

By: Representatives Gunn, Smith, Lamar, Busby, White, Baker, Scott, Sykes, Gibbs (36th), Mickens, Dixon, Gibbs (72nd), Holloway, Reynolds To: Ways and Means

HOUSE BILL NO. 1 (As Passed the House)

1 AN ACT TO CREATE THE MISSISSIPPI INFRASTRUCTURE MODERNIZATION
2 ACT OF 2018; TO AMEND SECTION 27-67-31, MISSISSIPPI CODE OF 1972,
3 TO PROVIDE THAT A PORTION OF STATE USE TAX REVENUE SHALL BE
4 DEPOSITED INTO SPECIAL FUNDS IN THE STATE TREASURY AND USED TO
5 ASSIST MUNICIPALITIES AND COUNTIES IN PAYING COSTS ASSOCIATED WITH
6 REPAIR, MAINTENANCE AND RECONSTRUCTION OF ROADS, STREETS AND
7 BRIDGES; TO PROVIDE THAT A PORTION OF STATE USE TAX REVENUE SHALL
8 BE DEPOSITED INTO THE LOCAL SYSTEM BRIDGE REPLACEMENT AND
9 REHABILITATION FUND; TO AMEND SECTION 65-37-15, MISSISSIPPI CODE
10 OF 1972, TO AUTHORIZE FUNDS IN THE LOCAL SYSTEM BRIDGE REPLACEMENT
11 AND REHABILITATION FUND TO BE USED FOR LOCAL BRIDGES IN CERTAIN
12 CIRCUMSTANCES; TO BRING FORWARD SECTION 65-37-7, MISSISSIPPI CODE
13 OF 1972, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO CREATE A NEW
14 SECTION OF LAW TO REQUIRE THE MISSISSIPPI DEPARTMENT OF
15 TRANSPORTATION TO DIRECT BY WRITTEN NOTICE ANY LOCAL GOVERNING
16 BOARDS TO CLOSE ANY BRIDGE UNDER ITS JURISDICTION THAT MUST BE
17 CLOSED TO PREVENT THE REDUCTION IN FEDERAL TRANSPORTATION FUNDING
18 TO THE STATE; TO IMPOSE AN ANNUAL TAX ON ELECTRIC VEHICLES AND
19 HYBRID VEHICLES IN ADDITION TO ANY OTHER TAXES FOR WHICH THE
20 VEHICLES ARE LIABLE; TO PROVIDE THAT THE TAX ON ELECTRIC VEHICLES
21 AND HYBRID VEHICLES SHALL BE PAID TO THE COUNTY TAX COLLECTOR AT
22 THE SAME TIME AND IN THE SAME MANNER AS THE ANNUAL HIGHWAY
23 PRIVILEGE TAX IS PAID; TO PROVIDE THAT THE TAX COLLECTOR SHALL
24 REMIT THE PROCEEDS OF THE TAXES TO THE DEPARTMENT OF REVENUE AND
25 THAT THE DEPARTMENT SHALL APPORTION THE PROCEEDS OF THE TAXES
26 AMONG THE VARIOUS PURPOSES SPECIFIED FOR GASOLINE AND DIESEL FUEL
27 TAXES IN THE SAME PROPORTION THAT THOSE TAXES WERE APPORTIONED FOR
28 THOSE PURPOSES DURING THE PREVIOUS STATE FISCAL YEAR; TO AMEND
29 SECTION 1, CHAPTER 479, LAWS OF 2015, TO AUTHORIZE THE ISSUANCE OF
30 ADDITIONAL REVENUE BONDS UNDER SUCH LAW AND TO PROVIDE THAT THE
31 PROCEEDS OF THE ADDITIONAL BONDS SHALL BE DEPOSITED INTO THE
32 EMERGENCY ROAD AND BRIDGE REPAIR FUND AND THE 2018 TRANSPORTATION
33 AND INFRASTRUCTURE IMPROVEMENTS FUND CREATED IN THIS ACT; TO
34 CREATE IN THE STATE TREASURY A SPECIAL FUND TO BE KNOWN AS THE



35 "EMERGENCY ROAD AND BRIDGE REPAIR FUND"; TO PROVIDE THAT MONEY IN
36 THE FUND SHALL BE UTILIZED BY THE MISSISSIPPI DEPARTMENT OF
37 TRANSPORTATION TO PROVIDE FUNDING FOR EMERGENCY REPAIRS TO ROADS,
38 STREETS AND HIGHWAYS IN THIS STATE AND EMERGENCY BRIDGE REPAIRS ON
39 PUBLIC ROADS, STREETS AND HIGHWAYS IN THIS STATE; TO CREATE IN THE
40 STATE TREASURY A SPECIAL FUND TO BE KNOWN AS THE "2018
41 TRANSPORTATION AND INFRASTRUCTURE IMPROVEMENTS FUND"; TO PROVIDE
42 THAT MONIES IN THE FUND SHALL BE EXPENDED IN EQUAL AMOUNTS IN EACH
43 OF THE 82 COUNTIES FOR ROADS, BRIDGES AND OTHER INFRASTRUCTURE
44 PROJECTS IN THE COUNTIES; TO AMEND SECTION 49-17-407, MISSISSIPPI
45 CODE OF 1972, TO DELETE THE PROVISION THAT PROVIDES FOR THE
46 ABATEMENT OF THE ENVIRONMENTAL PROTECTION FEE LEVIED ON BONDED
47 DISTRIBUTORS OF MOTOR FUEL WHEN THE UNOBLIGATED BALANCE IN THE
48 MISSISSIPPI GROUNDWATER PROTECTION TRUST FUND REACHES OR EXCEEDS
49 \$10,000,000.00; TO PROVIDE THAT WHEN THE UNOBLIGATED BALANCE IN
50 THE MISSISSIPPI GROUNDWATER PROTECTION TRUST FUND REACHES OR
51 EXCEEDS \$10,000,000.00, THE DEPARTMENT OF REVENUE SHALL DEPOSIT
52 THE REVENUE DERIVED FROM THE ENVIRONMENTAL PROTECTION FEE INTO THE
53 STATE HIGHWAY FUND; TO AMEND SECTION 75-76-129, MISSISSIPPI CODE
54 OF 1972, TO REQUIRE FEES COLLECTED THROUGH DECEMBER 31, 2028,
55 UNDER THE GAMING CONTROL ACT AS A RESULT OF WAGERS ON SPORTING
56 EVENTS SHALL BE DEPOSITED INTO THE STATE HIGHWAY FUND TO BE USED
57 SOLELY FOR THE REPAIR AND MAINTENANCE OF STATE HIGHWAYS; TO AMEND
58 SECTION 19-11-27, MISSISSIPPI CODE OF 1972, TO ALLOW COUNTY BOARDS
59 OF SUPERVISORS TO EXPEND MONIES DURING 2019 ON DEFICIENT BRIDGES
60 OF THE COUNTY IN THE STATE AID ROAD SYSTEM OR THE LOCAL SYSTEM
61 ROAD PROGRAM THAT HAVE A SUFFICIENCY RATING OF LESS THAN FIFTY
62 DURING THE LAST TERM OF OFFICE OF SUCH BOARDS; TO REQUIRE THE
63 DEPARTMENT OF AUDIT TO AUDIT OR ENTER INTO CONTRACTS FOR A
64 PERFORMANCE AUDIT OF ANY PROJECTS UNDER THE MISSISSIPPI DEPARTMENT
65 OF TRANSPORTATION; AND FOR RELATED PURPOSES.

