

By: Representative Harness

To: Ways and Means

## HOUSE BILL NO. 1319

1 AN ACT TO BE KNOWN AS THE "CLAIBORNE COUNTY RISK COMPENSATION  
2 FUND ACT"; TO CREATE A SPECIAL FUND IN THE STATE TREASURY FOR THE  
3 DEPOSIT OF CONTRIBUTIONS FROM ELECTRICAL UTILITIES BENEFITING FROM  
4 THE GRAND GULF NUCLEAR POWER PLANT AND A PERCENTAGE OF REVENUES  
5 RECEIVED BY THE DEPARTMENT OF REVENUE FROM NUCLEAR IN LIEU  
6 PAYMENTS; TO REQUIRE THE DEPARTMENT OF REVENUE TO ADMINISTER THE  
7 FUND; TO PRESCRIBE PERMISSIBLE USES OF MONIES IN THE FUND RELATING  
8 TO SAFETY, HEALTHCARE, EDUCATION AND INFRASTRUCTURE IN CLAIBORNE  
9 COUNTY; TO CREATE AN ADVISORY COMMITTEE TO OVERSEE THE FUND; TO  
10 REQUIRE AN INDEPENDENT AUDIT OF THE FUND EVERY THREE YEARS; TO  
11 AMEND SECTION 27-35-309, MISSISSIPPI CODE OF 1972, TO REQUIRE  
12 FIFTEEN PERCENT OF REVENUE COLLECTED FROM NUCLEAR IN LIEU TAX  
13 CONTRIBUTIONS TO BE PAID INTO THE RISK COMPENSATION FUND FOR  
14 CLAIBORNE COUNTY; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** This act shall be known and may be cited as the  
17 "Claiborne County Risk Compensation Fund Act". The purpose of  
18 this act is to recognize the unique environmental and safety risks  
19 borne by Claiborne County as the host of the Grand Gulf Nuclear  
20 Power Plant and to establish a dedicated fund to support safety,  
21 healthcare, education and infrastructure projects in the county.

22 **SECTION 2.** (1) There is created a special fund in the State  
23 Treasury to be known as the "Risk Compensation Fund for Claiborne



County". The fund shall be administered by the Department of Revenue.

(2) The following monies must be deposited into the Risk Compensation Fund for Claiborne County:

(a) Fifteen percent (15%) of the total revenue collected annually under the nuclear in lieu tax contributions required under Section 27-3-309(3); and

(b) Stakeholder contributions collected annually from electrical utilities operating or benefiting from the Grand Gulf Nuclear Power Plant, as follows:

(i) Two Cents (\$0.02) per kilowatt hour of electricity produced by the Grand Gulf Nuclear Power Plant; and

(ii) A percentage of the assessed value of the Grand Gulf Nuclear Power Plant, as annually determined by the Department of Revenue.

**SECTION 3.** The proceeds of the Risk Compensation Fund for Claiborne County must be used exclusively for projects and programs that directly benefit Claiborne County. Permissible uses include, but are not limited to:

(a) Public safety, including implementation of emergency response plans, procurement of equipment and training for local emergency management agencies;

(b) The establishment and enhancement of healthcare facilities and services, including programs to address environmental and radiation-related health risks;



(c) Support for public schools, including workforce development programs and scholarships for Claiborne County residents; and

(d) Improvement of roads, bridges, utilities and other public infrastructure impacted by operations of the Grand Gulf Nuclear Power Plant.

**SECTION 4.** (1) The Department of Revenue shall establish a Risk Compensation Fund Advisory Committee to oversee the management and disbursement of monies in the Risk Compensation Fund for Claiborne County. The committee shall be comprised of the following members:

(a) The tax assessor/collector of Claiborne County;

(b) A representative of the Claiborne County Board of Supervisors;

(c) A representative of Entergy Corporation; and

(d) A member of the public residing in Claiborne County appointed by the Governor.

