

By: Senator(s) Dearing

To: Highways and
Transportation;
Appropriations

SENATE BILL NO. 2578

1 AN ACT TO AMEND SECTION 65-3-97, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE MANNER IN WHICH ALL HIGHWAY PROJECTS UNDER THE
3 JURISDICTION OF THE MISSISSIPPI TRANSPORTATION COMMISSION, EXCEPT
4 PROJECTS IN PHASES ONE, TWO AND THREE OF THE 1987 FOUR-LANE
5 HIGHWAY PROGRAM, ARE PRIORITIZED; TO AUTHORIZE ADDITIONAL FEDERAL
6 FUNDS TO BE USED FOR THE 1987 FOUR-LANE HIGHWAY PROGRAM; TO
7 PROVIDE THAT SUCH FEDERAL FUNDS MAY BE UTILIZED IN LIEU OF STATE
8 FUNDING THAT WOULD OTHERWISE BE UTILIZED FOR SUCH PROGRAM; TO
9 PROVIDE THAT THE ANNUAL TOTAL AMOUNT OF FUNDING FOR THE 1987
10 FOUR-LANE HIGHWAY PROGRAM SHALL NOT BE LESS THAN IT WOULD HAVE
11 OTHERWISE BEEN WITHOUT THE UTILIZATION OF SUCH ADDITIONAL FEDERAL
12 FUNDS; TO AMEND SECTIONS 65-39-1, 75-76-129, 27-5-101, 27-19-99,
13 27-57-37, 27-65-75, 65-1-59 AND 65-39-35, MISSISSIPPI CODE OF
14 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** Section 65-3-97, Mississippi Code of 1972, is
17 amended as follows:

18 65-3-97. (1) In addition to and including all other
19 highways designated as a part of the state highway system, there
20 is hereby designated as a part thereof a four-lane highway system
21 to connect various areas of the state with interstate and primary
22 highways. For the segments described in subsection (3) of this
23 section, the Mississippi Department of Transportation shall
24 construct and reconstruct four-lane highways, that is, not less
25 than two (2) lanes for traffic flowing in each direction, along
26 the routes designated in this section.

27 (2) In the construction and reconstruction of the four-lane
28 highway system designated in subsection (3) of this section, the
29 Mississippi Department of Transportation may utilize the roadway
30 of any existing highway under its jurisdiction and control and
31 shall do so when such utilization is feasible, provided that such
32 highways which are utilized shall be constructed to current
33 standards for such roadways. When it is not feasible to utilize



34 existing designated highways, the Transportation Department shall
35 relocate such highways and construct entirely new facilities
36 whether in urban or rural areas.

37 (3) Construction of the four-lane highway system designated
38 in this subsection shall commence, proceed and be performed by the
39 Mississippi Department of Transportation strictly in accordance
40 with the following set of priorities established for the letting
41 of contracts on and along various segments thereof:

42 (a) Of the following group of highway segments not less
43 than fifteen percent (15%) of all contracts necessary to be let
44 for completion of all segments within the group shall be let by
45 June 30, 1988, not less than thirty percent (30%) of such
46 contracts shall be let by June 30, 1989, not less than fifty
47 percent (50%) of such contracts shall be let by June 30, 1990, not
48 less than seventy percent (70%) of such contracts shall be let by
49 June 30, 1991, not less than ninety percent (90%) of such
50 contracts shall be let by June 30, 1992, and one hundred percent
51 (100%) of such contracts shall be let by June 30, 1993:

52 (i) Highway segments along or near U.S. 45
53 beginning at the Clarke/Lauderdale county line and extending
54 northerly to I-59; then beginning at Macon and extending northerly
55 to Brooksville; then beginning at Columbus Air Force Base and
56 extending northerly to Aberdeen; then beginning at U.S. 278 and
57 extending northerly to Shannon; then beginning at Saltillo and
58 extending northerly to Corinth.

59 (ii) Highway segments along or near U.S. 45A
60 beginning at U.S. 82 and extending northerly to West Point; then
61 beginning four (4) miles south of Okolona and extending northerly
62 to Shannon.

63 (iii) A highway segment along or near U.S. 49W
64 beginning at U.S. 49 and extending westerly through Yazoo City to
65 the Yazoo River.



66 (iv) A highway segment along or near U.S. 49W
67 beginning at Inverness and extending northerly to Indianola.

68 (v) A highway segment along or near U.S. 61
69 beginning at Port Gibson and extending northerly to the four-lane
70 south of Vicksburg.

71 (vi) Highway segments along or near U.S. 72
72 beginning at or near Mt. Pleasant and extending southeasterly to
73 Mississippi 5; then beginning at Walnut and extending
74 southeasterly to Corinth; then beginning at Strickland and
75 extending southeasterly to Burnsville.

76 (vii) Highway segments along or near U.S. 78
77 beginning at Holly Springs and extending southeasterly to the New
78 Albany bypass; then beginning at Mississippi 25 and extending
79 southeasterly to Tremont.

80 (viii) Highway segments along or near U.S. 82
81 beginning at I-55 and extending easterly to Kilmichael; then
82 beginning at Eupora and extending easterly to Mathiston; then
83 beginning at Mississippi 12 and extending easterly to the Alabama
84 state line.

85 (ix) A highway segment along or near U.S. 84
86 beginning at I-59 and extending easterly to the Jones/Wayne county
87 line.

88 (x) Highway segments along or near U.S. 98
89 beginning at Columbia and extending easterly to the Marion/Lamar
90 county line; then beginning at U.S. 49 and extending southeasterly
91 to the Alabama state line.

92 (b) Of the following group of highway segments not less
93 than five percent (5%) of all contracts necessary to be let for
94 completion of all segments within the group shall be let by June
95 30, 1991, not less than ten percent (10%) of such contracts shall
96 be let by June 30, 1992, not less than twenty-five percent (25%)
97 of such contracts shall be let by June 30, 1993, not less than
98 forty percent (40%) of such contracts shall be let by June 30,



99 1994, not less than fifty-five percent (55%) of such contracts
100 shall be let by June 30, 1995, not less than seventy percent (70%)
101 of such contracts shall be let by June 30, 1996, not less than
102 eighty-five percent (85%) of such contracts shall be let by June
103 30, 1997, and one hundred percent (100%) of such contracts shall
104 be let by June 30, 1998:

105 (i) Highway segments along or near Mississippi 25
106 beginning at Mississippi 471 and extending northeasterly to
107 Mississippi 43; then beginning at the Winston/Oktibbeha county
108 line and extending northeasterly to Starkville.

