incentive Fund,  
693 fifty percent (50%) of the funds shall be deposited into the fund.

694           (20) The remainder of the amounts collected under the  
695 provisions of this chapter shall be paid into the State Treasury  
696 to the credit of the General Fund.

697           (21) It shall be the duty of the municipal officials of any  
698 municipality that expands its limits, or of any community that  
699 incorporates as a municipality, to notify the commissioner of  
700 that action thirty (30) days before the effective date. Failure  
701 to so notify the commissioner shall cause the municipality to  
702 forfeit the revenue that it would have been entitled to receive  
703 during this period of time when the commissioner had no knowledge  
704 of the action. If any funds have been erroneously disbursed to  
705 any municipality or any overpayment of tax is recovered by the  
706 taxpayer, the commissioner may make correction and adjust the  
707 error or overpayment with the municipality by withholding the  
708 necessary funds from any later payment to be made to the  
709 municipality.

710           **SECTION 6.** This act shall take effect and be in force from  
711 and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1           AN ACT TO AMEND SECTION 31-17-123, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT IF THE STATE FISCAL OFFICER AND THE STATE  
3 TREASURER MAKE A DETERMINATION THAT STATE-SOURCE SPECIAL FUNDS ARE  
4 NOT SUFFICIENT TO COVER DEFICIENCIES IN THE GENERAL FUND, THAT THE  
5 STATE OF MISSISSIPPI IS UNABLE TO REPAY SPECIAL FUND BORROWING  
6 WITHIN THE FISCAL YEAR IN WHICH THE BORROWING WAS DONE OR THAT THE  
7 STATE SOURCE FUNDS ARE INSUFFICIENT FOR DISASTER SUPPORT OR  
8 ASSISTANCE PURPOSES DUE TO HURRICANES KATRINA AND RITA, AND THAT  
9 THE STATE BOND COMMISSION MAKES A DETERMINATION THAT SUCH