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

67 **SECTION 1.** Section 27-67-31, Mississippi Code of 1972, is
68 amended as follows:

69 27-67-31. All administrative provisions of the sales tax
70 law, and amendments thereto, including those which fix damages,
71 penalties and interest for failure to comply with the provisions
72 of said sales tax law, and all other requirements and duties
73 imposed upon taxpayer, shall apply to all persons liable for use
74 taxes under the provisions of this article. The commissioner
75 shall exercise all power and authority and perform all duties with



76 respect to taxpayers under this article as are provided in said
77 sales tax law, except where there is conflict, then the provisions
78 of this article shall control.

79 The commissioner may require transportation companies to
80 permit the examination of waybills, freight bills, or other
81 documents covering shipments of tangible personal property into
82 this state.

83 On or before the fifteenth day of each month, the amount
84 received from taxes, damages and interest under the provisions of
85 this article during the preceding month shall be paid and
86 distributed as follows:

87 (a) On or before July 15, 1994, through July 15, 2000,
88 and each succeeding month thereafter, two and two hundred
89 sixty-six one-thousandths percent (2.266%) of the total use tax
90 revenue collected during the preceding month under the provisions
91 of this article shall be deposited in the School Ad Valorem Tax
92 Reduction Fund created pursuant to Section 37-61-35. On or before
93 August 15, 2000, and each succeeding month thereafter, two and two
94 hundred sixty-six one-thousandths percent (2.266%) of the total
95 use tax revenue collected during the preceding month under the
96 provisions of this chapter shall be deposited into the School Ad
97 Valorem Tax Reduction Fund created under Section 37-61-35 until
98 such time that the total amount deposited into the fund during a
99 fiscal year equals Four Million Dollars (\$4,000,000.00).

100 Thereafter, the amounts diverted under this paragraph (a) during



101 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)
102 shall be deposited into the Education Enhancement Fund created
103 under Section 37-61-33 for appropriation by the Legislature as
104 other education needs and shall not be subject to the percentage
105 appropriation requirements set forth in Section 37-61-33.

106 (b) On or before July 15, 1994, and each succeeding
107 month thereafter, nine and seventy-three one-thousandths percent
108 (9.073%) of the total use tax revenue collected during the
109 preceding month under the provisions of this article shall be
110 deposited into the Education Enhancement Fund created pursuant to
111 Section 37-61-33.

112 (c) On or before July 15, 1997, and on or before the
113 fifteenth day of each succeeding month thereafter, the revenue
114 collected under the provisions of this article imposed and levied
115 as a result of Section 27-65-17(2) and the corresponding levy in
116 Section 27-65-23 on the rental or lease of private carriers of
117 passengers and light carriers of property as defined in Section
118 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax
119 Reduction Fund created pursuant to Section 27-51-105.

120 (d) On or before July 15, 1997, and on or before the
121 fifteenth day of each succeeding month thereafter and after the
122 deposits required by paragraphs (a) and (b) of this section are
123 made, the remaining revenue collected under the provisions of this
124 article imposed and levied as a result of Section 27-65-17(1) and
125 the corresponding levy in Section 27-65-23 on the rental or lease



126 of private carriers of passengers and light carriers of property
127 as defined in Section 27-51-101 shall be deposited into the Motor
128 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
129 27-51-105.

130 (e) On or before August 15, 2019, and each succeeding
131 month thereafter through July 15, 2020, three and three-fourths
132 percent (3-3/4%) of the total use tax revenue collected during the
133 preceding month under the provisions of this article shall be
134 deposited into the special fund created in Section 2(1) of this
135 act. On or before August 15, 2020, and each succeeding month
136 thereafter through July 15, 2021, seven and one-half percent
137 (7-1/2%) of the total use tax revenue collected during the
138 preceding month under the provisions of this article shall be
139 deposited into the special fund created in Section 2(1) of this
140 act. On or before August 15, 2021, and each succeeding month
141 thereafter through July 15, 2022, eleven and one-fourth percent
142 (11-1/4%) of the total use tax revenue collected during the
143 preceding month under the provisions of this article shall be
144 deposited into the special fund created in Section 2(1) of this
145 act. On or before August 15, 2022, and each succeeding month
146 thereafter, fifteen percent (15%) of the total use tax revenue
147 collected during the preceding month under the provisions of this
148 article shall be deposited into the special fund created in
149 Section 2(1) of this act.



150 (f) On or before August 15, 2019, and each succeeding
151 month thereafter through July 15, 2020, three and three-fourths
152 percent (3-3/4%) of the total use tax revenue collected during the
153 preceding month under the provisions of this article shall be
154 deposited into the special fund created in Section 2(2) of this
155 act. On or before August 15, 2020, and each succeeding month
156 thereafter through July 15, 2021, seven and one-half percent
157 (7-1/2%) of the total use tax revenue collected during the
158 preceding month under the provisions of this article shall be
159 deposited into the special fund created in Section 2(2) of this
160 act. On or before August 15, 2021, and each succeeding month
161 thereafter through July 15, 2022, eleven and one-fourth percent
162 (11-1/4%) of the total use tax revenue collected during the
163 preceding month under the provisions of this article shall be
164 deposited into the special fund created in Section 2(2) of this
165 act. On or before August 15, 2022, and each succeeding month
166 thereafter, fifteen percent (15%) of the total use tax revenue
167 collected during the preceding month under the provisions of this
168 article shall be deposited into the special fund created in
169 Section 2(2) of this act.

170 (g) On or before August 15, 2019, and each succeeding
171 month thereafter through July 15, 2020, Four Hundred Sixteen
172 Thousand Six Hundred Sixty-six Dollars and Sixty-seven Cents
173 (\$416,666.67) or one and one-fourth percent (1-1/4%) of the total
174 use tax revenue collected during the preceding month under the



175 provisions of this article, whichever is the greater amount, shall
176 be deposited into the Local System Bridge Replacement and
177 Rehabilitation Fund created in Section 65-37-13. On or before
178 August 15, 2020, and each succeeding month thereafter through July
179 15, 2021, Eight Hundred Thirty-three Thousand Three Hundred
180 Thirty-three Dollars and Thirty-four Cents (\$833,333.34) or two
181 and one-half percent (2-1/2%) of the total use tax revenue
182 collected during the preceding month under the provisions of this
183 article, whichever is the greater amount, shall be deposited into
184 the Local System Bridge Replacement and Rehabilitation Fund
185 created in Section 65-37-13. On or before August 15, 2021, and
186 each succeeding month thereafter through July 15, 2022, One
187 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) or
188 three and three-fourths percent (3-3/4%) of the total use tax
189 revenue collected during the preceding month under the provisions
190 of this article, whichever is the greater amount, shall be
191 deposited into the Local System Bridge Replacement and
192 Rehabilitation Fund created in Section 65-37-13. On or before
193 August 15, 2022, and each succeeding month thereafter, One Million
194 Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars and
195 Sixty-seven Cents (\$1,666,666.67) or five percent (5%) of the
196 total use tax revenue collected during the preceding month under
197 the provisions of this article, whichever is the greater amount,
198 shall be deposited into the Local System Bridge Replacement and
199 Rehabilitation Fund created in Section 65-37-13.



200 (* * *h) The remainder of the amount received from
201 taxes, damages and interest under the provisions of this article
202 shall be paid into the General Fund of the State Treasury by the
203 commissioner.