109 (ii) A highway segment along or near Mississippi
110 63 beginning at the Jackson/George county line and extending
111 northerly to Lucedale.

112 (iii) A highway segment along or near Mississippi
113 302 beginning at I-55 in Southaven and extending easterly to U.S.
114 72 at or near Mt. Pleasant.

115 (iv) Highway segments along or near U.S. 45
116 beginning at the Alabama state line and extending northerly to the
117 Clarke/Lauderdale county line; then beginning at Lauderdale and
118 extending northerly to Macon; then beginning at Aberdeen and
119 extending northerly to U.S. 278.

120 (v) A highway segment along or near U.S. 45A
121 beginning at West Point and extending northerly to four (4) miles
122 south of Okolona.

123 (vi) A highway segment beginning at Brooksville
124 along or near U.S. 45 or U.S. 45A and extending northerly to U.S.
125 82, such segment having been designated by the Transportation
126 Commission pursuant to the provisions of paragraph (1)(c) of this
127 section.

128 (vii) A highway segment along or near U.S. 49W
129 beginning at the Yazoo River and extending northerly to Inverness.

130 (viii) Highway segments along or near U.S. 61
131 beginning at the Louisiana state line and extending northerly to



132 the Wilkinson/Adams county line; then beginning at Washington and
133 extending northerly to Port Gibson; then beginning at Merigold and
134 extending northerly to Shelby; then beginning at the north end of
135 the Clarksdale bypass and extending northerly to the Tennessee
136 state line.

137 (ix) A highway segment along or near U.S. 72
138 beginning at Mississippi 5 and extending southeasterly to Walnut.

139 (x) A highway segment along or near U.S. 78
140 beginning at Tremont and extending southeasterly to the Alabama
141 state line.

142 (xi) Highway segments along or near U.S. 82
143 beginning at the Montgomery/Webster county line and extending
144 easterly to Eupora; then beginning at Mathiston and extending
145 easterly to Starkville.

146 (xii) Highway segments along or near U.S. 84
147 beginning at Leesdale and extending easterly to Roxie; then
148 beginning at Auburn Road and extending easterly to I-55; then
149 beginning at the east end of the Brookhaven bypass and extending
150 easterly to Prentiss; then beginning at the Jones/Covington county
151 line and extending easterly to Horse Creek; then beginning at the
152 Jones/Wayne county line and extending easterly to Waynesboro.

153 (xiii) Highway segments along or near U.S. 98
154 beginning at the Pike/Walthall county line and extending easterly
155 to Columbia; then beginning at the Marion/Lamar county line and
156 extending easterly to the four-lane west of Hattiesburg.

157 (c) Of the following group of highway segments not less
158 than ten percent (10%) of all contracts necessary to be let for
159 completion of all segments within the group shall be let by June
160 30, 1996, not less than twenty percent (20%) of such contracts
161 shall be let by June 30, 1997, not less than forty percent (40%)
162 of such contracts shall be let by June 30, 1998, and one hundred
163 percent (100%) of such contracts shall be let by June 30, 1999:



164 (i) A highway segment along or near Mississippi 25
165 beginning at Mississippi 43 and extending northeasterly to the
166 Winston/Oktibbeha county line.

167 (ii) A highway segment along or near Mississippi
168 63 beginning at Lucedale and extending northerly to U.S. 45 at
169 State Line.

170 (iii) A highway segment along or near U.S. 61
171 beginning at Shelby and extending northerly to U.S. 49.

172 (iv) A highway segment along or near U.S. 82
173 beginning at Kilmichael and extending easterly to the
174 Montgomery/Webster county line.

175 (v) Highway segments along or near U.S. 84
176 beginning at Eddiceton and extending easterly to Auburn Road; then
177 beginning at Prentiss and extending easterly to Collins; then
178 beginning at Waynesboro and extending easterly to the Alabama
179 state line.

180 (4) (a) The Transportation Commission shall construct,
181 upgrade or improve the segments described in paragraph (f) of this
182 subsection, the projects described in Section 65-39-1 and
183 nonprogram highway construction under its jurisdiction, in
184 accordance with a priority schedule based upon a needs analysis
185 performed by the Mississippi Department of Transportation. The
186 analytic methods and procedures utilized by the Mississippi
187 Department of Transportation to perform the needs analysis shall
188 conform to current standards and practices of the transportation
189 sciences and industry as promulgated in appropriate documentation
190 of the United States Department of Transportation, the
191 Transportation Research Board, the American Association of Highway
192 and Transportation Officials, and other recognized and relevant
193 bodies. Such conforming methodologies shall be applied utilizing
194 considerations appropriate to the specific situation and may
195 include capacity analysis, traffic counting, traffic projection,
196 cost estimation, benefit-cost analysis, user cost analysis, land



197 use projections and similar analyses and projections, so that all
198 analyses are completed with the best tools available at the time
199 of the analysis. The Transportation Commission shall establish
200 and publish standards for setting the priorities and in so doing
201 may consider other factors, not in violation of federal law, as
202 the Transportation Commission may consider relevant, including,
203 but not limited to, economic development and safety. The first
204 determinant for construction of highway segments shall be the year
205 of need. "Year of need" for purposes of this section is the year
206 in which the level of service on a segment is projected to
207 deteriorate to an unacceptable level. For segments with the same
208 year of need, prioritization shall be based on the volume to
209 capacity ratio and the daily traffic volume. In the event that
210 the Transportation Commission deviates from the recommended
211 priorities presented through the needs analysis, the commission
212 shall spread the specific reasons for the deviation on its
213 minutes. The priority schedule shall reflect construction,
214 upgrades and improvements to the state highway system needed over
215 a five-year period based upon the criteria established in this
216 paragraph which shall be reviewed annually by the Mississippi
217 Department of Transportation.

218 (b) On or before October 1, 2005, and on or before
219 October 1 of each year thereafter, the Transportation Commission
220 shall present to the Highways and Transportation Committee of the
221 Senate and the Transportation Committee of the House of
222 Representatives a five-year schedule of priorities developed as
223 provided for in paragraph (a) of this subsection reflecting the
224 proposed schedule of construction for segments. The proposed
225 schedule shall be followed until later modified based on the
226 criteria established in paragraph (a) of this subsection.