10 DEFICIENCY OR INABILITY TO REPAY OR INSUFFICIENCY IS THE RESULT OF  
11 A STATE OF EMERGENCY WITHIN THE STATE OF MISSISSIPPI, THE STATE  
12 BOND COMMISSION IS AUTHORIZED TO OBTAIN A LINE OF CREDIT, IN AN  
13 AMOUNT NOT TO EXCEED \$500,000,000.00, FROM A COMMERCIAL LENDER,  
14 INVESTMENT BANKING GROUP OR A CONSORTIUM OF EITHER OR BOTH; TO  
15 PROVIDE THAT THE LENGTH OF SUCH INDEBTEDNESS SHALL NOT EXTEND  
16 BEYOND THREE YEARS FOLLOWING THE ORIGINATION OF THE LINE OF  
17 CREDIT; TO PROVIDE THAT SUCH LINE OF CREDIT SHALL BE AUTHORIZED  
18 AND APPROVED BY THE STATE BOND COMMISSION AND HAVE SUCH TERMS AND  
19 DETAILS AS PROVIDED BY RESOLUTION OF THE STATE BOND COMMISSION; TO  
20 PROVIDE THAT SUCH PROCEEDS SHALL BE RECEIVED BY THE STATE  
21 TREASURER AND DEPOSITED INTO THE DISASTER RECOVERY FUND AND USED  
22 TO COVER DEFICIENCIES IN THE GENERAL FUND, TO REPAY SPECIAL FUND  
23 BORROWING AND/OR TO COVER ANY INSUFFICIENCY IN DISASTER SUPPORT OR  
24 ASSISTANCE; TO ESTABLISH A DISASTER RECOVERY FUND FOR SUCH  
25 PURPOSE; TO PROVIDE THAT UPON THE APPROVAL OF THE STATE FISCAL  
26 OFFICER, THE DIRECTOR OF THE MISSISSIPPI EMERGENCY MANAGEMENT  
27 AGENCY MAY USE FUNDS FROM THE LINE OF CREDIT TO MATCH FEDERAL  
28 FUNDS AND FOR PERSONNEL RELATED EXPENSES DUE TO THE HURRICANE  
29 KATRINA AND/OR HURRICANE RITA DISASTERS; TO AMEND SECTION  
30 27-104-13, MISSISSIPPI CODE OF 1972, TO SUSPEND UNTIL JULY 1,  
31 2006, THE REQUIREMENT FOR THE STATE FISCAL OFFICER TO REDUCE  
32 ALLOCATIONS OF GENERAL FUNDS AND STATE-SOURCE SPECIAL FUNDS TO  
33 STATE AGENCIES WHEN GENERAL FUND REVENUES RECEIVED FOR THE FISCAL  
34 YEAR FALL BELOW 98% OF THE SINE DIE GENERAL FUND REVENUE ESTIMATE;  
35 TO ESTABLISH AN EMERGENCY AID TO LOCAL GOVERNMENTS LOAN PROGRAM  
36 FOR THE PURPOSE OF ASSISTING COUNTIES, INCORPORATED MUNICIPALITIES  
37 AND PUBLIC SCHOOL DISTRICTS THAT SUFFER REVENUE LOSSES AS A RESULT  
38 OF A NATURAL DISASTER FOR WHICH A STATE OF EMERGENCY HAS BEEN DULY  
39 PROCLAIMED; TO PROVIDE THAT THE PROGRAM SHALL BE ADMINISTERED BY  
40 THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO CREATE THE  
41 EMERGENCY AID TO LOCAL GOVERNMENTS LOAN FUND; TO ESTABLISH THE  
42 MAXIMUM AMOUNT OF ANY LOAN UNDER THIS PROGRAM; TO PROVIDE THAT A  
43 COUNTY OR SCHOOL DISTRICT THAT RECEIVES A LOAN FROM THE FUND SHALL  
44 PLEDGE FOR REPAYMENT OF THE LOAN ANY PART OF THE HOMESTEAD  
45 EXEMPTION ANNUAL TAX LOSS REIMBURSEMENT TO WHICH IT MAY BE  
46 ENTITLED; TO PROVIDE THAT AN INCORPORATED MUNICIPALITY THAT  
47 RECEIVES A LOAN FROM THE FUND OR THE EMERGENCY FUND SHALL PLEDGE  
48 FOR REPAYMENT OF THE LOAN ANY PART OF THE SALES TAX REVENUE  
49 DISTRIBUTION TO WHICH IT MAY BE ENTITLED; TO MAKE IT CLEAR THAT  
50 EVIDENCES OF INDEBTEDNESS WHICH ARE ISSUED PURSUANT TO THIS ACT  
51 SHALL NOT BE DEEMED INDEBTEDNESS WITHIN THE MEANING OF CERTAIN  
52 DEBT LIMITATIONS; TO GRANT TO THE DEPARTMENT OF FINANCE AND  
53 ADMINISTRATION CERTAIN POWERS AND DUTIES WITH REGARD TO THIS ACT;  
54 TO AUTHORIZE THE STATE BOND COMMISSION TO DECLARE THE NECESSITY  
55 FOR SPECIAL FUNDS TO FUND THE LOANS UNDER THIS PROGRAM; TO  
56 AUTHORIZE THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO MAKE  
57 TRANSFERS FROM THE DISASTER RECOVERY FUND FOR THE PURPOSE OF  
58 FUNDING THE LOANS UNDER THIS PROGRAM; TO AUTHORIZE THE DEPARTMENT  
59 OF FINANCE AND ADMINISTRATION TO ISSUE WARRANTS TO MAKE LOANS  
60 UNDER THIS PROGRAM; TO PROVIDE FOR THE DISPOSITION OF ANY UNNEEDED  
61 STATE FUNDS IN THE LOAN FUND; TO AMEND SECTIONS 27-33-77 AND  
62 27-65-75, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR  
63 RELATED PURPOSES.