(2) The duties of the advisory committee are to:

(a) Develop an annual budget and spending plan for the Risk Compensation Fund for Claiborne County;

(b) Approve or deny funding requests for Claiborne County entities; and

(c) Submit an annual report to the Legislature detailing the fund's revenue and expenditures.



**SECTION 5.**

(1) Each recipient of funding from the Risk Compensation Fund for Claiborne County must provide quarterly reports to the Risk Compensation Fund Advisory Committee detailing the manner in which funds were used and the outcomes achieved.

(2) The Department of Revenue shall conduct an independent audit of the Risk Compensation Fund for Claiborne County every three (3) years, which audit must be made publicly available on the department's website.

**SECTION 6.** Section 27-35-309, Mississippi Code of 1972, is amended as follows:

27-35-309. (1) The Department of Revenue shall, if practicable, on or before the first Monday of June of each year, make out for each person, firm, company or corporation listed in Section 27-35-303, Mississippi Code of 1972, an assessment of the company's property, both real and personal, tangible and intangible. The Department of Revenue shall apportion the assessment of value of each company's property according to the provisions of this article, except as provided in subsection (3) of this section, as follows:

(a) When the property of such public service company is located in more than one (1) county in this state, the Department of Revenue shall direct the company to apportion the assessed value between the counties and municipalities and all other taxing districts therein, in the proportion which the property located therein bears to the entire value of the property of such company



98 as valued by the department, so that to each county, municipality  
99 and taxing district therein, there shall be apportioned such part  
100 of the entire valuation as will fairly equalize the relative value  
101 of the property therein located to the whole value thereof.

102 (b) When the property of such public utility required  
103 to be assessed by the provisions of this article is located in  
104 more than one (1) state, the assessed value thereof shall be  
105 apportioned by the Department of Revenue in such manner as will  
106 fairly and equitably determine the principal sum for the value  
107 thereof in this state, and after ascertaining such value it shall  
108 be apportioned by them as herein provided.

109 The assessment roll shall contain all the property of any  
110 such public service company, railroad, person, firm or corporation  
111 and the value thereof, and so made that each county, municipality,  
112 and taxing district shall receive its just share of taxes  
113 proportionately to the amount of property therein situated.

114 (2) (a) The assessment when made shall remain open for  
115 twenty (20) days in the Office of the Department of Revenue, and  
116 be for such time subject to the objections thereto which may be  
117 filed with the Executive Director of the Board of Tax Appeals; but  
118 real estate belonging to railroads and which forms no part of the  
119 road, and is wholly disconnected from its railroad business, shall  
120 not be assessed by the Department of Revenue, but shall be  
121 assessed as other real estate is assessed by the tax assessor of  
122 the county where situated.



(b) The apportionment of the assessed value as required by this section shall be filed with the Department of Revenue by such public service company on or before the last day of the objection period established in paragraph (a) of this subsection (2). If such company shall fail, refuse or neglect to render the apportionment of assessed value as required by this section, such company shall be subject to the penalties provided for in Section 27-35-305. The filing of an objection by such public service company shall not preclude such company from filing the property apportionment as required by this section.

(3) Any nuclear generating plant which is located in the state, which is owned or operated by a public utility rendering electric service within the state and not exempt from ad valorem taxation under any other statute and which is not owned or operated by an instrumentality of the federal government shall be exempt from county, municipal and district ad valorem taxes. In lieu of the payment of county, municipal and district ad valorem taxes, such public utility shall pay to the Department of Revenue a sum based on the assessed value of such nuclear generating plant in an amount to be determined and distributed as follows:

(a) The Department of Revenue shall annually assign an assessed value to any nuclear generating plant described in this subsection in the same manner as for ad valorem tax purposes by using accepted industry methods for appraising and assessing public utility property. The assessed value assigned shall be



used for the purpose of determining the in-lieu tax due under this section and shall not be included on the ad valorem tax rolls of the situs taxing authority nor be subject to ad valorem taxation by the situs taxing authority nor shall the assessed value assigned be used in determining the debt limit of the situs taxing authority. However, the assessed value so assigned may be used by the situs taxing authority for the purpose of determining salaries of its public officials.