227 (c) The Transportation Commission shall begin letting
228 projects based upon the prioritized schedule of need not later
229 than January 1, 2006; however, the commission shall have the



230 flexibility to adjust the sequencing of projects as may be
231 required in order to maximize the utilization of available funding
232 or to accommodate the relative requirement of each individual
233 project.

234 (d) Funds deposited into the special funds created in
235 Section 65-39-3 or 65-39-17 may only be expended as provided for
236 in Sections 65-39-1 through 65-39-37; however, funds otherwise
237 generated may be expended on segments included in Section 65-39-1
238 that are in the prioritized schedule established pursuant to this
239 subsection, as well as other projects included in such schedule.

240 (e) For fiscal year 2006 and each fiscal year
241 thereafter, the Transportation Commission shall dedicate not less
242 than Two Hundred Million Dollars (\$200,000,000.00) in state and/or
243 federal funds to fund the program established by this subsection.

244 (f) * * * The Transportation Commission and the
245 Mississippi Department of Transportation shall specifically
246 consider the following projects when establishing the priority
247 schedule pursuant to paragraph (a) of this subsection:

248 (i) A highway segment along or near
249 Mississippi 6 beginning at the Clarksdale bypass and extending
250 easterly to Batesville.

251 (ii) A highway segment along or near
252 Mississippi 12 beginning at I-55 and extending easterly to
253 Kosciusko.

254 (iii) A highway segment along or near
255 Mississippi 15 beginning at I-10 and extending northerly to
256 Mississippi 26; then beginning at U.S. Highway 98 and extending
257 northerly to the Mississippi/Tennessee state line.

258 (iv) A highway segment consisting of two (2)
259 lanes of construction and two (2) lanes of right-of-way
260 acquisition along or near Mississippi 15 beginning at Mississippi
261 26 and extending northerly to U.S. Highway 98.



262 (v) A highway segment along or near
263 Mississippi 19 beginning at Collinsville and extending
264 northwesterly to Kosciusko.

265 (vi) Highway segments along or near
266 Mississippi 25 beginning at Aberdeen and extending northerly to
267 Fulton; then beginning at the Alabama state line and extending
268 northerly to U.S. Highway 72.

269 (vii) A highway segment along or near U.S.
270 Highway 61 beginning at Redwood and extending northerly to Leland.

271 (viii) A highway segment along or near U.S.
272 Highway 98 beginning at Meadville and extending southeasterly to
273 Summit.

274 (ix) A highway segment along or near
275 Mississippi Highway 24/48 beginning at Woodville and extending
276 easterly to McComb.

277 (x) A highway segment along or near
278 Mississippi 35 beginning at the Mississippi/Louisiana state line
279 and extending northerly to or near Foxworth.

280 (xi) A highway segment along or near
281 Mississippi 27 beginning at I-20 and extending southeasterly to
282 I-55.

283 (xii) A highway segment along or near
284 Mississippi 57 beginning at I-10 and extending northerly ten (10)
285 miles to just north of the community of Van Cleave.

286 * * *

287 (5) The construction priorities established in this section
288 shall not be construed as prohibiting the completion of highway
289 segments which, on July 1, 1987, are included in the current
290 three-year plan under Section 65-1-141, and for which, on July 1,
291 1987, grade and drainage has been completed or contracts for grade
292 and drainage have been let.

293 (6) Contracts may be let and construction may commence and
294 be performed concurrently on any of the highway segments



295 designated in subsections (3) and (4) of this section,
296 notwithstanding the priorities established for the letting of
297 contracts on the various segments designated therein, provided
298 that funds are available and, provided that, at all times, the
299 percentages of all contracts required to be let on the segments
300 designated in subsection (3) * * * of this section are, in fact,
301 let no later than the dates established therein.

302 (7) (a) All highway construction and reconstruction
303 authorized under this section shall be performed by contract let
304 on competitive bid in the manner provided by statute; however,
305 highway segments shall be constructed in lengths of not less than
306 ten (10) miles.

307 (b) It is the intent of the Legislature that not less
308 than ten percent (10%) of the amounts authorized to be expended
309 for construction and reconstruction of the four-lane highway
310 segments designated in this section shall be expended with small
311 business concerns owned and controlled by socially and
312 economically disadvantaged individuals. The term "socially and
313 economically disadvantaged individuals" shall have the meaning
314 ascribed to such term under Section 8(d) of the Small Business Act
315 (15 USCS, Section 637(d)) and relevant subcontracting regulations
316 promulgated pursuant thereto; except that women shall be presumed
317 to be socially and economically disadvantaged individuals for the
318 purposes of this paragraph (b).

319 (8) (a) Notwithstanding the provisions of subsection (7) (a)
320 of this section, the Mississippi Transportation Commission may
321 construct highway segments of less than ten (10) miles in length
322 if:

323 (i) The segment as described in subsection (3) of
324 this section or the schedule of priorities established in
325 subsection (4) of this section is less than ten (10) miles in
326 length;



327 (ii) The segment will connect two (2) existing
328 four-lane highways;

329 (iii) The segment will connect an existing
330 four-lane highway with an incorporated municipality;

331 (iv) The segment will connect an existing
332 four-lane highway with a river, the state boundary or any other
333 natural or man-made barrier;

334 (v) For a particular project, the costs of
335 constructing a single segment of at least ten (10) miles in length
336 would greatly exceed the aggregate costs of constructing two (2)
337 or more segments; or

338 (vi) The segment is in an urban area and involves
339 the completion of bypasses or other construction which will
340 facilitate and accommodate major traffic movement.

341 (b) In any case in which the Transportation Commission
342 authorizes the construction of a highway segment of less than ten
343 (10) miles in length, the commission shall set forth and record in
344 its official minutes explanation and justification therefor based
345 upon one or more of the conditions prescribed in paragraph (8) (a)
346 of this section.

347 (9) (a) To assist in defraying the costs and expenses for
348 construction, reconstruction and relocation of the four-lane
349 highway system described in this section, the following revenues
350 shall be paid out of such funds made available to the
351 Transportation Commission and the Mississippi Department of
352 Transportation:

353 (i) From matched federal funds or other federal
354 funds, Thirty-two Million Dollars (\$32,000,000.00) for fiscal year
355 1988, Twenty-five Million Dollars (\$25,000,000.00) for fiscal year
356 1989, Thirty Million Dollars (\$30,000,000.00) for fiscal year 1990
357 and fifty percent (50%) of such federal funds for fiscal year 1991
358 and each fiscal year thereafter; and



359 (ii) Five Million Dollars (\$5,000,000.00) from
360 matched federal bridge replacement funds for fiscal year 1988 and
361 each fiscal year thereafter when the segments proposed for
362 construction contain bridges that are eligible for replacement
363 under the Federal Aid Bridge Replacement Program.