204 **SECTION 2.** (1) (a) There is hereby created a special fund
205 in the State Treasury. The fund shall be maintained by the State
206 Treasurer as a separate and special fund, separate and apart from
207 the General Fund of the state. The fund shall consist of monies
208 deposited therein under Section 27-67-31(e) and monies from any
209 other source designated for deposit into such fund. Monies in the
210 fund shall be expended by the Department of Revenue to provide
211 funds to assist municipalities in this state in paying costs
212 associated with (i) repair, maintenance and/or reconstruction of
213 roads, streets and bridges in municipalities and (ii) repair,
214 maintenance and/or other improvements to water infrastructure and
215 sewer infrastructure. Unexpended amounts remaining in the fund at
216 the end of a fiscal year shall not lapse into the State General
217 Fund, and any interest earned or investment earnings on amounts in
218 the fund shall be deposited to the credit of the fund.

219 (b) (i) Subject to the provisions of this paragraph
220 (b) and Section 5 of this act, funds provided to municipalities
221 under this subsection (1) shall be allocated and distributed to
222 municipalities as follows:

223 1. Three Million Dollars (\$3,000,000.00)
224 shall be allocated to all municipalities in equal shares, and



225 2. The remainder of the funds allocated as
226 follows:

227 a. One-half (1/2) shall be allocated to
228 municipalities based on the proportion that the population of a
229 municipality according to the most recent federal decennial census
230 bears to the total population of all municipalities in the state
231 according to the most recent federal decennial census, and

232 b. One-half (1/2) shall be allocated to
233 municipalities based on the proportion that the amount of sales
234 tax revenue distributed to a municipality during the preceding
235 fiscal year under Section 27-65-75(1)(a) bears to the total amount
236 of sales tax revenue distributed to all municipalities during the
237 preceding fiscal year under Section 27-65-75(1)(a).

238 The Department of Revenue shall distribute funds under this
239 subsection (1) on a semiannual basis with distributions being made
240 in the months of January and July.

241 (ii) In order to be eligible to receive the full
242 amount of funds allocated for distribution to a municipality
243 during a year under this subsection (1), the municipality must
244 have expended an amount not less than the amount of base
245 expenditures during the previous municipal fiscal year for the
246 purposes described in paragraph (a) of this subsection (1). If a
247 municipality fails to expend such required amount, then the amount
248 of funds allocated for distribution to the municipality shall be
249 reduced by the percentage by which the municipality failed to



250 expend the amount of base expenditures. For the purposes of this
251 subsection (1), "base expenditures" means the average annual
252 expenditures made by a municipality for purposes described in
253 paragraph (a) of this subsection (1) for the ten-year period
254 beginning October 1, 2008, and ending September 30, 2018.

255 However, for the purposes of calculating the average annual
256 expenditures for such ten-year period, the two (2) years within
257 the period with the highest annual expenditures for such purposes
258 and the two (2) years within the period with the lowest annual
259 expenditures for such purposes shall be excluded when calculating
260 the average annual expenditures for the ten-year period.

261 Beginning July 1, 2020, and each succeeding July 1 thereafter, the
262 amount of the base expenditures shall be adjusted and compounded
263 annually by increasing or decreasing such amount by a percentage
264 amount equal to the United States inflation rate for the previous
265 calendar year ending on December 31 as certified by the Department
266 of Revenue. The United States inflation rate for a calendar year
267 shall be the Consumer Price Index for the calendar year for urban
268 consumers as calculated by the Bureau of Labor Statistics of the
269 United States Department of Labor.

270 (c) The Department of Revenue shall have all powers
271 necessary for the implementation of this subsection (1).

272 (2) (a) There is hereby created a special fund in the State
273 Treasury. The fund shall be maintained by the State Treasurer as
274 a separate and special fund, separate and apart from the General



275 Fund of the state. The fund shall consist of monies deposited
276 therein under Section 27-67-31(f) and monies from any other source
277 designated for deposit into such fund. Monies in the fund shall
278 be expended by the Department of Revenue to provide funds to
279 assist counties in this state in paying costs associated with the
280 repair, maintenance and/or reconstruction of roads, streets and
281 bridges in counties. Unexpended amounts remaining in the fund at
282 the end of a fiscal year shall not lapse into the State General
283 Fund, and any interest earned or investment earnings on amounts in
284 the fund shall be deposited to the credit of the fund.

285 (b) (i) Subject to the provisions of this paragraph
286 (b) and Section 5 of this act, funds provided to counties under
287 this subsection (2) shall be allocated and distributed to counties
288 in the following proportions:

289 1. One-third (1/3) shall be allocated to all
290 counties in equal shares,

291 2. One-third (1/3) shall be allocated to
292 counties based on the proportion that the total number of rural
293 road miles in a county bears to the total number of rural road
294 miles in all counties of the state, and

295 3. One-third (1/3) shall be allocated to
296 counties based on the proportion that the rural population of a
297 county bears to the total rural population in all counties of the
298 state, according to the latest federal decennial census.



299 The Department of Revenue shall distribute funds under this
300 subsection (2) on a semiannual basis with distributions being made
301 in the months of January and July. Rural road miles and rural
302 road population in the counties shall be determined in the same
303 manner as they are determined for the purposes of the distribution
304 formula in Section 65-9-3.

305 (ii) From and after July 1, 2020, of the funds
306 allocated for distribution to a county during a year under this
307 subsection (2), the maximum amount of such funds that may be
308 distributed to the county during that year shall not exceed the
309 amount of county funds expended by the county during the previous
310 county fiscal year for purposes 1. described in paragraph (a) of
311 this subsection (2) and 2. for which the county received funds
312 under this subsection (2).

313 (c) The Department of Revenue shall have all powers
314 necessary for the implementation of this subsection (2).

315 Notwithstanding the foregoing, no county shall be penalized
316 or suffer reduction of funds received under this act as a result
317 of funds expended by counties derived from issuance of bonds or
318 notes for road or bridge construction or improvement.

319 **SECTION 3.** Section 65-37-15, Mississippi Code of 1972, is
320 amended as follows:

321 65-37-15. Notwithstanding any other provisions of this
322 chapter, when all deficient bridges of a county which have a
323 sufficiency rating of less than fifty (50) have been replaced or



324 are under contract for replacement or rehabilitation, then monies
325 in the Local System Bridge Replacement and Rehabilitation Fund
326 created under Section 65-37-13, that are allocated to a particular
327 county may be expended for (i) the purpose of paying the
328 principal, interest and debt service on any bonds, notes or
329 obligations issued or incurred by that county before the effective
330 date of this chapter for the purpose of replacing or
331 rehabilitating any bridge or drainage-related structure on any
332 highway, road or street under the jurisdiction of that county,
333 (ii) on bridges in the State Aid Road System or (iii) if bridges
334 in the State Aid Road System of that county are in sufficient
335 repair, such monies may be utilized for the repair of local system
336 roads, upon presentation to the State Aid Engineer of a resolution
337 duly adopted and entered on the minutes of the board of
338 supervisors of such county requesting such expenditure and
339 reciting in the resolution such information as may be necessary
340 for the State Aid Engineer to determine that the county is
341 eligible for expenditure of funds under the provisions of this
342 section.

