

By: Representative Cockerham

To: Transportation

HOUSE BILL NO. 1519
(As Sent to Governor)

1 AN ACT TO AUTHORIZE ANY TOWN IN THE STATE OF MISSISSIPPI WITH
2 A SHORT-LINE RAILROAD PARTIALLY WITHIN ITS CORPORATE LIMITS TO
3 CARRY-OUT AND IMPLEMENT, BY AND THROUGH ITS GOVERNING BODY, THE
4 ACQUISITION, RESTORATION, CONSTRUCTION, OWNERSHIP, OVERSIGHT,
5 OPERATION AND DISPOSITION OF SUCH SHORT-LINE RAILROAD; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** For the purposes of this act, the following terms
9 shall have the meanings ascribed by this section unless the
10 context clearly indicates otherwise:

11 (a) "Governing body" means the Mayor and Board of
12 Aldermen or Council, as applicable, of a town.

13 (b) "Short-line railroad project" means any combination
14 of the acquisition, restoration, construction, ownership,
15 operation, oversight, maintenance and disposition of a short-line
16 railroad by a town.

17 (c) "Short-line railroad" means a rail line that is no
18 more than fifty (50) total route miles in length, located within
19 and without the State of Mississippi, together with the line's
20 corresponding right-of-way, fixtures, facilities, and related



21 improvements, and that, as an independent operating concern, would
22 qualify under the standards of the U.S. Surface Transportation
23 Board as a Class III rail carrier under 49 CFR 1201(1-1).

24 (d) "Town" means a municipal corporation existing
25 within the State of Mississippi classified as a town pursuant to
26 Section 21-1-1, Mississippi Code of 1972, as of the effective date
27 of this act, with a short-line railroad partially located within
28 its municipal boundaries.

29 **SECTION 2.** (1) A town, acting through its governing body,
30 is authorized to:

31 (a) Undertake a short-line railroad project, and, in
32 conjunction therewith to acquire a short-line railroad, whether
33 such short-line railroad relates to real property within or
34 without the corporate limits of the town or the boundaries of the
35 State of Mississippi, on such terms and conditions and for such
36 considerations deemed by the governing body, in its sole
37 determination, to be in the best interest of the public and in
38 accordance with the premises and provisions of this act, and any
39 such acquisition shall be evidenced by a resolution duly adopted
40 and entered on the official minutes of the governing body;

41 (b) Implement and oversee all aspects of such
42 short-line railroad project, including, without limitation,
43 entering into and executing agreements with planning and
44 development districts and private third parties for project
45 management and consulting services associated with any and all



46 aspects of the short-line railroad project, entering into and
47 executing such agreements with third-party contractors for the
48 restoration and construction of the short-line railroad and any
49 improvements thereto, and entering into and executing such
50 agreements with third party contractors for the maintenance of the
51 short-line railroad, in each case as the governing body deems
52 necessary or advisable to carry-out the short-line railroad
53 project, whether such restoration, construction, and maintenance
54 shall occur within or without the corporate limits of the town or
55 the boundaries of the State of Mississippi;

56 (c) Enter into and execute such agreements with
57 third-party operators for the operation of the short-line railroad
58 that is the subject of the short-line railroad project, on such
59 terms and conditions the governing body deems necessary, in the
60 best interest of the public or advisable to carry-out the
61 short-line railroad project, whether such operation shall occur
62 within or without the corporate limits of the town or the
63 boundaries of the State of Mississippi;

64 (d) Engage additional third parties and enter into such
65 agreements reasonably necessary or required for the short-line
66 railroad project, and to acquire, purchase, install, lease,
67 finance, construct, own, hold, equip, control, maintain, use,
68 operate and repair structures and equipment necessary and
69 convenient for the planning, development, use, operation and
70 maintenance of the short-line railroad that is the subject of the



71 short-line railroad project, including, but not limited to,
72 utility installations;

73 (e) Sell, lease, trade, exchange, encumber or otherwise
74 dispose of the short-line railroad that is the subject of the
75 short-line railroad project and structures and equipment related
76 thereto to individuals, firms or corporations, public or private,
77 for all types of utility, industrial, commercial, agricultural or
78 other economic development uses upon such terms and conditions,
79 for such consideration, and with such safeguards as will best
80 promote and protect the public interest, convenience and
81 necessity, and to execute options, rights of first refusal, deeds,
82 leases, contracts, access or use agreements, easements and other
83 legal instruments necessary or convenient therefor;

84 (f) Employ engineers, attorneys, accountants,
85 consultants and such executive and administrative personnel and
86 other employees or independent contractors as shall be reasonably
87 necessary to carry-out the short-line railroad project and the
88 duties and authority authorized by this act, to determine their
89 qualifications and duties, and to establish compensation and other
90 employment benefits as may be advisable to attract and retain
91 proficient personnel;

92 (g) Buy, lease, sell, convey and do all other necessary
93 business transactions for carrying-out the short-line railroad
94 project and to do all acts necessary and convenient to operate and



95 carry-out the duties of such town pursuant to such short-line
96 railroad project;

97 (h) Take all actions and expend any such state,
98 federal, or other funds of the town as necessary to carry-out any
99 action or agreement authorized pursuant to this act for the
100 short-line railroad project;

101 (i) Accept from any public or private agency, or from
102 any individual, grants for or in aid of the short-line railroad
103 project, and to receive and accept contributions from any source
104 of money or property or other things of value to be held, used and
105 applied only for the purposes for which such grants or
106 contributions may be made;

107 (j) Apply for and accept grants and loans from the
108 State of Mississippi, any other state, or the United States of
109 America or any agency thereof; and, to contract with any agency of
110 the State of Mississippi, or any state adjacent thereto, and the
111 United States of America in furtherance of a short-line railroad
112 project;

113 (k) Adopt any and all lawful resolutions, orders and/or
114 ordinances; to execute such documents, contracts, leases,
115 certificates and indentures; and to do and perform any and all
116 acts and things necessary and requisite to carry-out the purposes
117 of this act; and

118 (l) To the extent a short-line railroad project is
119 funded in whole or in part by grants or loans from the State of



120 Mississippi, another state and the United States of America or any
121 agency thereof, the governing body is authorized to bind successor
122 boards with respect to all aspects of such short-line railroad
123 project for a term not to exceed twenty (20) years.

124 (2) Any short-line railroad project undertaken by a town
125 pursuant to this act is in all respects for the benefit of the
126 people of such town and the State of Mississippi and is a public
127 purpose, and such town will be performing an essential
128 governmental function in the exercise of the powers conferred upon
129 it by this act, and any property owned or held by such town or
130 under its jurisdiction under the provisions of this act shall be
131 exempt from all taxation in the State of Mississippi.

132 (3) The enumeration of any specific rights and powers
133 contained in this act, where followed by general powers, shall not
134 be construed in a restrictive sense, but rather in as broad and
135 comprehensive a sense as possible to effectuate the purposes of
136 this act. Nothing in this act should be construed to limit,
137 restrict, or otherwise alter the duties, responsibilities, and
138 authority of the governing body as provided under the Mississippi
139 Constitution of 1890 and the laws of the State of Mississippi.

140 (4) This act shall be deemed to be full and complete
141 authority for the exercise of the powers herein granted, but this
142 act shall not be deemed to repeal or to be in derogation of any
143 existing law of this state whereunder projects of the character
144 herein defined may be constructed or financed.



145 **SECTION 3.** This act shall take effect and be in force from
146 and after its passage.