364 (b) Federal funds in addition to the federal funds
365 specified in paragraph (a) of this subsection may be used for the
366 construction, reconstruction and relocation of the four-lane
367 highway system described in this section. Such federal funds may
368 be utilized in lieu of state funding that would otherwise be
369 utilized for such system; provided, however, that the annual total
370 amount of funding for the construction, reconstruction and
371 relocation of the highway system described in this section shall
372 not be less than it would have otherwise been without the
373 utilization of such additional federal funds.

374 (10) The Transportation Department shall submit a report to
375 the Legislature by January 10 of each calendar year setting forth
376 the current status of the construction program set forth in this
377 section to include, but not be limited to, the following
378 information:

379 (a) Specific segments on which engineering is being
380 performed or has been completed;

381 (b) Specific segments for which right-of-way has been
382 acquired or is being acquired;

383 (c) Specific segments for which construction contracts
384 have been let;

385 (d) Specific segments on which construction is in
386 progress;

387 (e) Specific segments on which construction has been
388 completed;

389 (f) Projections for completion of the next step on each
390 segment;



391 (g) Revenue derived for such construction program from
392 each revenue source contained in Chapter 322, Laws, 1987, and in
393 Chapter 557, Laws, 1994;

394 (h) For each fiscal year beginning in 1994, a detailed
395 cash flow projection by source of program activities and an
396 estimate of when the program will encounter a funding shortage due
397 to costs exceeding original projections;

398 (i) A schedule of all complete and open-to-traffic
399 highway segments and the related total cost of each segment;

400 (j) A schedule of all highway segments on which all
401 contracts necessary for completion of the segments were not let as
402 of the date required by law;

403 (k) A complete recap of all program receipts by source,
404 and of all disbursements for the prior fiscal year and cumulative
405 totals since the inception of the program as compared to
406 projections; and

407 (l) A statement from the Department of Transportation
408 regarding the status of the funding of the program based on agency
409 cost experience and projections for the future.

410 The report shall be deemed submitted when ten (10) copies are
411 submitted to the Clerk of the House of Representatives and ten
412 (10) copies are submitted to the Secretary of the Senate.

413 **SECTION 2.** Section 65-39-1, Mississippi Code of 1972, is
414 amended as follows:

415 65-39-1. (1) The Mississippi Transportation Commission is
416 authorized, subject to the availability of funds in the Gaming
417 Counties State-Assisted Infrastructure Fund created in Section
418 65-39-17, to conduct feasibility studies and, pursuant to
419 information gathered in such studies, select routes and locations,
420 perform preliminary engineering, acquire necessary right-of-way
421 and property, construct and/or reconstruct and improve existing or
422 new highways, roads, streets and bridges, including two-lane,
423 four-lane and multi-lane roads (or segments thereof), perform



424 intersection improvements, provide signal retiring, turnbay
425 extensions, additional interchanges and other traffic
426 modifications, within and approaching those counties in this state
427 where legal gaming is being conducted or is authorized. Any
428 highway, road, street or bridge that is authorized to be
429 constructed, reconstructed or improved shall meet design standards
430 established by the Mississippi Department of Transportation, shall
431 be constructed to bear a load limit of at least eighty thousand
432 (80,000) pounds and, upon completion, shall become a part of the
433 state highway system, and thereafter shall be under the
434 jurisdiction of the Mississippi Transportation Commission and the
435 Mississippi Department of Transportation for construction and
436 maintenance.

437 (2) The projects authorized in subsection (1) of this
438 section shall include, but shall not be limited to, highways,
439 roads, streets and bridges on and along the following locations:

440 (a) U.S. Highway 90 from its intersection with
441 Mississippi 607 in Hancock County to Ocean Springs, and including
442 Lakeshore Road in Hancock County from its intersection with U.S.
443 Highway 90 to Beach Boulevard;

444 (b) Mississippi 4 from U.S. Highway 61 to Mississippi
445 3;

446 (c) Mississippi 4 from Mississippi 3 to Senatobia;

447 (d) Lorraine/Cowan Road from U.S. Highway 90 to I-10;

448 (e) U.S. Highway 49 from U.S. Highway 90 to I-10 in
449 Gulfport;

450 (f) Mississippi 304 beginning at the Tennessee State
451 Line at or near U.S. 72 and thence running in a southwesterly
452 direction to intersect with U.S. 78 at or near Byhalia and thence
453 running in a westerly direction to intersect I-55 at or near
454 Hernando and thence running in a westerly direction to intersect
455 with U.S. 61 in DeSoto County, with a spur extending southwesterly
456 to or near Robinsonville in Tunica County;



- 457 (g) I-10 from Exit 28 to Exit 57;
- 458 (h) A new location from the northernmost point on I-110
459 to U.S. 49;
- 460 (i) U.S. Highway 61 from the Tunica County line to the
461 Tennessee state line;
- 462 (j) (i) Four-lanes for traffic along Mississippi 16
463 beginning at its intersection with Mississippi 25 and extending
464 easterly to join the existing four-lane on the west side of
465 Carthage within the corporate boundaries;
- 466 (ii) Passing lanes and turn lanes, as needed,
467 along Mississippi 16 beginning at a point on the east side of
468 Carthage within the corporate boundaries where the existing
469 four-lane ends and extending easterly to the Leake/Neshoba county
470 line; and
- 471 (iii) Four-lanes for traffic along Mississippi 16
472 beginning at the Leake/Neshoba county line and extending easterly
473 to not more than ten (10) miles east of Mississippi 15;
- 474 (k) Lorraine/Cowan Road Extension from I-10 North to
475 relocated/reconstructed Mississippi 67;
- 476 (l) At various locations on and along U.S. Highway 82
477 and Mississippi 1 in the City of Greenville;
- 478 (m) At various locations on and along I-20, U.S.
479 Highway 61 and U.S. Highway 80 in the City of Vicksburg, including
480 a truck route from Harbor Industrial Park to U.S. Highway 61 north
481 and an extension of South Frontage Road with railroad bridge to
482 Interstate Highway 20;
- 483 (n) At various locations on and along U.S. Highway 61,
484 U.S. Highway 65 and Washington Street in the City of Natchez;
- 485 (o) At various locations on and along U.S. Highway 90
486 in the City of Pass Christian;
- 487 (p) Mississippi 43/603 beginning where the existing
488 four-lane ends north of I-10 and extending northerly to a point



