

By: Representative Read

To: Appropriations

HOUSE BILL NO. 593

1 AN ACT TO PROVIDE THAT THE PEARL RIVER BASIN DEVELOPMENT
2 DISTRICT SHALL BE DISSOLVED AND THE DEPARTMENT OF FINANCE AND
3 ADMINISTRATION SHALL BE THE AGENT-IN-FACT FOR THE DISTRICT FOR ALL
4 PURPOSES AND THE DEPARTMENT SHALL HAVE ALL OF THE AUTHORITY THAT
5 WAS FORMERLY GRANTED TO THE DISTRICT; TO AUTHORIZE THE DEPARTMENT
6 TO SETTLE ANY OUTSTANDING OPERATING ACCOUNTS OF THE DISTRICT; TO
7 PROVIDE THAT THE DEPARTMENT SHALL HAVE THE USE OF ALL FUNDS THAT
8 WERE FORMERLY AVAILABLE TO THE DISTRICT AND THE NET PROCEEDS FROM
9 THE SALE OF ANY PROPERTY OF THE DISTRICT IN ORDER TO FULFILL THE
10 DISTRICT'S OUTSTANDING FINANCIAL OBLIGATIONS; TO AUTHORIZE THE
11 DEPARTMENT TO ENGAGE ON A CONTRACT BASIS THE SERVICES OF ANY
12 FORMER EMPLOYEE OR CONTRACT EMPLOYEE OF THE DISTRICT TO THE EXTENT
13 THAT IT WOULD BE BENEFICIAL TO THE ADMINISTRATION OF DISSOLUTION
14 OF THE DISTRICT AND THE PERFORMANCE OF THE DEPARTMENT'S
15 OBLIGATIONS UNDER THIS ACT; TO AUTHORIZE THE DEPARTMENT TO DISPOSE
16 OF ANY PERSONALTY OR EQUIPMENT OF THE DISTRICT AND TO SETTLE ANY
17 EXISTING LEASE OR LEASES OF THE DISTRICT; TO AUTHORIZE THE
18 DEPARTMENT TO TRANSFER ANY REAL PROPERTY OF THE DISTRICT TO THE
19 COUNTY OR MUNICIPALITY IN WHICH THE PROPERTY LIES, PROVIDED THAT
20 THE COUNTY OR MUNICIPALITY AGREES, AS CONSIDERATION FOR THE
21 PROPERTY BEING RECEIVED, TO ACCEPT THE TRANSFER AND ANY DUTIES AND
22 OBLIGATIONS APPURTENANT TO THE PROPERTY; TO PROVIDE THAT ANY
23 EQUIPMENT ASSOCIATED WITH REAL PROPERTY OF THE DISTRICT THAT IS
24 TRANSFERRED SHALL ALSO BE TRANSFERRED TO THE COUNTY OR
25 MUNICIPALITY THAT ACCEPTS THE PROPERTY; TO PROVIDE THAT IF A
26 COUNTY AND THE MUNICIPALITIES IN THE COUNTY CHOOSE NOT TO ACCEPT
27 THE TRANSFER OF ANY REAL PROPERTY OWNED BY THE DISTRICT, THE
28 COUNTY MAY MAKE A FINDING THAT THE PROPERTY WOULD BE SURPLUS TO
29 THE NEEDS OF THE COUNTY, AND THE SECRETARY OF STATE MAY INSTITUTE
30 PROCEEDINGS TO SELL THE SURPLUS PROPERTY; TO PROVIDE THAT THE
31 LIABILITY OF A COUNTY FOR ANY FINANCIAL OBLIGATIONS OR
32 INDEBTEDNESS TO THE DISTRICT OCCURRING OR ACCRUING BEFORE THE
33 DISSOLUTION OF THE DISTRICT SHALL CONTINUE IN EXISTENCE AFTER THE
34 DISTRICT IS DISSOLVED AND SHALL BE PAYABLE BY THE COUNTY TO THE



