

By: Senator(s) Hopson

To: Appropriations

SENATE BILL NO. 2847

1 AN ACT TO AUTHORIZE EACH TOWN IN THE STATE OF MISSISSIPPI
 2 WITH A SHORT-LINE RAILROAD PARTIALLY WITHIN ITS TOWN LIMITS TO
 3 CARRY OUT AND IMPLEMENT, BY AND THROUGH ITS GOVERNING AUTHORITIES,
 4 THE ACQUISITION, RESTORATION, CONSTRUCTION, OWNERSHIP, OPERATION
 5 AND DISPOSITION OF SUCH SHORT-LINE RAILROAD; TO DEFINE TERMS; TO
 6 PROVIDE FOR THE REVERSION OF THE SHORT-LINE RAILROAD TO THE PRIOR
 7 OWNER IF A SUCCESSOR GOVERNING AUTHORITY OF THE TOWN CHOOSES TO
 8 TERMINATE THE SHORT-LINE RAILROAD PROJECT OR TRANSFER OWNERSHIP OF
 9 AN ACQUIRED SHORT-LINE RAILROAD; THE ENUMERATION OF ANY SPECIFIC
 10 RIGHTS AND POWERS CONTAINED IN THIS ACT SHALL BE CONSTRUED BROADLY
 11 TO EFFECTUATE THE PURPOSES OF THIS ACT; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** As used in this act:

14 (a) "Governing authorities" means the duly elected
 15 mayor and board of aldermen or council, as applicable, of a town.

16 (b) "Prior owner" means the entity that conveyed the
 17 short-line railroad to the town. "Prior owner" includes any
 18 subsidiary, parent company, assignee, licensee or successor in
 19 interest of the prior owner.

20 (c) "Short-line railroad project" means any combination
 21 of the acquisition, restoration, construction, ownership,



22 operation, maintenance and disposition of a short-line railroad by
23 a town.

24 (d) "Short-line railroad" means a rail line less than
25 fifty (50) total route miles in length together with the line's
26 corresponding right of way, fixtures, facilities and related
27 improvements, and that, as an independent operating concern, would
28 qualify under the standards of the U.S. Surface Transportation
29 Board as a Class III rail carrier under 49 C.F.R. Section 1201
30 (1-1).

31 (e) "Town" means a municipal corporation existing with
32 the State of Mississippi classified as a town under Section
33 21-1-1, with a short-line railroad partially located within its
34 municipal boundaries.

35 **SECTION 2.** (1) A town, acting through its governing
36 authorities, may:

37 (a) Undertake a short-line railroad project; and

38 (b) Acquire a short-line railroad, whether such
39 short-line railroad relates to real property within or without the
40 corporate limits of the town.

41 (2) (a) Acquisition of a short-line railroad under
42 subsection (1)(b) of this section shall be on such terms and
43 conditions and for such considerations deemed by the governing
44 authorities, in their sole determination to be in the best
45 interest of the public and in accordance with the premises and
46 provisions of this act.



47 (b) If a successor governing authority of a town
48 chooses to terminate the short-line railroad project or transfer
49 ownership of an acquired short-line railroad, the short-line
50 railroad shall revert to the prior owner.

51 (c) The acquisition shall be evidenced by a resolution
52 duly adopted and entered on the minutes of the governing
53 authorities.

54 **SECTION 3.** In effectuating the purposes of this act, a town
55 may:

56 (a) Oversee all aspects of a short-line railroad
57 project, including, without limitation, entering into and
58 executing agreements with planning and development districts and
59 private third parties for project management and consulting
60 services associated with any and all aspects of the short-line
61 railroad project, entering into and executing such agreements with
62 third-party contractors for the restoration and construction of
63 the short-line railroad and any improvements thereto, and entering
64 into and executing such agreements with third-party contractors
65 for the maintenance of the short-line railroad, in each case as
66 the governing authorities deem necessary or advisable to carry-out
67 the short-line railroad project, whether such restoration,
68 construction and maintenance shall occur within or without the
69 corporate limits of the town.

70 (b) Enter into and execute such agreements with
71 third-party rail line operators for the operation of the



72 short-line railroad that is the subject of the short-line railroad
73 project, on such terms and conditions the governing authorities
74 deem necessary, in the best interest of the public or advisable to
75 carry-out the short-line railroad project, whether such operation
76 shall occur within or without the corporate limits of the town.

77 (c) Engage additional third parties and enter into such
78 agreements reasonably necessary or required for the short-line
79 railroad project, and to acquire, purchase, install, lease,
80 finance, construct, own, hold, equip, control, maintain, use,
81 operate and repair structures and equipment necessary and
82 convenient for the planning, development, use, operation and
83 maintenance of the short-line railroad that is the subject of the
84 short-line railroad project, including, but not limited to,
85 utility installations.

86 (d) Sell, lease, trade, exchange, encumber or otherwise
87 dispose of the short-line railroad that is the subject of the
88 short-line railroad project and structures and equipment related
89 thereto to individuals, firms or corporations, public or private,
90 for all types of utility, industrial, commercial, agricultural or
91 other economic development uses upon such terms and conditions,
92 for such consideration, and with such safeguards as will best
93 promote and protect the public interest, convenience and
94 necessity, and to execute options, rights of first refusal, deeds,
95 leases, contracts, access or use agreements, easements and other
96 legal instruments necessary or convenient therefor.



97 (e) Employ engineers, attorneys, accountants,
98 consultants and such executive and administrative personnel and
99 other employees or independent contractors as shall be reasonably
100 necessary to carry out the short-line railroad project and the
101 duties and authority authorized by this act, to determine their
102 qualifications and duties, and to establish compensation and other
103 employment benefits as may be advisable to attract and retain
104 proficient personnel.

105 (f) Buy, lease, sell, convey and do all other necessary
106 business transactions for carrying out the short-line railroad
107 project and to do all acts necessary and convenient to operate and
108 carry out the duties of such town pursuant to such short-line
109 railroad project.

110 (g) Take all actions and expend any such state, federal
111 or other funds of the town as necessary to carry out any action or
112 agreement authorized pursuant to this act for the short-line
113 railroad project.

114 (h) Accept from any public or private agency, or from
115 any individual, grants for or in aid of the short-line railroad
116 project.

117 (i) Receive and accept contributions from any source of
118 money or property or other things of value to be held, used and
119 applied only for the purposes for which such grants or
120 contributions may be made.



121 (j) Apply for and accept grants and loans from the
122 State of Mississippi or the United States or any agency thereof.

123 (k) Contract with any agency of the State of
124 Mississippi, or any state adjacent thereto, and the United States
125 in furtherance of a short-line railroad project.

126 (l) Authorized and empowered to adopt any and all
127 lawful resolutions, orders and ordinances, to execute such
128 documents, contracts, leases, certificates and indentures.

129 (m) Do and perform any and all acts necessary and
130 requisite to carry out the purposes of this act.

131 **SECTION 4.** (1) The enumeration of any specific rights and
132 powers contained in this act shall be construed broadly to
133 effectuate the purposes of this act.

134 (2) Nothing in this act should be construed to limit,
135 restrict or otherwise alter the duties, responsibilities and
136 authority of a governing authority as provided under the any
137 provision of law, rule, regulation or the Mississippi Constitution
138 of 1890.

139 **SECTION 5.** This act shall take effect and be in force from
140 and after its passage.