489 approximately one (1) mile north of Kiln where Mississippi 43/603
490 divides into Mississippi 43 and Mississippi 603;

491 (q) Mississippi 43 beginning where Mississippi 43 and
492 Mississippi 603 divide and extending northwesterly to or near
493 Picayune;

494 (r) U.S. 49 from U.S. 61 west to the Mississippi River
495 bridge;

496 (s) Subject to the conditions prescribed in subsection
497 (3) of this section, a central Harrison County connector from I-10
498 to U.S. 90 in the vicinity of Canal Road to the Mississippi State
499 Port at Gulfport; and

500 (t) An east Harrison County connector from U.S. 90 to
501 I-10 to be located between the Cowan-Lorraine Road interchange and
502 the I-110 interchange.

503 (3) Authorization for the project described in paragraph
504 (2)(s) of this section is conditioned upon receipt by the
505 Mississippi Transportation Commission of a written commitment by
506 the Mississippi Development Authority to make available for such
507 project not less than Six Million Dollars (\$6,000,000.00).

508 (4) * * * If a project authorized in this section is also
509 included in the four-lane highway program under Section
510 65-3-97(3), then all contracts necessary to be let for the
511 completion of the project under this section shall be let not
512 later than the priorities established for the letting of contracts
513 for the project under Section 65-3-97(3). Prioritization of
514 construction for all other projects authorized in this section
515 shall be conducted as provided for in Section 65-3-97(4).

516 (5) (a) Funds for the projects authorized under this
517 section may be provided through the issuance of bonds under
518 Sections 65-39-5 through 65-39-33, through the issuance of notes
519 for such purposes under Section 31-17-127 or from such monies as
520 may be available in the Gaming Counties State-Assisted
521 Infrastructure Fund created under Section 65-39-17.



522 (b) In addition to the funds provided for under
523 paragraph (a) of this subsection, funds for the project described
524 in subsection (2)(s) of this section also may be provided from any
525 available federal, state, county or municipal funds authorized for
526 such project, including the Economic Development Highway Act.

527 **SECTION 3.** Section 75-76-129, Mississippi Code of 1972, is
528 amended as follows:

529 75-76-129. * * * On or before the last day of each month all
530 taxes, fees, interest, penalties, damages, fines or other monies
531 collected by the State Tax Commission during that month under the
532 provisions of this chapter, with the exception of (a) the local
533 government fees imposed under Section 75-76-195, and (b) an amount
534 equal to Three Million Dollars (\$3,000,000.00) of the revenue
535 collected pursuant to the fee imposed under Section
536 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)
537 of the revenue collected pursuant to the fee imposed under Section
538 75-76-177(1)(c), whichever is the greater amount, shall be paid by
539 the State Tax Commission to the State Treasurer to be deposited in
540 the State General Fund. The local government fees shall be
541 distributed by the State Tax Commission pursuant to Section
542 75-76-197. An amount equal to Three Million Dollars
543 (\$3,000,000.00) of the revenue collected during that month
544 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be
545 deposited by the State Tax Commission into the bond sinking fund
546 created in Section 65-39-3. The revenue collected during that
547 month pursuant to the fee imposed under Section 75-76-177(1)(c)
548 that is in excess of Three Million Dollars (\$3,000,000.00), but is
549 less than twenty-five percent (25%) of the amount of revenue
550 collected during that month, shall be deposited into the State
551 Highway Fund to be used exclusively for the reconstruction and
552 maintenance of highways of the State of Mississippi.

553 * * *



554 **SECTION 4.** Section 27-5-101, Mississippi Code of 1972, is
555 amended as follows:

556 **[With regard to any county which is exempt from the**
557 **provisions of Section 19-2-3, this section shall read as follows:]**

558 27-5-101. Unless otherwise provided in this section, on or
559 before the fifteenth day of each month, all gasoline, diesel fuel
560 or kerosene taxes which are levied under the laws of this state
561 and collected during the previous month shall be paid and
562 apportioned by the State Tax Commission as follows:

563 (a) (i) Except as otherwise provided in Section
564 31-17-127, from the gross amount of gasoline, diesel fuel or
565 kerosene taxes produced by the state, there shall be deducted an
566 amount equal to one-sixth (1/6) of principal and interest
567 certified by the State Treasurer to the State Tax Commission to be
568 due on the next semiannual bond and interest payment date, as
569 required under the provisions of Chapter 130, Laws of 1938, and
570 subsequent acts authorizing the issuance of bonds payable from
571 gasoline, diesel fuel or kerosene tax revenue on a parity with the
572 bonds issued under authority of said Chapter 130. The State
573 Treasurer shall certify to the State Tax Commission on or before
574 the fifteenth day of each month the amount to be paid to the
575 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
576 of 1938, and subsequent acts authorizing the issuance of bonds
577 payable from gasoline, diesel fuel or kerosene tax revenue, on a
578 parity with the bonds issued under authority of said Chapter 130;
579 and the State Tax Commission shall, on or before the twenty-fifth
580 day of each month, pay into the State Treasury for credit to the
581 "Highway Bonds Sinking Fund" the amount so certified to him by the
582 State Treasurer due to be paid into such fund each month. The
583 payments to the "Highway Bonds Sinking Fund" shall be made out of
584 gross gasoline, diesel fuel or kerosene tax collections before
585 deductions of any nature are considered; however, such payments



586 shall be deducted from the allocation to the Mississippi
587 Department of Transportation under paragraph (c) of this section.

588 (ii) From collections derived from the portion of
589 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
590 from the portion of the tax on aviation gas under Section 27-55-11
591 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
592 portion of the special fuel tax levied under Sections 27-55-519
593 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
594 Cents (10¢) per gallon, from the portion of the taxes levied under
595 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
596 gallon that exceeds One Cent (1¢) per gallon on special fuel and
597 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
598 as aircraft fuel, from the portion of the excise tax on compressed
599 gas used as a motor fuel that exceeds the rate of tax in effect on
600 June 30, 1987, and from the portion of the gasoline excise tax in
601 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
602 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
603 shall be deducted:

604 1. An amount as provided in Section
605 27-65-75(4) to the credit of a special fund designated as the
606 "Office of State Aid Road Construction."