35 DEPARTMENT; TO PROVIDE THAT THE LOWER PEARL RIVER RESTORATION
36 PROJECT SHALL CONTINUE AS PER EXISTING AGREEMENTS; TO PROVIDE THAT
37 THE OBLIGATIONS OF THE DISTRICT UNDER THE AGREEMENTS FOR THE
38 PROJECT MAY BE ASSUMED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY
39 OR OTHER ENTITY AS THE DESIGNATED STATE ENTITY FOR THE CONTINUING
40 OBLIGATION OF MAINTENANCE OF THE WATER CONTROL STRUCTURES AS SET
41 FORTH IN THE ORIGINAL AGREEMENTS; TO PROVIDE THAT THE STATE
42 AUDITOR SHALL PERFORM OR HAVE PERFORMED A FINAL CLOSE-OUT AUDIT OF
43 THE ACCOUNTS OF THE DISTRICT; TO REPEAL SECTIONS 51-11-1 THROUGH
44 51-11-87, MISSISSIPPI CODE OF 1972, WHICH CREATE THE PEARL RIVER
45 BASIN DEVELOPMENT DISTRICT AND PRESCRIBE ITS POWERS AND DUTIES; TO
46 AMEND SECTION 25-1-77, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE
47 PRECEDING PROVISIONS; AND FOR RELATED PURPOSES.

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

49 **SECTION 1.** (1) On July 1, 2018, the Pearl River Basin
50 Development District (the "district") is dissolved, and all
51 statutory authority granted to the district under Sections 51-11-1
52 through 51-11-87 is repealed as provided in Section 5 of this act.

53 (2) Through June 30, 2018, the district is authorized to
54 continue to conduct such business as is necessary to settle any
55 accounts and/or financial obligations of the district.

56 (3) From and after July 1, 2018, the Department of Finance
57 and Administration (the "department") shall be the agent-in-fact
58 for the district for all purposes, and notwithstanding the repeal
59 of the statutory authority of the district, the department shall
60 have all of the authority that was granted to the district under
61 Sections 51-11-1 through 51-11-87 as they existed on June 30,
62 2018, to the extent necessary and for as long as necessary for the
63 department to complete the dissolution of the district and ensure
64 that all obligations of the district are met.

65 (4) From and after July 1, 2018, the department is
66 authorized to settle any outstanding operating accounts of the



67 district, and the department shall have the use of all funds that
68 were available to the district before July 1, 2018, in the State
69 Treasury or in any approved depository, together with any net
70 proceeds derived from the sale of any property of the district, in
71 order to fulfill the district's outstanding financial obligations.
72 Those funds may be expended by the department upon appropriation
73 by the Legislature, and shall not lapse into the State General
74 Fund at the end of any fiscal year. However, if there are any of
75 those funds remaining after all expenditures relating to the
76 dissolution of the district have been made, the department shall
77 deposit the remaining funds into the State General Fund. The
78 department shall maintain accurate records of all accounts and
79 disbursements of those funds and shall periodically share those
80 records with the Legislative Budget Office and the Office of the
81 State Auditor as a part of any close-out audit.

82 (5) From any funds that were formerly available to the
83 district as described in subsection (4) of this section or any
84 funds appropriated to the department specifically for this
85 purpose, the department is authorized, in any fiscal year, to
86 engage on a contract basis the services of any former employee or
87 contract employee of the district to the extent that the State
88 Fiscal Officer deems such a contract to be beneficial to the
89 administration of dissolution of the district and the performance
90 of the department's obligations under this act.



91 (6) From and after July 1, 2018, the department is
92 authorized to dispose of any personalty or equipment of the
93 district as surplus property or through inventory transfer to
94 another public entity, and is authorized to settle any existing
95 lease or leases of the district, either by canceling, assigning or
96 subleasing the same. For the vehicles of the district, the
97 department may transfer any of the vehicles to other state
98 agencies without any payment being required from the agency, or
99 may sell any of the vehicles for such price as determined by the
100 State Fiscal Officer, and shall deposit all funds received from
101 the sale of the vehicles into the funds in the State Treasury that
102 were formerly available to the district, as described in
103 subsection (4) of this section.

104 **SECTION 2.** (1) Through June 30, 2018, the district, and
105 from and after July 1, 2018, the department, is authorized to
106 transfer any real property to which the district currently holds
107 or formerly held title, specifically including, but not limited
108 to, any water parks or similar facilities owned by the district,
109 to the county or municipality in which the real property lies. As
110 consideration for the property being received, the county or
111 municipality must agree to accept the transfer and any duties and
112 obligations appurtenant to the property. Any equipment associated
113 with a water park or other real property of the district that is
114 transferred under this subsection shall also be transferred to the



115 county or municipality that accepts the transfer of the real
116 property.