(b) On or before February 1, 1987, for the 1986 taxable year and on or before February 1 of each year through the 1989 taxable year, such utility shall pay to the Department of Revenue a sum equal to two percent (2%) of the assessed value as ascertained by the Department of Revenue, but such payment shall not be less than Sixteen Million Dollars (\$16,000,000.00) for any of the four (4) taxable years; all such payments in excess of Sixteen Million Dollars (\$16,000,000.00) for these four (4) taxable years shall be paid into the General Fund of the state.

On or before February 1, 1991, for the 1990 taxable year and on or before February 1 of each year thereafter, such utility shall pay to the Department of Revenue a sum equal to two percent (2%) of the assessed value as ascertained by the Department of Revenue, but such payment shall not be less than Twenty Million Dollars (\$20,000,000.00) for any taxable year for as long as such nuclear power plant is licensed to operate and is not being permanently decommissioned \* \* \*. Of the total revenue paid to the Department



of Revenue during a taxable year, an amount equal to fifteen percent (15%) of the total revenue collected annually must be transferred by the department to the Risk Compensation Fund for Claiborne County created under Section 2 of this act. All such payments in excess of Sixteen Million Dollars (\$16,000,000.00) for taxable years 1990 and thereafter shall be paid as follows:

(i) An amount of Three Million Forty Thousand Dollars (\$3,040,000.00) annually, beginning with fiscal year 1991, shall be transferred by the Department of Revenue to Claiborne County. Such payments may be expended by the Board of Supervisors of Claiborne County for any purpose for which a county is authorized by law to levy an ad valorem tax and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes under Sections 27-39-305 and 27-39-321. However, should the Board of Supervisors of Claiborne County withdraw its support of the Grand Gulf Nuclear Station off-site emergency plan or otherwise fail to satisfy its off-site emergency plan commitments as determined by the Mississippi Emergency Management Agency and the Federal Emergency Management Agency, Five Hundred Thousand Dollars (\$500,000.00) annually of the funds designated for Claiborne County as described by this \* \* \* subparagraph (i) shall be deposited in the Grand Gulf Disaster Assistance Fund as provided in Section 33-15-51.



(ii) An amount of One Hundred Sixty Thousand Dollars (\$160,000.00) annually, beginning with fiscal year 1991, shall be transferred by the Department of Revenue to the City of Port Gibson, Mississippi. Such payments may be expended by the Board of Aldermen of the City of Port Gibson for any purpose for which a municipality is authorized by law to levy an ad valorem tax and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes under Sections 27-39-305 and 27-39-321. However, should the Board of Aldermen of the City of Port Gibson withdraw its support of the Grand Gulf Nuclear Station off-site emergency plan or otherwise fail to satisfy its off-site emergency plan commitment, as determined by the Mississippi Emergency Management Agency and the Federal Emergency Management Agency, Fifty Thousand Dollars (\$50,000.00) annually of the funds designated for the City of Port Gibson as described by this \* \* \* subparagraph (ii) shall be deposited in the Grand Gulf Disaster Assistance Fund as provided in Section 33-15-51.

(iii) The remaining balance of the payments in excess of Sixteen Million Dollars (\$16,000,000.00) annually, less amounts transferred under subparagraphs (i) and (ii) of this subsection, beginning with fiscal year 1991, shall be allocated in accordance with subsection (3)(f) of this section.