607 2. An amount equal to the tax collections
608 derived from Two Cents (2¢) per gallon of the gasoline excise tax
609 for distribution to the State Highway Fund to be used exclusively
610 for the construction, reconstruction and maintenance of highways
611 of the State of Mississippi or the payment of interest and
612 principal on bonds when specifically authorized by the Legislature
613 for that purpose.

614 3. The balance shall be deposited in the
615 State Treasury to the credit of the State Highway Fund.

616 (b) Subject to the provisions that said basis of
617 distribution shall in nowise affect adversely the amount
618 specifically pledged in paragraph (a) of this section to be paid



619 into the "Highway Bonds Sinking Fund," the following shall be
620 deducted from the amount produced by the state tax on gasoline,
621 diesel fuel or kerosene tax collections, excluding collections
622 derived from the portion of the gasoline excise tax that exceeds
623 Seven Cents (7¢) per gallon, from the portion of the tax on
624 aviation gas under Section 27-55-11 that exceeds Six and
625 Four-tenths Cents (6.4¢) per gallon, from the portion of the
626 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
627 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
628 gallon, from the portion of the taxes levied under Section
629 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
630 exceeds One Cent (1¢) per gallon on special fuel and Five and
631 One-fourth Cents (5.25¢) per gallon on special fuel used as
632 aircraft fuel, from the portion of the excise tax on compressed
633 gas used as a motor fuel that exceeds the rate of tax in effect on
634 June 30, 1987, and from the portion of the gasoline excise tax in
635 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
636 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

637 (i) Twenty percent (20%) of such amount which
638 shall be earmarked and set aside for the construction,
639 reconstruction and maintenance of the highways and roads of the
640 state, provided that if such twenty percent (20%) should reduce
641 any county to a lesser amount than that received in the fiscal
642 year ending June 30, 1966, then such twenty percent (20%) shall be
643 reduced to a percentage to provide that no county shall receive
644 less than its portion for the fiscal year ending June 30, 1966;

645 (ii) The amount allowed as refund on gasoline or
646 as tax credit on diesel fuel or kerosene used for agricultural,
647 maritime, industrial, domestic, and nonhighway purposes;

648 (iii) Five percent (5%) of such amount shall be
649 paid to the State Highway Fund;



650 (iv) The amount or portion thereof authorized by
651 legislative appropriation to the Fisheries and Wildlife Fund
652 created under Section 59-21-25;

653 (v) The amount for deposit into the special
654 aviation fund under paragraph (d) of this section; and

655 (vi) The remainder shall be divided on a basis of
656 nine-fourteenths ($9/14$) and five-fourteenths ($5/14$) (being the
657 same basis as Four and One-half Cents ($4-1/2\text{¢}$) and Two and
658 One-half Cents ($2-1/2\text{¢}$) is to Seven Cents (7¢) on gasoline, and
659 six and forty-three one-hundredths (6.43) and three and
660 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
661 fuel or kerosene). The amount produced by the nine-fourteenths
662 ($9/14$) division shall be allocated to the Transportation
663 Department and paid into the State Treasury as provided in this
664 section and in Section 27-5-103 and the five-fourteenths ($5/14$)
665 division shall be returned to the counties of the state on the
666 following basis:

667 1. In each fiscal year, each county shall be
668 paid each month the same percentage of the monthly total to be
669 distributed as was paid to that county during the same month in
670 the fiscal year which ended April 9, 1960, until the county
671 receives One Hundred Ninety Thousand Dollars ($\$190,000.00$) in such
672 fiscal year, at which time funds shall be distributed under the
673 provisions of paragraph (b) (vi)4 of this section.

674 2. If after payments in 1 above, any county
675 has not received a total of One Hundred Ninety Thousand Dollars
676 ($\$190,000.00$) at the end of the fiscal year ending June 30, 1961,
677 and each fiscal year thereafter, then any available funds not
678 distributed under 1 above shall be used to bring such county or
679 counties up to One Hundred Ninety Thousand Dollars ($\$190,000.00$)
680 or such funds shall be divided equally among such counties not
681 reaching One Hundred Ninety Thousand Dollars ($\$190,000.00$) if



682 there is not sufficient money to bring all the counties to said
683 One Hundred Ninety Thousand Dollars (\$190,000.00).

684 3. When a county has been paid an amount
685 equal to the total which was paid to the same county during the
686 fiscal year ended April 9, 1960, such county shall receive no
687 further payments during the then current fiscal year until the
688 last month of such current fiscal year, at which time distribution
689 will be made under 2 above, except as set out in 4 below.

690 4. During the last month of the current
691 fiscal year, should it be determined that there are funds
692 available in excess of the amount distributed for the year under 1
693 and 2 above, then such excess funds shall be distributed among the
694 various counties as follows:

695 One-third (1/3) of such excess to be
696 divided equally among the counties;

697 One-third (1/3) of such excess to be paid
698 to the counties in the proportion which the population of each
699 county bears to the total population of the state according to the
700 last federal census;

701 One-third (1/3) of such excess to be paid
702 to the counties in the proportion which the number of square miles
703 of each county bears to the total square miles in the state.

704 5. It is the declared purpose and intent of
705 the Legislature that no county shall be paid less than was paid
706 during the year ended April 9, 1960, unless the amount to be
707 distributed to all counties in any year is less than the amount
708 distributed to all counties during the year ended April 9, 1960.

709 The Municipal Aid Fund as established by Section 27-5-103
710 shall not participate in any portion of any funds allocated to any
711 county hereunder over and above One Hundred Ninety Thousand
712 Dollars (\$190,000.00).

713 In any county having countywide road or bridge bonds, or
714 supervisors district or district road or bridge bonds outstanding,



715 which exceed, in the aggregate, twelve percent (12%) of the
716 assessed valuation of the taxable property of the county or
717 district, it shall be the duty of the board of supervisors to set
718 aside not less than sixty percent (60%) of such county's share or
719 district's share of the gasoline, diesel fuel or kerosene taxes to
720 be used in paying the principal and interest on such road or
721 bridge bonds as they mature.