117 (2) Any county or municipality accepting the transfer of a
118 water park or other real property from the district or the
119 department is authorized to assume any duties and obligations
120 appurtenant to the property as formerly exercised by the district,
121 including, but not limited to, the obligation to operate and
122 maintain those properties out of the revenues of the county or
123 municipality, the obligation to protect the property with either
124 liability insurance or through the Mississippi Tort Claims Fund,
125 and the assumption and/or transfer of any obligations as a
126 recipient or sponsor of any state or federal grant or grant funds.

127 (3) Any county that chooses not to accept the transfer of
128 any real property currently or formerly owned by the district,
129 after determining that no municipality in the county wishes to
130 have the property transferred to it, may make a finding that the
131 property would be surplus to the needs of the county, by proper
132 action and order of the board of supervisors of the county. Upon
133 the making of a finding that a property would be surplus to the
134 needs of the county, the Secretary of State may institute
135 proceedings to sell the surplus property in accordance with
136 Section 29-1-1, in accordance with the process described in
137 Section 29-1-37, or in accordance with other applicable statutes.
138 The Secretary of State may deduct the costs of effecting the sale
139 of the surplus property from the net proceeds of the sale before



140 transferring the funds as authorized in this act. Proceeds from
141 the sale of any such property shall, where applicable, be used for
142 the acquisition of additional properties by the state, acting by
143 and through the Mississippi Department of Wildlife, Fisheries and
144 Parks, to satisfy any obligations imposed by grants as to the
145 nature and use of the property.

146 (4) The liability of a county for any financial obligations
147 or indebtedness to the district occurring or accruing before the
148 dissolution of the district, including, but not limited to, the
149 responsibility for paying its portion of any district bonds and
150 other contractual obligations, and making annual payments to the
151 district as set forth in Section 51-11-31, shall continue in
152 existence after the district is dissolved and shall be payable by
153 the county to the department. The department is authorized to
154 take such actions as necessary to collect any financial
155 obligations of a county to the district that are still outstanding
156 after the district is dissolved.

157 **SECTION 3.** The following provisions related to the Lower
158 Pearl River Restoration Project ("project") are contingent upon
159 the development of an agreement, or an amendment to the existing
160 agreement, between the United States Army, Corps of Engineers
161 ("USACOE"), the Mississippi Department of Environmental Quality
162 ("MDEQ"), the Department of Wildlife, Fisheries and Parks ("DWFP")
163 and the district, removing the district from the agreement, and



164 possibly adding a new cooperating partner or partners and possibly
165 removing the MDEQ and/or the DWFP from the agreement.

166 From and after July 1, 2018, the project, currently being
167 managed as a joint effort of the USACOE, the MDEQ, the DWFP, and
168 the district, shall continue as per existing agreements, which may
169 be amended to reflect the dissolution of the district and its
170 removal from those agreements. The obligations of the district
171 under the current agreements for the project may be assumed by the
172 MDEQ, or other entity, as the designated state entity for the
173 continuing obligation of maintenance of the water control
174 structures as set forth in the original agreements. The parties
175 to the agreement may identify necessary maintenance activities
176 needed to preserve the integrity of project structures and other
177 ordinary maintenance activities as the parties may agree need to
178 be performed. Funding to perform those maintenance activities
179 shall come from the Lower Pearl trust account currently on deposit
180 with a depository or depositories in the name of the Pearl River
181 Basin Development District, which funds are a special fund set
182 aside solely for the operation and maintenance of the project.
183 From and after July 1, 2018, the parties to the agreement, may
184 assume ownership, in trust, of those funds, and the funds shall be
185 known as the "Lower Pearl River Restoration Trust Fund." Monies
186 from this fund shall be a special fund set aside for the
187 purpose(s) set forth in the amended or reformed agreement between
188 the parties and shall not lapse into the State General Fund, and



189 may not be expended for any purpose other than operation and
190 maintenance activities under the purview of the project.

191 **SECTION 4.** The State Auditor shall perform or have performed
192 a final close-out audit of the accounts of the district. The
193 close-out audit shall be in a form acceptable to the State Auditor
194 and may be conducted in lieu of the usual annual audit of
195 accounts, if the district had continued in existence. Costs of
196 conducting the close-out audit may be defrayed from any funds
197 formerly under the control of the district and currently under the
198 control of the department.