343 **SECTION 4.** Section 65-37-7, Mississippi Code of 1972, is
344 brought forward follows:

345 65-37-7. (1) In order for a county to be eligible for the
346 expenditure of funds under the provisions of Sections 65-37-1
347 through 65-37-15, the board of supervisors of the county shall
348 meet the following conditions:



349 (a) On or before January 1, 1995, and on or before
350 January 1 of each year thereafter, the board of supervisors shall
351 present to the State Aid Engineer on a form to be prepared by the
352 State Aid Engineer, a four-year plan of bridge replacement and
353 rehabilitation for the county. The plan shall identify the
354 project or projects and shall contain a detailed plan prepared and
355 approved by the engineer for the county. The plan shall specify
356 the condition of the existing bridges included in the project, the
357 drainage requirements, the type of replacement or rehabilitation
358 to be made and the design and specifications therefor. Four-year
359 plans may be modified each year or more often as necessary
360 provided that the modifications are submitted to the State Aid
361 Engineer.

362 (b) The county shall agree to employ a qualified
363 engineer and such other technical experts as may be necessary to
364 perform all engineering services required for the projects. The
365 engineer shall be required to inspect the construction of the
366 projects and to approve all estimate payments made on the
367 projects.

368 (c) The county and municipalities shall agree to
369 construct, at their own expense, the base and surface of all
370 approaches providing necessary connections to each bridge project
371 within their respective jurisdictions, including the base and
372 surface for culvert projects whenever fill material is placed as
373 part of the contract.



374 (d) The county and municipalities shall agree to
375 acquire all rights-of-way and relocate or make adjustments to
376 public utilities for each bridge project within their respective
377 jurisdictions as may be necessary in the manner provided by law
378 for the acquisition of rights-of-way and the uniform policy for
379 accommodation of utility facilities within the rights-of-way of
380 state aid roads as adopted by the State Aid Engineer under
381 authority of Section 65-9-1 et seq. Rights-of-way may be acquired
382 by gift, purchase, deed, dedication or eminent domain. The only
383 costs that may be paid from funds provided under Sections 65-37-1
384 through 65-37-15 for right-of-way acquisition shall be the actual
385 cost paid by the county to the landowner for the land acquired as
386 certified to the State Aid Engineer by the attorney for the board
387 of supervisors. The only cost that may be paid from funds
388 provided under Sections 65-37-1 through 65-37-15 for utility
389 adjustments shall be the actual cost paid by the county for
390 utility adjustments pursuant to contract let by the county as
391 certified to the State Aid Engineer by order of the board of
392 supervisors.

393 (2) A county shall not be eligible for the expenditure of
394 monies allocated to it under Sections 65-37-1 through 65-37-15 and
395 the State Aid Engineer shall not certify the use or expenditure of
396 such monies on any bridge that has a sufficiency rating of greater
397 than fifty (50), as determined by National Bridge Inspection
398 standards, unless the State Aid Engineer certifies that all



399 bridges on the local road system within the county for which funds
400 may be made available under Sections 65-37-1 through 65-37-15 have
401 a sufficiency rating of greater than fifty (50) or that all such
402 bridges in the county with a sufficiency rating of less than fifty
403 (50) are currently under contract for replacement or
404 rehabilitation. When the State Aid Engineer certifies that all
405 such bridges of a county have a sufficiency rating of greater than
406 fifty (50) or that all such bridges within the county with a
407 sufficiency rating of fifty (50) or less are currently under
408 contract for replacement or rehabilitation, then that county shall
409 be eligible for the expenditure of funds allocated to it under
410 Sections 65-37-1 through 65-37-15 for:

411 (a) The maintenance and replacement of other drainage
412 related structures in accordance with designs and standards
413 prescribed for such projects by the Office of State Aid Road
414 Construction;

415 (b) The Local System Road Program established pursuant
416 to Sections 65-18-1 through 65-18-17; and

417 (c) The matching of federal funds for expenditure on
418 state aid roads and bridge replacement in accordance with Section
419 65-9-29.

420 (3) (a) Except as otherwise provided in paragraph (d) of
421 this subsection (3), when a county has failed to expend the monies
422 allocated to it under the Local System Bridge Replacement and
423 Rehabilitation Program, as described in Sections 65-37-1 through



424 65-37-15, for an uninterrupted period of two (2) successive fiscal
425 years, the county shall forfeit and no longer be entitled to the
426 outstanding cumulative balance on hand of the monies that were
427 allocated to it under the program before that period of time.

428 (b) The county is eligible to receive funds allocated
429 to it in fiscal years occurring after that period of time that
430 caused a forfeiture under the provisions of paragraph (a) of this
431 subsection (3), unless it so forfeits monies again under that
432 provision.

433 (c) Monies forfeited each fiscal year under the
434 provisions of this subsection (3) shall be reallocated annually
435 among only those counties that are determined by the State Aid
436 Engineer to have Local System Bridge Replacement and
437 Rehabilitation Program projects that are ready for construction
438 but are not being undertaken due to lack of funds.

439 (d) Before a forfeiture of funds may occur under the
440 provisions of paragraph (a) of this subsection (3), the State Aid
441 Engineer shall give written notice to the board of supervisors of
442 the county at least ninety (90) days before the forfeiture, and
443 for good cause shown, he may allow the county an additional twelve
444 (12) months to expend the funds subject to the forfeiture.

445 **SECTION 5.** When any governing board of a political
446 subdivision of the state or the governing board of a municipality
447 must physically close a bridge or bridges under its jurisdiction
448 in order for the state, a political subdivision of the state



449 and/or a municipality of the state to receive or continue to
450 receive federal transportation funding, the Mississippi Department
451 of Transportation shall direct by written notice such governing
452 board to physically close the bridge or bridges within sixty (60)
453 days of the receipt of such notice. The governing board shall
454 retain jurisdiction of such bridge or bridges and is responsible
455 for all costs associated with the closed bridge or bridges,
456 including closure and maintenance costs. Any such bridge or
457 bridges shall remain closed until the bridge is able to be
458 reopened in a condition that does not reduce the amount that the
459 state, a political subdivision of the state and/or a municipality
460 of the state shall receive or continue to receive in federal
461 transportation funding. Any political subdivision of the state or
462 municipality of the state whose governing board fails to comply
463 with the directive provided under this section shall not be
464 eligible for funding provided under Section 2 of this act and
465 shall remain ineligible until the governing board is in compliance
466 with such directive.

467 **SECTION 6.** (1) For the purposes of this section, the term
468 "electric vehicle" means a vehicle that is powered solely by an
469 electric motor drawing current from rechargeable batteries, fuel
470 cells, or other portable sources of electrical current, is
471 manufactured primarily for use on public streets, roads and
472 highways, and is required to have a license tag under Section



473 27-19-1 et seq., for operation on public streets, roads and
474 highways.

475 (2) (a) There is imposed an annual tax on each electric
476 vehicle, which shall be in addition to any other taxes for which
477 the vehicle is liable. The tax shall be paid to the county tax
478 collector at the same time and in the same manner as the annual
479 highway privilege tax is paid. The amount of the tax shall be One
480 Hundred Fifty Dollars (\$150.00).

481 (b) Beginning July 1, 2021, and each succeeding July 1
482 thereafter, the rate of the tax imposed under this section and in
483 effect at the end of the preceding state fiscal year shall be
484 adjusted by increasing the tax by a percentage amount equal to the
485 United States inflation rate for the previous calendar year ending
486 on December 31 as certified by the Department of Finance and
487 Administration. The United States inflation rate for a calendar
488 year shall be the Consumer Price Index for the calendar year for
489 urban consumers as calculated by the Bureau of Labor Statistics of
490 the United States Department of Labor. In adjusting the amount of
491 the tax, amounts equal to or greater than Fifty Cents (50¢) shall
492 be rounded to the next highest whole dollar.