(c) Pursuant to certification by the Attorney General to the State Treasurer and the Department of Revenue that the suit



222 against the State of Mississippi pending on the effective date of  
223 House Bill 8, First Extraordinary Session of 1990, [Laws, 1990 Ex  
224 Session, Ch. 12, eff June 26, 1990], in the Chancery Court for the  
225 First Judicial District of Hinds County, Mississippi, styled  
226 Albert Butler et al v. the Mississippi State Tax Commission et al,  
227 has been voluntarily dismissed with prejudice as to all plaintiffs  
228 at the request of the complainants and that no attorney's fees or  
229 court costs have been assessed against the state and each of the  
230 parties, including Claiborne County and each municipality and  
231 school district located in the county, have signed and delivered  
232 to the Attorney General a full and complete release in favor of  
233 the State of Mississippi and its elected officials of all claims  
234 that have been asserted or may be asserted in the suit pending on  
235 the effective date of House Bill 8, First Extraordinary Session of  
236 1990, [Laws, 1990 Ex Session, Ch. 12, eff June 26, 1990], in the  
237 Chancery Court for the First Judicial District of Hinds County,  
238 Mississippi, styled Albert Butler et al v. the Mississippi State  
239 Tax Commission et al, and the deposit into the State General Fund  
240 of in-lieu payments and interest thereon due the state under  
241 subsection (3)(b) of this section but placed in escrow because of  
242 the lawsuit described above, the state shall promptly transfer to  
243 the Board of Supervisors of Claiborne County out of the State  
244 General Fund an amount of Two Million Dollars (\$2,000,000.00)  
245 which shall be a one-time distribution to Claiborne County from  
246 the state. Such payment may be expended by the Board of



Supervisors of Claiborne County for any purposes for which a county is authorized by law to levy an ad valorem tax and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes for the 1991 fiscal year under Sections 27-39-321 and 27-39-305.

(d) After distribution of the one-time payment to Claiborne County as set forth in subsection (3)(c) of this section, the Department of Revenue upon certification that the pending lawsuit as described in subsection (3)(c) of this section has been voluntarily dismissed shall promptly deposit an amount of Five Hundred Thousand Dollars (\$500,000.00) into the Grand Gulf Disaster Assistance Trust Fund as provided for in Section 33-15-51, which shall be a one-time payment, to be utilized in accordance with the provisions of such section.

(e) After distribution of the one-time payment to Claiborne County as set forth in subsection (3)(c) of this section and the payment to the Grand Gulf Disaster Assistance Trust Fund as set forth in subsection (3)(d) of this section, the Department of Revenue upon certification that the pending lawsuit as described in subsection (3)(c) of this section has been voluntarily dismissed shall promptly distribute ten percent (10%) of the remainder of the prior payments remaining in escrow to the General Fund of the state and the balance of the prior payments remaining in escrow shall be distributed to the counties and municipalities in this state wherein such public utility has



rendered electric service in the proportion that the amount of electric energy consumed by the retail customers of such public utility in each county, excluding municipalities therein, and in each municipality, for the next preceding fiscal year bears to the total amount of electric energy consumed by all retail customers of such public utility in the State of Mississippi for the next preceding fiscal year. The payments distributed to the counties and municipalities under this paragraph (e) may be expended by such counties and municipalities for any lawful purpose and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes under Sections 27-39-321 and 27-39-305.

(f) After distribution of the payments for fiscal year 1991 as set forth in Section 19-9-151 and distribution of the payments as provided for in subsection (3)(b) of this section, the Department of Revenue shall distribute ten percent (10%) of the remainder of the payments to the General Fund of the state and the balance to the counties and municipalities in this state wherein such public utility renders electric service in the proportion that the amount of electric energy consumed by the retail customers of such public utility in each county, excluding municipalities therein, and in each municipality for the next preceding fiscal year bears to the total amount of electric energy consumed by all retail customers of such public utility in the State of Mississippi for the next preceding fiscal year.



297                   (g) No county, including municipalities therein, shall  
298 receive in excess of twenty percent (20%) of the funds distributed  
299 under paragraph (f) of this subsection.

300                   (h) The revenues received by counties and  
301 municipalities under paragraph (f) of this subsection shall not be  
302 included or considered as proceeds of ad valorem taxes for the  
303 purposes of the growth limitation on ad valorem taxes under  
304 Sections 27-39-305 and 27-39-321.

305           **SECTION 7.** This act shall take effect and be in force from  
306 and after July 1, 2025.