199 **SECTION 5.** Sections 51-11-1, 51-11-3, 51-11-5, 51-11-7,
200 51-11-9, 51-11-11, 51-11-13, 51-11-15, 51-11-17, 51-11-19,
201 51-11-21, 51-11-23, 51-11-25, 51-11-27, 51-11-29, 51-11-31,
202 51-11-33, 51-11-35, 51-11-37, 51-11-39, 51-11-41, 51-11-43,
203 51-11-45, 51-11-47, 51-11-49, 51-11-51, 51-11-52, 51-11-53,
204 51-11-55, 51-11-57, 51-11-59, 51-11-61, 51-11-63, 51-11-65,
205 51-11-67, 51-11-69, 51-11-71, 51-11-73, 51-11-75, 51-11-77,
206 51-11-79, 51-11-81, 51-11-83, 51-11-85 and 51-11-87, Mississippi
207 Code of 1972, which create the Pearl River Basin Development
208 District and prescribe its powers and duties, are repealed on July
209 1, 2018.

210 **SECTION 6.** Section 25-1-77, Mississippi Code of 1972, is
211 amended as follows:

212 25-1-77. (1) There is created the Bureau of Fleet
213 Management within the Office of Purchasing, Travel and Fleet



214 Management, Department of Finance and Administration, for the
215 purposes of coordinating and promoting efficiency and economy in
216 the purchase, lease, rental, acquisition, use, maintenance and
217 disposal of vehicles by state agencies. The Executive Director of
218 the Department of Finance and Administration may employ a Fleet
219 Management Officer to manage the bureau and carry out its
220 purposes. The bureau may employ other suitable and competent
221 personnel as necessary. The bureau shall encourage the use of
222 fuel efficient or hybrid vehicles appropriate for the state
223 agency's intended purpose and, when feasible, the use of
224 alternative fuels or energy sources, including, but not limited
225 to, ethanol, biodiesel, natural gas or electric power. The bureau
226 shall prepare a fiscal analysis of the cost-effectiveness of using
227 alternative fuel or energy source vehicles by state agencies, and
228 submit a report of that fiscal analysis to the Legislature by
229 December 15, 2009. Not later than July 1, 2014, at least
230 seventy-five percent (75%) of all vehicles to which the bureau
231 holds title in the name of the state must have a fuel economy
232 estimate by the United States Environmental Protection Agency of
233 forty (40) miles per gallon or higher for highway driving.

234 (2) The Bureau of Fleet Management shall perform the
235 following duties:

236 (a) To hold title in the name of the State of
237 Mississippi to all vehicles currently in possession of state
238 agencies as defined in Section 25-9-107(d) and to assign vehicles



239 to such agencies for use; however, the bureau shall exempt any
240 agency or agency vehicles from the provisions of this paragraph
241 (a) if it determines that state or federal law requires that title
242 be vested only in the agency;

243 (b) To establish rules and regulations for state agency
244 use of vehicles;

245 (c) To gather information and specify proper fleet
246 management practices for state agencies;

247 (d) To acquire fleet management software and require
248 agencies to provide necessary information for the bureau to
249 properly monitor the size, use, maintenance and disposal of the
250 state's fleet of vehicles; the bureau shall communicate regularly
251 with the fleet managers of each state agency to determine
252 strengths and weaknesses of the various fleet operations; the
253 bureau shall disseminate information to the agencies so that each
254 can take advantage of any beneficial practices being incorporated
255 at other entities; the bureau shall promulgate rules and
256 regulations concerning the mileage reimbursement practices of each
257 state agency;

258 (e) To carry out responsibilities relative to budget
259 recommendations as provided in Section 27-103-129;

260 (f) To reassign vehicles in the possession of any state
261 agency if the bureau believes that another state agency can make
262 more efficient use of a vehicle; however, except as otherwise
263 provided in Section 1 of this act, the state agency receiving the



264 reassigned vehicle shall pay to the previous agency's special
265 fund, or if no special fund exists to the State General Fund, the
266 National Automobile Dealers Association (NADA) wholesale value for
267 the vehicle or the estimated amount for which the vehicle would
268 have sold at auction, as shall be determined by the bureau,
269 whichever is less;

270 (g) To investigate at any time the vehicle usage
271 practices of any state agency; and

272 (h) To require each agency to submit to the bureau a
273 vehicle acquisition/use/disposal plan on an annual basis. From
274 the plans received, the bureau shall evaluate the proposed plans
275 and shall submit a recommendation to the Legislature prior to
276 January 1 of each year.