493 (3) The tax collector shall have a special designation for
494 electric vehicles in the vehicle records of the tax collector's
495 office so that the owners of electric vehicles will be provided
496 with the proper forms for paying the tax imposed by this section.



497 (4) The tax collector shall remit the proceeds of the tax
498 collected under this section to the Department of Revenue, and the
499 department shall apportion the proceeds of the tax among the
500 various purposes specified in Section 27-5-101 for gasoline and
501 diesel fuel taxes in the same proportion that those taxes were
502 apportioned for those purposes during the previous state fiscal
503 year and such funds shall be used solely for the repair and
504 maintenance of roads, streets and bridges.

505 (5) The Department of Revenue shall have all of the power
506 and authority that it has for enforcement of the motor vehicle
507 privilege tax laws (Section 27-19-1 et seq.) to enforce the
508 provisions of this section. The Commissioner of Revenue may adopt
509 any rules or regulations that he deems necessary for the proper
510 administration of this section.

511 **SECTION 7.** (1) For the purposes of this section, the term
512 "hybrid vehicle" means a vehicle that utilizes more than one (1)
513 form of onboard energy to achieve propulsion, is manufactured
514 primarily for use on public streets, roads and highways, and is
515 required to have a license tag under Section 27-19-1 et seq., for
516 operation on public streets, roads and highways.

517 (2) (a) There is imposed an annual tax on each hybrid
518 vehicle, which shall be in addition to any other taxes for which
519 the vehicle is liable. The tax shall be paid to the county tax
520 collector at the same time and in the same manner as the annual



521 highway privilege tax is paid. The amount of the tax shall be
522 Seventy-five Dollars (\$75.00).

523 (b) Beginning July 1, 2021, and each succeeding July 1
524 thereafter, the rate of the tax imposed under this section and in
525 effect at the end of the preceding state fiscal year shall be
526 adjusted by increasing the tax by a percentage amount equal to the
527 United States inflation rate for the previous calendar year ending
528 on December 31 as certified by the Department of Finance and
529 Administration. The United States inflation rate for a calendar
530 year shall be the Consumer Price Index for the calendar year for
531 urban consumers as calculated by the Bureau of Labor Statistics of
532 the United States Department of Labor. In adjusting the amount of
533 the tax, amounts equal to or greater than Fifty Cents (50¢) shall
534 be rounded to the next highest whole dollar.

535 (3) The tax collector shall have a special designation for
536 hybrid vehicles in the vehicle records of the tax collector's
537 office so that the owners of hybrid vehicles will be provided with
538 the proper forms for paying the tax imposed by this section.

539 (4) The tax collector shall remit the proceeds of the tax
540 collected under this section to the Department of Revenue, and the
541 department shall apportion the proceeds of the tax among the
542 various purposes specified in Section 27-5-101 for gasoline and
543 diesel fuel taxes in the same proportion that those taxes were
544 apportioned for those purposes during the previous state fiscal



545 year and such funds shall be used solely for the repair and
546 maintenance of roads, streets and bridges.

547 (5) The Department of Revenue shall have all of the power
548 and authority that it has for enforcement of the motor vehicle
549 privilege tax laws (Section 27-19-1 et seq.) to enforce the
550 provisions of this section. The Commissioner of Revenue may adopt
551 any rules or regulations that he deems necessary for the proper
552 administration of this section.

553 **SECTION 8.** Section 1, Chapter 479, Laws of 2015, is amended
554 as follows:

555 Section 1. (1) As used in this section, the following words
556 shall have the meanings ascribed herein unless the context clearly
557 requires otherwise:

558 (a) "Accreted value" of any bond means, as of any date
559 of computation, an amount equal to the sum of (i) the stated
560 initial value of such bond, plus (ii) the interest accrued thereon
561 from the issue date to the date of computation at the rate,
562 compounded semiannually, that is necessary to produce the
563 approximate yield to maturity shown for bonds of the same
564 maturity.

565 (b) "State" means the State of Mississippi.

566 (c) "Commission" means the State Bond Commission.

567 (2) (a) (i) A special fund, to be designated the "2015
568 Mississippi Deficient Bridge and State Aid Road Supplemental Fund"
569 is created within the State Treasury. The fund shall be



570 maintained by the State Treasurer as a separate and special fund,
571 separate and apart from the General Fund of the state. Unexpended
572 amounts remaining in the fund at the end of a fiscal year shall
573 not lapse into the State General Fund, and any interest earned or
574 investment earnings on amounts in the fund shall be deposited into
575 such fund.

576 (ii) Monies deposited into the fund shall be
577 disbursed as follows:

578 1. Eighteen Million Dollars (\$18,000,000.00)
579 shall be utilized by the Department of Transportation to construct
580 a bridge extending the I-20 South Frontage Road, running parallel
581 to Old Highway 27, over the railroad in Vicksburg, Mississippi.

582 2. Twenty Million Dollars (\$20,000,000.00)
583 shall be deposited into the State Aid Road Fund.

584 3. The remainder shall be utilized, in the
585 discretion of the Mississippi Transportation Commission, to pay
586 the costs of repair, rehabilitation, replacement, construction
587 and/or reconstruction of the bridges on state maintained highways
588 that are on a list of deficient bridges compiled by the
589 Mississippi Department of Transportation as of July 1, 2015.
590 Bridges on the list will be determined based on National Bridge
591 Inspection Standards set by the Federal Highway Administration.
592 In expending the funds authorized in this item 3, the Mississippi
593 Transportation Commission should give preference to bridges within



594 and approaching those counties in this state where legal gaming is
595 being conducted or is authorized.

596 (b) Amounts deposited into such special fund shall be
597 disbursed to pay the costs of the projects described in paragraph
598 (a) of this subsection. Promptly after the commission has
599 certified, by resolution duly adopted, that the projects described
600 in paragraph (a) of this subsection shall have been completed,
601 abandoned, or cannot be completed in a timely fashion, any amounts
602 remaining in such special fund shall be applied to pay debt
603 service on the bonds issued under this section, in accordance with
604 the proceedings authorizing the issuance of such bonds and as
605 directed by the commission.

606 (c) The Mississippi Transportation Commission is
607 expressly authorized and empowered to receive and expend any local
608 or other source funds in connection with the expenditure of funds
609 provided for in this subsection. The expenditure of monies
610 deposited into the special fund shall be under the direction of
611 the Mississippi Transportation Commission, and such funds shall be
612 paid by the State Treasurer upon warrants issued by the Department
613 of Finance and Administration, which warrants shall be issued upon
614 requisitions signed by the Executive Director of the Mississippi
615 Department of Transportation, or his designee.

616 (3) For the purpose of providing for the payment of the
617 principal of and interest upon bonds issued under this section,
618 there is created a special bond sinking fund in the State



619 Treasury. The special bond sinking fund shall consist of the
620 monies deposited into the fund under Section 75-76-129,
621 Mississippi Code of 1972, and such other amounts as may be paid
622 into such fund by appropriation or other authorization by the
623 Legislature. Except as otherwise provided in this section, monies
624 in the special bond sinking fund shall be used to pay the debt
625 service requirements of the bonds issued under this section. If
626 the special bond sinking fund has a balance in excess of the
627 amount needed to pay the next maximum annual debt service
628 requirement of the bonds issued under this section, the excess
629 monies may be transferred into the Gaming Counties State Assisted
630 Infrastructure Fund created in Section 65-39-17, Mississippi Code
631 of 1972. Unexpended amounts remaining in the special bond sinking
632 fund at the end of a fiscal year shall not lapse into the State
633 General Fund, and any interest earned or investment earnings on
634 amounts in the special bond sinking fund shall be deposited into
635 such sinking fund.