722 In any county having such countywide road or bridge bonds or
723 district road or bridge bonds outstanding which exceed, in the
724 aggregate, eight percent (8%) of the assessed valuation of the
725 taxable property of the county, but which do not exceed, in the
726 aggregate, twelve percent (12%) of the assessed valuation of the
727 taxable property of the county, it shall be the duty of the board
728 of supervisors to set aside not less than thirty-five percent
729 (35%) of such county's share of the gasoline, diesel fuel or
730 kerosene taxes to be used in paying the principal and interest of
731 such road or bridge bonds as they mature.

732 In any county having such countywide road or bridge bonds or
733 district road or bridge bonds outstanding which exceed, in the
734 aggregate, five percent (5%) of the assessed valuation of the
735 taxable property of the county, but which do not exceed, in the
736 aggregate, eight percent (8%) of the assessed valuation of the
737 taxable property of the county, it shall be the duty of the board
738 of supervisors to set aside not less than twenty percent (20%) of
739 such county's share of the gasoline, diesel fuel or kerosene taxes
740 to be used in paying the principal and interest of such road and
741 bridge bonds as they mature.

742 In any county having such countywide road or bridge bonds or
743 district road or bridge bonds outstanding which do not exceed, in
744 the aggregate, five percent (5%) of the assessed valuation of the
745 taxable property of the county, it shall be the duty of the board
746 of supervisors to set aside not less than ten percent (10%) of
747 such county's share of the gasoline, diesel fuel or kerosene taxes



748 to be used in paying the principal and interest on such road or
749 bridge bonds as they mature.

750 The portion of any such county's share of the gasoline,
751 diesel fuel or kerosene taxes thus set aside for the payment of
752 the principal and interest of road or bridge bonds, as provided
753 for in this section, shall be used first in paying the currently
754 maturing installments of the principal and interest of such
755 countywide road or bridge bonds, if there be any such countywide
756 road or bridge bonds outstanding, and secondly, in paying the
757 currently maturing installments of principal and interest of
758 district road or bridge bonds outstanding. It shall be the duty
759 of the board of supervisors to pay bonds and interest maturing in
760 each supervisors district out of the supervisors district's share
761 of the gasoline, diesel fuel or kerosene taxes of such district.

762 The remaining portion of such county's share of the gasoline,
763 diesel fuel or kerosene taxes, after setting aside the portion
764 above provided for the payment of the principal and interest of
765 bonds, shall be used in the construction and maintenance of any
766 public highways, bridges, or culverts of the county, including the
767 roads in special or separate road districts, in the discretion of
768 the board of supervisors, or in paying the interest and principal
769 of county road and bridge bonds or district road and bridge bonds,
770 in the discretion of the board of supervisors.

771 In any county having no countywide road or bridge bonds or
772 district road or bridge bonds outstanding, all such county's share
773 of the gasoline, diesel fuel or kerosene taxes shall be used in
774 the construction, reconstruction, and maintenance of the public
775 highways, bridges, or culverts of the county as the board of
776 supervisors may determine.

777 In every county in which there are county road bonds or
778 seawall or road protection bonds outstanding which were issued for
779 the purpose of building bridges or constructing public roads or
780 seawalls, such funds shall be used in the manner provided by law.



781 (c) From the amount produced by the nine-fourteenths
782 (9/14) division allocated to the Transportation Department, there
783 shall be deducted:

784 (i) The amount paid to the State Treasurer for the
785 "Highway Bonds Sinking Fund" under paragraph (a) of this section;

786 (ii) Any amounts due counties in accordance with
787 Section 65-33-45 which have outstanding bonds issued for seawall
788 or road protection purposes, issued under provisions of Chapter
789 319, Laws of 1924, and amendments thereto;

790 (iii) Beginning August 15, 2002, and on or before
791 the fifteenth day of each month thereafter, an amount equal to
792 one-sixth (1/6) of the principal and interest certified by the
793 State Treasurer to the State Tax Commission to be due on the next
794 semiannual bond and interest payment date for the bonds issued
795 under Sections 65-39-5 through 65-39-33. On or before the
796 twenty-fifth day of each month the State Tax Commission shall pay
797 into the State Treasury for credit to the Gaming Counties Bond
798 Sinking Fund created in Section 65-39-3, the amount so certified
799 by the State Treasurer;

800 (iv) Except as otherwise provided in Section
801 31-17-127, the remainder shall be paid by the State Tax Commission
802 to the State Treasurer on the fifteenth day of each month next
803 succeeding the month in which the gasoline, diesel fuel or
804 kerosene taxes were collected to the credit of the State Highway
805 Fund.

806 The funds allocated for the construction, reconstruction, and
807 improvement of state highways, bridges, and culverts, or so much
808 thereof as may be necessary, shall first be used in conjunction
809 with funds supplied by the federal government for such purposes
810 and allocated to the State Transportation Department to be
811 expended on the state highway system. It is specifically provided
812 hereby that the necessary portion of such funds hereinabove
813 allocated to the State Transportation Department may be used for



814 the prompt payment of principal and interest on highway bonds
815 heretofore issued, including such bonds issued or to be issued
816 under the provisions of Chapter 312, Laws of 1956, and amendments
817 thereto.

818 Nothing contained in this section shall be construed to
819 reduce the amount of such gasoline, diesel fuel or kerosene excise
820 taxes levied by the state, allotted under the provisions of Title
821 65, Chapter 33, Mississippi Code of 1972, to counties in which
822 there are outstanding bonds issued for seawall or road protection
823 purposes issued under the provisions of Chapter 319, Laws of 1924,
824 and amendments thereto; the amount of said gasoline, diesel fuel
825 or kerosene excise taxes designated in this section for the
826 payment of bonds and interest authorized and issued or to be
827 issued under the provisions of Chapter 130, Laws of 1938, and
828 subsequent acts authorizing the issuance of bonds payable from
829 gasoline, diesel fuel or kerosene tax revenue, shall, in such
830 counties, be considered as being paid "into the State Treasury to
831 the credit of the State Highway Fund" within the meaning of
832 Section 65-33-45 in computing the amount to be paid to such
833 counties under the provisions of said section, and this section
834 shall be administered in connection with Title 65, Chapter 33,
835 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
836 65-33-49 dealing with seawalls, as if made a part of this section.