277 (3) No state department, institution or agency shall
278 purchase, rent, lease or acquire any motor vehicle, regardless of
279 the source of funds from which the motor vehicle is to be
280 purchased, except under authority granted by the Department of
281 Finance and Administration. The Bureau of Fleet Management,
282 Department of Finance and Administration, shall promulgate rules
283 and regulations governing the purchase, rental, lease or
284 acquisition of any motor vehicle by a state department,
285 institution or agency with regard to the appropriateness of the
286 vehicle to its intended use. The Bureau of Fleet Management,
287 Department of Finance and Administration, shall only grant
288 authority to purchase, rent, lease or acquire a motor vehicle



289 which is the lowest cost vehicle to carry out its intended use.
290 Before the disposal or sale of any vehicle, the Bureau of Fleet
291 Management shall make a determination that the lifetime use and
292 mileage of the vehicle has been maximized and that it would not be
293 feasible for another state agency to use the vehicle.

294 (4) The department, institution or agency shall maintain
295 proper documentation which provides the intended use of the
296 vehicle and the basis for choosing the vehicle. Such
297 documentation shall show that the department, institution or
298 agency made diligent efforts to purchase, rent, lease or acquire a
299 vehicle that is the lowest cost vehicle for its intended use.
300 Such documentation shall be updated as needed when the intended
301 use of the vehicle or any other facts concerning the vehicle are
302 changed. All such documentation shall be approved by the State
303 Fleet Officer prior to purchase, rental, lease or acquisition or
304 change in use of any vehicle and shall be maintained and made
305 available for review by the State Auditor, any other reviewing
306 agency and the Legislature. The Bureau of Fleet Management shall
307 immediately notify the department head of any agency that has a
308 vehicle found to be in violation of the bureau's rules and
309 regulations. At the same time, the bureau shall notify the
310 Speaker of the House of Representatives and the Lieutenant
311 Governor of its findings regarding any such vehicle. If the
312 violation is not rectified within five (5) days of the notice,
313 then the bureau may seize the vehicle and dispose of it as the



314 bureau deems to be in the best interest of the State of
315 Mississippi.

316 (5) On or before September 1 of each year, the Bureau of
317 Fleet Management shall prepare and deliver to the Senate and House
318 Appropriations Committees and the Joint Legislative Budget
319 Committee a report containing any irregularities that it finds
320 concerning purchases of state-owned vehicles.

321 (6) The Department of Public Safety and the Department of
322 Wildlife, Fisheries and Parks may retain any vehicle seized
323 pursuant to the forfeiture laws of this state, and the total
324 number of vehicles assigned to each such agency shall not be
325 reduced by the number of seized vehicles which the agency retains.

326 (7) The Bureau of Fleet Management, upon request, shall
327 grant an exemption from the provisions of this section for only
328 any vehicle assigned to a sworn officer of the Department of
329 Public Safety and used in undercover operations when the bureau
330 determines that compliance could jeopardize the life, health or
331 safety of the sworn officer.

332 (8) The provisions of this section shall not apply to any
333 state institution of higher learning.

334 (9) When making requests for authority to purchase, rent,
335 lease or acquire vehicles as provided in subsection (3) of this
336 section, agencies shall submit the lowest cost vehicle possible to
337 carry out its intended use. Any such request shall be in writing
338 from the agency head, certifying the vehicle requested is the



339 lowest cost option available and acknowledging that any request
340 contrary to this provision shall subject the agency head to
341 penalties as provided in Sections 25-1-91, 31-7-55 and 31-7-57,
342 where applicable. The Bureau of Fleet Management shall only
343 approve the lowest cost vehicle, which in its estimation, will
344 carry out the intended use. No agency may purchase any vehicle
345 that the Bureau of Fleet Management has disapproved as being a
346 higher cost option.

347 (10) No requests authorized under subsections (3) and (9) of
348 this section shall be approved by the Bureau of Fleet Management
349 if the requesting agency has not properly maintained in the
350 fleet/asset reporting system all information required by the
351 Bureau of Fleet Management. Agencies shall correct any
352 inadequacies or discrepancies in the system noted by the Bureau of
353 Fleet Management before the bureau may approve any requests.

354 **SECTION 7.** This act shall take effect and be in force from
355 and after its passage.