636 (4) (a) The commission, at one time, or from time to time,
637 may declare by resolution the necessity for issuance of revenue
638 bonds of the State of Mississippi to provide funds for all costs
639 incurred or to be incurred for the purposes described in
640 subsection (2) of this section, to provide funds for the Emergency
641 Road and Bridge Repair Fund created in Section 9 of this act
642 and/or to provide funds for the 2018 Transportation and
643 Infrastructure Improvements Fund created in Section 10 of this



644 act. Upon the adoption of a resolution by the Mississippi
645 Transportation Commission, declaring the necessity for the
646 issuance of any part or all of the revenue bonds authorized by
647 this subsection, the Mississippi Transportation Commission shall
648 deliver a certified copy of its resolution or resolutions to the
649 commission. Upon receipt of such resolution, the commission, in
650 its discretion, may act as the issuing agent, prescribe the form
651 of the bonds, determine the appropriate method for sale of the
652 bonds, advertise for and accept bids or negotiate the sale of the
653 bonds, issue and sell the bonds so authorized to be sold, and do
654 any and all other things necessary and advisable in connection
655 with the issuance and sale of such bonds. The total amount of
656 bonds issued under this section shall not exceed * * * Five
657 Hundred Million Dollars (\$500,000,000.00); however, of the
658 additional bonds authorized under this section, as amended by this
659 act, not more than Two Hundred Fifty Million Dollars
660 (\$250,000,000.00) of such bonds may be issued for the purpose of
661 providing funds for the Emergency Road and Bridge Repair Fund
662 created in Section 9 of this act, and not more than Fifty Million
663 Dollars (\$50,000,000.00) of such bonds may be issued for the
664 purpose of providing funds for the 2018 Transportation and
665 Infrastructure Improvements Fund created in Section 10 of this
666 act. The commission shall utilize a competitive request for
667 proposals process to select any bond attorney or counsel and shall



668 not accept any proposal in excess of Five Hundred Thousand Dollars
669 (\$500,000.00).

670 (b) Any investment earnings on amounts deposited into
671 the special fund created in subsection (2) of this section shall
672 be used to pay debt service on bonds issued under this section, in
673 accordance with the proceedings authorizing issuance of such
674 bonds.

675 (5) The principal of and interest on the bonds authorized
676 under this section shall be payable in the manner provided in this
677 subsection. Such bonds shall bear such date or dates, be in such
678 denomination or denominations, bear interest at such rate or rates
679 (not to exceed the limits set forth in Section 75-17-101,
680 Mississippi Code of 1972), be payable at such place or places
681 within or without the State of Mississippi, shall mature
682 absolutely at such time or times not to exceed twenty (20) years
683 from date of issue, be redeemable before maturity at such time or
684 times and upon such terms, with or without premium, shall bear
685 such registration privileges, and shall be substantially in such
686 form, all as shall be determined by resolution of the commission.

687 (6) The bonds authorized by this section shall be signed by
688 the chairman of the commission, or by his facsimile signature, and
689 the official seal of the commission shall be affixed thereto,
690 attested by the secretary of the commission. The interest
691 coupons, if any, to be attached to such bonds may be executed by
692 the facsimile signatures of such officers. Whenever any such



693 bonds shall have been signed by the officials designated to sign
694 the bonds who were in office at the time of such signing but who
695 may have ceased to be such officers before the sale and delivery
696 of such bonds, or who may not have been in office on the date such
697 bonds may bear, the signatures of such officers upon such bonds
698 and coupons shall nevertheless be valid and sufficient for all
699 purposes and have the same effect as if the person so officially
700 signing such bonds had remained in office until their delivery to
701 the purchaser, or had been in office on the date such bonds may
702 bear. However, notwithstanding anything herein to the contrary,
703 such bonds may be issued as provided in the Registered Bond Act of
704 the State of Mississippi.

705 (7) All bonds and interest coupons issued under the
706 provisions of this section have all the qualities and incidents of
707 negotiable instruments under the provisions of the Uniform
708 Commercial Code, and in exercising the powers granted by this
709 section, the commission shall not be required to and need not
710 comply with the provisions of the Uniform Commercial Code.

711 (8) The commission shall act as issuing agent for the bonds
712 authorized under this section, prescribe the form of the bonds,
713 determine the appropriate method for sale of the bonds, advertise
714 for and accept bids or negotiate the sale of the bonds, issue and
715 sell the bonds so authorized to be sold, pay all fees and costs
716 incurred in such issuance and sale, and do any and all other
717 things necessary and advisable in connection with the issuance and



718 sale of such bonds. The commission is authorized and empowered to
719 pay the costs that are incident to the sale, issuance and delivery
720 of the bonds authorized under this section from the proceeds
721 derived from the sale of such bonds. The commission may sell such
722 bonds on sealed bids at public sale or may negotiate the sale of
723 the bonds for such price as it may determine to be for the best
724 interest of the State of Mississippi. All interest accruing on
725 such bonds so issued shall be payable semiannually or annually.

726 If such bonds are sold by sealed bids at public sale, notice
727 of the sale shall be published at least one time, not less than
728 ten (10) days before the date of sale, and shall be so published
729 in one or more newspapers published or having a general
730 circulation in the City of Jackson, Mississippi, selected by the
731 commission.

732 The commission, when issuing any bonds under the authority of
733 this section, may provide that bonds, at the option of the State
734 of Mississippi, may be called in for payment and redemption at the
735 call price named therein and accrued interest on such date or
736 dates named therein.

737 (9) The bonds issued under the provisions of this section
738 shall be revenue bonds of the state, the principal of and interest
739 on which shall be payable solely from and shall be secured by the
740 special bond sinking fund created in subsection (3) of this
741 section. The bonds shall never constitute an indebtedness of the
742 state within the meaning of any state constitutional provision or



743 statutory limitation, and shall never constitute or give rise to a
744 pecuniary liability of the state, or a charge against its general
745 credit or taxing powers, and such fact shall be plainly stated on
746 the face of each such bond. The bonds shall not be considered
747 when computing any limitation of indebtedness of the state. All
748 bonds issued under the authority of this section and all interest
749 coupons applicable thereto shall be construed to be negotiable
750 instruments, despite the fact that they are payable solely from a
751 specified source.

752 (10) Except as otherwise provided in this section, upon the
753 issuance and sale of bonds under the provisions of this section,
754 the commission shall transfer the proceeds of any such sale or
755 sales to the special fund created in subsection (2) of this
756 section. The proceeds of such bonds shall be disbursed solely
757 upon the order of the Mississippi Transportation Commission under
758 such restrictions, if any, as may be contained in the resolution
759 providing for the issuance of the bonds. Upon the issuance and
760 sale of the additional bonds authorized under this section, as
761 amended by this act, the commission shall transfer not more than
762 Fifty Million Dollars (\$50,000,000.00) of the proceeds of any such
763 sale to the 2018 Transportation and Infrastructure Improvements
764 Fund created in Section 10 of this act and shall transfer not more
765 than Two Hundred Fifty Million Dollars (\$250,000,000.00) of the
766 proceeds of any such sale to the Emergency Road and Bridge Repair
767 Fund created in Section 9 of this act.



768 (11) The bonds authorized under this section may be issued
769 without any other proceedings or the happening of any other
770 conditions or things other than those proceedings, conditions and
771 things which are specified or required by this section. Any
772 resolution providing for the issuance of bonds under the
773 provisions of this section shall become effective immediately upon
774 its adoption by the commission, and any such resolution may be
775 adopted at any regular or special meeting of the commission by a
776 majority of its members.

777 (12) The bonds authorized under the authority of this
778 section may be validated in the Chancery Court of the First
779 Judicial District of Hinds County, Mississippi, in the manner and
780 with the force and effect provided by Chapter 13, Title 31,
781 Mississippi Code of 1972, for the validation of county, municipal,
782 school district and other bonds. The notice to taxpayers required
783 by such statutes shall be published in a newspaper published or
784 having a general circulation in the City of Jackson, Mississippi.

785 (13) Any holder of bonds issued under the provisions of this
786 section or of any of the interest coupons pertaining thereto may,
787 either at law or in equity, by suit, action, mandamus or other
788 proceeding, protect and enforce any and all rights granted under
789 this section, or under such resolution, and may enforce and compel
790 performance of all duties required by this section to be
791 performed, in order to provide for the payment of bonds and
792 interest thereon.



793 (14) All bonds issued under the provisions of this section
794 shall be legal investments for trustees and other fiduciaries, and
795 for savings banks, trust companies and insurance companies
796 organized under the laws of the State of Mississippi, and such
797 bonds shall be legal securities which may be deposited with and
798 shall be received by all public officers and bodies of this state
799 and all municipalities and political subdivisions for the purpose
800 of securing the deposit of public funds.

801 (15) Bonds issued under the provisions of this section and
802 income therefrom shall be exempt from all taxation in the State of
803 Mississippi.

804 (16) The proceeds of the bonds issued under this section
805 shall be used solely for the purposes herein provided, including
806 the costs incident to the issuance and sale of such bonds.

807 (17) The State Treasurer is authorized, without further
808 process of law, to certify to the Department of Finance and
809 Administration the necessity for warrants, and the Department of
810 Finance and Administration is authorized and directed to issue
811 such warrants, in such amounts as may be necessary to pay when due
812 the principal of, premium, if any, and interest on, or the
813 accreted value of, all bonds issued under this section; and the
814 State Treasurer shall forward the necessary amount to the
815 designated place or places of payment of such bonds in ample time
816 to discharge such bonds, or the interest thereon, on the due dates
817 thereof.



818 (18) This section shall be deemed to be full and complete
819 authority for the exercise of the powers herein granted, but this
820 section shall not be deemed to repeal or to be in derogation of
821 any existing law of this state.

822 **SECTION 9.** (1) There is created in the State Treasury a
823 special fund to be known as the "Emergency Road and Bridge Repair
824 Fund," into which shall be deposited money appropriated by the
825 Legislature or otherwise made available in any manner, and funds
826 from any other source designated for deposit into such fund.
827 Unexpended amounts remaining in the fund at the end of a fiscal
828 year shall not lapse into the State General Fund and any interest
829 earned or investment earnings on amounts in the fund shall be
830 deposited into the fund. The expenditure of money deposited into
831 the fund shall be under the direction of the Mississippi
832 Department of Transportation, and such funds shall be paid by the
833 Mississippi Department of Transportation upon warrants issued by
834 the Department of Finance and Administration.

835 (2) Money in the fund shall be utilized by the Mississippi
836 Department of Transportation to provide funding for emergency
837 repairs to roads, streets and highways in this state and emergency
838 bridge repairs on public roads, streets and highways in this
839 state, as determined by a unanimous vote of the Mississippi
840 Transportation Commission. However, before the expenditure of
841 money in the fund, the department shall promulgate rules and
842 regulations as authorized in subsection (3) of this section.



843 (3) The Mississippi Department of Transportation shall have
844 all powers necessary to implement and administer the program
845 established under this section, and the department shall
846 promulgate rules and regulations, in accordance with the
847 Mississippi Administrative Procedures Law, necessary for the
848 implementation of this section.

849 **SECTION 10.** A special fund, to be designated the "2018
850 Transportation and Infrastructure Improvements Fund," is created
851 within the State Treasury, which shall consist of funds made
852 available by the Legislature in any manner and funds from any
853 other source designated for deposit into such fund. The fund
854 shall be maintained by the State Treasurer as a separate and
855 special fund, separate and apart from the General Fund of the
856 state. Unexpended amounts remaining in the fund at the end of a
857 fiscal year shall not lapse into the State General Fund, and any
858 interest earned or investment earnings on amounts in the fund
859 shall be deposited into such fund. * * * Monies deposited into
860 the fund shall be expended, upon appropriation by the Legislature,
861 in equal amounts in each of the eighty-two (82) counties for
862 roads, bridges and other infrastructure projects in the counties
863 except for Lee County which will get One Dollar (\$1.00) less than
864 the other eighty-one (81) counties.

865 **SECTION 11.** Section 49-17-407, Mississippi Code of 1972, is
866 amended as follows:



867 49-17-407. (1) (a) An environmental protection fee of
868 Four-tenths of One Cent (4/10 of 1¢) per gallon is hereby levied
869 upon any bonded distributor, as defined by Sections 49-17-401
870 through 49-17-433, who sells or delivers motor fuels to a retailer
871 or user in this state.

872 (b) Every person, other than a bonded distributor, who
873 shall purchase or acquire motor fuels within this state on which
874 the environmental protection fee has not accrued, shall be liable
875 for the environmental protection fee.

876 (c) The environmental protection fee shall be imposed
877 only one (1) time on motor fuels sold in the state.

878 (d) The environmental protection fee shall be collected
879 by the * * * Department of Revenue and shall be designated
880 separately from the excise taxes on fuels.

881 (e) Any person liable for the environmental protection
882 fee shall be subject to the same requirements and penalties as
883 distributors under the provisions of the Mississippi Special Fuel
884 Tax Law.

885 (f) Any person liable for the environmental protection
886 fee shall file a report and remit any fees due at the same time
887 provided for filing reports under Section 27-55-523, on forms
888 prescribed by the * * * Department of Revenue.

889 (g) The * * * Department of Revenue is hereby
890 authorized and empowered to promulgate all rules and regulations



891 necessary for the administration of the environmental protection
892 fee.

893 (2) (a) On or before the fifteenth day of each month the
894 environmental protection fees collected during the previous month
895 shall be deposited into the Mississippi Groundwater Protection
896 Trust Fund established in Section 49-17-405. When the unobligated
897 balance in the fund reaches or exceeds Ten Million Dollars
898 (\$10,000,000.00), the administrator of the fund shall notify in
899 writing the * * * Department of Revenue no later than the
900 twenty-fifth day of the month * * * to revise the distribution of
901 the environmental protection fee and the Department of Revenue
902 shall deposit the fee into the State Highway Fund. Such
903 distribution shall become effective on the last day of the month
904 succeeding the month in which such notice was given. All
905 environmental protection fees accrued shall be reported and paid.

906 (b) When the fund balance is reduced below Six Million
907 Dollars (\$6,000,000.00), the fee shall again be * * * deposited
908 into the Mississippi Groundwater Protection Trust Fund until such
909 time as the fund shall reach or exceed Ten Million Dollars
910 (\$10,000,000.00). The administrator of the fund shall notify, no
911 later than the twenty-fifth day of the month, the * * * Department
912 of Revenue to * * * deposit the environmental protection fee * * *
913 into the Mississippi Groundwater Protection Trust Fund and such
914 distribution shall become effective on the first day of the second



915 month succeeding the month in which the notice to * * * deposit
916 the fee into the fund was given.

917 (3) This fund shall be used for the purposes set forth in
918 Sections 49-17-401 through 49-17-435 and for no other governmental
919 purposes, nor shall any portion hereof ever be available to borrow
920 from by any branch of government; it being the intent of the
921 Legislature that this fund and its increments shall remain intact
922 and inviolate. Any interest earned on monies in this fund shall
923 remain in this fund.

924 (4) Monies held in the fund established under Sections
925 49-17-401 through 49-17-435 shall be used only at an active site
926 and shall be disbursed in accordance with the commission
927 requirements and as follows:

928 (a) Payments shall be made to any third party who
929 brings a third-party claim against any owner of an underground
930 storage tank and the commission as trustee of the Mississippi
931 Groundwater Protection Trust Fund and who obtains a final judgment
932 in such action which is valid and enforceable in this state
933 against such parties. Payment shall be paid to the third party
934 upon filing by such party an application with the department
935 attaching the original or a certified copy of the final judgment.

936 (b) Payments shall be made in reasonable amounts to
937 approved response action contractors and other parties involved in
938 the site study and cleanup. Payment shall be made to the party
939 incurring the costs by filing of a sworn application with the



940 department indicating the fair and reasonable value of the costs
941 of site rehabilitation, subject to the regulations and limitations
942 as set by the department.

943 (5) Payments from the fund are limited as follows:

944 (a) For cleanup purposes, a maximum of One Million Five
945 Hundred Thousand Dollars (\$1,500,000.00) may be disbursed from the
946 fund for any one (1) site, per confirmed release occurrence.

947 (b) For third-party judgments, a maximum of One Million
948 Dollars (\$1,000,000.00) may be disbursed from the fund for any one
949 (1) site, per confirmed release occurrence.

950 (c) Nothing in Sections 49-17-401 through 49-17-435
951 shall establish or create any liability or responsibility on the
952 part of the department or the State of Mississippi to pay any
953 cleanup costs or third-party claims if the fund created herein is
954 insufficient to do so.

955 (6) Monies held in the fund established under Sections
956 49-17-401 through 49-17-435 shall not be used for purchases of
957 equipment needed to assist in cleanup operations.

958 (7) Nothing in Sections 49-17-401 through 49-17-435 shall
959 serve to limit any recovery against an owner of an underground
960 storage tank in excess of the fund payment limits established
961 under this section.

962 (8) Substantial compliance shall in no way be construed to
963 be an absolute defense to civil liability.



964 **SECTION 12.** Section 75-76-129, Mississippi Code of 1972, is
965 amended as follows:

966 **[Through June 30, 2028, this section shall read as follows:]**

967 75-76-129. (1) On or before the last day of each month all
968 taxes, fees, interest, penalties, damages, fines or other monies
969 collected by the Department of Revenue during that month under the
970 provisions of this chapter, with the exception of (a) the local
971 government fees imposed under Section 75-76-195, and (b) an amount
972 equal to Three Million Dollars (\$3,000,000.00) of the revenue
973 collected pursuant to the fee imposed under Section
974 75-76-177(1)(c), and (c) the revenue collected pursuant to the fee
975 imposed under Section 75-76-177(1)(c) as a result of wagers on
976 sporting events shall be paid by the Department of Revenue to the
977 State Treasurer to be deposited in the State General Fund. The
978 local government fees shall be distributed by the Department of
979 Revenue pursuant to Section 75-76-197.

980 (2) An amount equal to Three Million Dollars (\$3,000,000.00)
981 of the revenue collected during that month pursuant to the fee
982 imposed under Section 75-76-177(1)(c) shall be deposited by the
983 Department of Revenue into the bond sinking fund created in
984 Section 1(3) of Chapter 479, Laws of 2015.

985 (3) Revenue collected pursuant to the fee imposed under
986 Section 75-76-177(1)(c) as a result of wagers on sporting events
987 shall be deposited into the State Highway Fund to be used solely
988 for the repair and maintenance of highways and bridges of the



989 State of Mississippi. This revenue shall be used first for
990 matching funds made available to the state for such purposes
991 pursuant to any federal highway infrastructure program implemented
992 after September 1, 2018.

993 **[From and after July 1, 2028, this section shall read as**
994 **follows:]**

995 75-76-129. On or before the last day of each month all
996 taxes, fees, interest, penalties, damages, fines or other monies
997 collected by the Department of Revenue during that month under the
998 provisions of this chapter, with the exception of (a) the local
999 government fees imposed under Section 75-76-195, and (b) an amount
1000 equal to Three Million Dollars (\$3,000,000.00) of the revenue
1001 collected pursuant to the fee imposed under Section
1002 75-76-177(1)(c) shall be paid by the Department of Revenue to the
1003 State Treasurer to be deposited in the State General Fund. The
1004 local government fees shall be distributed by the Department of
1005 Revenue pursuant to Section 75-76-197. An amount equal to Three
1006 Million Dollars (\$3,000,000.00) of the revenue collected during
1007 that month pursuant to the fee imposed under Section
1008 75-76-177(1)(c) shall be deposited by the Department of Revenue
1009 into the bond sinking fund created in Section 1(3) of Chapter 479,
1010 Laws of 2015.

1011 **SECTION 13.** Section 19-11-27, Mississippi Code of 1972, is
1012 amended as follows:



1013 19-11-27. No board of supervisors of any county shall expend
1014 from, or contract an obligation against, the budget estimates for
1015 road and bridge construction, maintenance and equipment, made and
1016 published by it during the last year of the term of office of such
1017 board, between the first day of October and the first day of the
1018 following January, a sum exceeding one-fourth (1/4) of such item
1019 of the budget made and published by it, except in cases of
1020 emergency. The clerk of any county is prohibited from issuing any
1021 warrant contrary to the provisions of this section. No board of
1022 supervisors nor any member thereof shall buy any machinery or
1023 equipment in the last six (6) months of their or his term unless
1024 or until he has been elected at the general election of that year.
1025 The provisions of this section shall not apply to expenditures
1026 during calendar year 2019 on deficient bridges in the State Aid
1027 Road System or the Local System Road Program that have a
1028 sufficiency rating of less than fifty (50) or to a contract, lease
1029 or lease-purchase contract executed pursuant to the bidding
1030 requirements in Section 31-7-13 and approved by a unanimous vote
1031 of the board. Such unanimous vote shall include a statement
1032 indicating the board's proclamation that the award of the contract
1033 is essential to the efficiency and economy of the operation of the
1034 county government.

1035 **SECTION 14.** The Department of Audit shall conduct and/or
1036 enter into contracts for a performance audit of any projects under
1037 the Mississippi Department of Transportation. The performance



1038 audit shall be completed by not later than December 31, 2019. The
1039 Department of Audit shall be reimbursed for all expenses of the
1040 audit by the Mississippi Department of Transportation. If the
1041 Department of Audit enters into a contract with a private entity
1042 for the audit required under this section, the department shall
1043 ensure that such entity is adequately experienced with auditing
1044 other state departments of transportation or similar departments
1045 or agencies.

1046 **SECTION 15.** This act shall be known and may be cited as the
1047 Mississippi Infrastructure Modernization Act of 2018.

1048 **SECTION 16.** This act shall take effect and be in force from
1049 and after * * * September 1, 2018, and shall stand repealed from
1050 and after August 31, 2018.