837 (d) The proceeds of the Five and One-fourth Cents
838 (5.25¢) of the tax per gallon on oils used as a propellant for jet
839 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
840 per gallon on aviation gasoline and the tax of One Cent (1¢) per
841 gallon for each gallon of gasoline for which a refund has been
842 made pursuant to Section 27-55-23 because such gasoline was used
843 for aviation purposes, shall be paid to the State Treasury into a
844 special fund to be used exclusively, pursuant to legislative
845 appropriation, for the support and development of aeronautics as
846 defined in Section 61-1-3.



847 (e) State highway funds in an amount equal to the
848 difference between Forty-two Million Dollars (\$42,000,000.00) and
849 the annual debt service payable on the state's highway revenue
850 refunding bonds, Series 1985, shall be expended for the
851 construction or reconstruction of highways designated under
852 the * * * Highway Program created under Section 65-3-97.

853 (f) "Gasoline, diesel fuel or kerosene taxes" as used
854 in this section shall be deemed to mean and include state
855 gasoline, diesel fuel or kerosene taxes levied and imposed on
856 distributors of gasoline, diesel fuel or kerosene, and all state
857 excise taxes derived from any fuel used to propel vehicles upon
858 the highways of this state, when levied by any statute.

859 **[With regard to any county which is required to operate on a**
860 **countywide system of road administration as described in Section**
861 **19-2-3, this section shall read as follows:]**

862 27-5-101. Unless otherwise provided in this section, on or
863 before the fifteenth day of each month, all gasoline, diesel fuel
864 or kerosene taxes which are levied under the laws of this state
865 and collected during the previous month shall be paid and
866 apportioned by the State Tax Commission as follows:

867 (a) (i) Except as otherwise provided in Section
868 31-17-127, from the gross amount of gasoline, diesel fuel or
869 kerosene taxes produced by the state, there shall be deducted an
870 amount equal to one-sixth (1/6) of principal and interest
871 certified by the State Treasurer to the State Tax Commission to be
872 due on the next semiannual bond and interest payment date, as
873 required under the provisions of Chapter 130, Laws of 1938, and
874 subsequent acts authorizing the issuance of bonds payable from
875 gasoline, diesel fuel or kerosene tax revenue on a parity with the
876 bonds issued under authority of said Chapter 130. The State
877 Treasurer shall certify to the State Tax Commission on or before
878 the fifteenth day of each month the amount to be paid to the
879 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws



880 of 1938, and subsequent acts authorizing the issuance of bonds
881 payable from gasoline, diesel fuel or kerosene tax revenue, on a
882 parity with the bonds issued under authority of said Chapter 130;
883 and the State Tax Commission shall, on or before the twenty-fifth
884 day of each month, pay into the State Treasury for credit to the
885 "Highway Bonds Sinking Fund" the amount so certified to him by the
886 State Treasurer due to be paid into such fund each month. The
887 payments to the "Highway Bonds Sinking Fund" shall be made out of
888 gross gasoline, diesel fuel or kerosene tax collections before
889 deductions of any nature are considered; however, such payments
890 shall be deducted from the allocation to the Transportation
891 Department under paragraph (c) of this section.

892 (ii) From collections derived from the portion of
893 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
894 from the portion of the tax on aviation gas under Section 27-55-11
895 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
896 portion of the special fuel tax levied under Sections 27-55-519
897 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten
898 Cents (10¢) per gallon, from the portion of the taxes levied under
899 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
900 gallon that exceeds One Cent (1¢) per gallon on special fuel and
901 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
902 as aircraft fuel, from the portion of the excise tax on compressed
903 gas used as a motor fuel that exceeds the rate of tax in effect on
904 June 30, 1987, and from the portion of the gasoline excise tax in
905 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
906 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
907 shall be deducted:

908 1. An amount as provided in Section
909 27-65-75(4) to the credit of a special fund designated as the
910 "Office of State Aid Road Construction."

911 2. An amount equal to the tax collections
912 derived from Two Cents (2¢) per gallon of the gasoline excise tax



913 for distribution to the State Highway Fund to be used exclusively
914 for the construction, reconstruction and maintenance of highways
915 of the State of Mississippi or the payment of interest and
916 principal on bonds when specifically authorized by the Legislature
917 for that purpose.

918 3. The balance shall be deposited in the
919 State Treasury to the credit of the State Highway Fund.

920 (b) Subject to the provisions that said basis of
921 distribution shall in nowise affect adversely the amount
922 specifically pledged in paragraph (a) of this section to be paid
923 into the "Highway Bonds Sinking Fund," the following shall be
924 deducted from the amount produced by the state tax on gasoline,
925 diesel fuel or kerosene tax collections, excluding collections
926 derived from the portion of the gasoline excise tax that exceeds
927 Seven Cents (7¢) per gallon, from the portion of the tax on
928 aviation gas under Section 27-55-11 that exceeds Six and
929 Four-tenths Cents (6.4¢) per gallon, from the portion of the
930 special fuel tax levied under Sections 27-55-519 and 27-55-521, at
931 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
932 gallon, from the portion of the taxes levied under Section
933 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
934 One Cent (1¢) per gallon on special fuel and Five and One-fourth
935 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
936 from the portion of the excise tax on compressed gas used as a
937 motor fuel that exceeds the rate of tax in effect on June 30,
938 1987, and from the portion of the gasoline excise tax in excess of
939 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
940 Ten Cents (10¢) per gallon under Section 27-61-5:

941 (i) Twenty percent (20%) of such amount which
942 shall be earmarked and set aside for the construction,
943 reconstruction and maintenance of the highways and roads of the
944 state, provided that if such twenty percent (20%) should reduce
945 any county to a lesser amount than that received in the fiscal



946 year ending June 30, 1966, then such twenty percent (20%) shall be
947 reduced to a percentage to provide that no county shall receive
948 less than its portion for the fiscal year ending June 30, 1966;

949 (ii) The amount allowed as refund on gasoline or
950 as tax credit on diesel fuel or kerosene used for agricultural,
951 maritime, industrial, domestic and nonhighway purposes;

952 (iii) Five percent (5%) of such amount shall be
953 paid to the State Highway Fund;

954 (iv) The amount or portion thereof authorized by
955 legislative appropriation to the Fisheries and Wildlife Fund
956 created under Section 59-21-25;

957 (v) The amount for deposit into the special
958 aviation fund under paragraph (d) of this section; and

959 (vi) The remainder shall be divided on a basis of
960 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
961 same basis as Four and One-half Cents (4-1/2¢) and Two and
962 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
963 six and forty-three one-hundredths (6.43) and three and
964 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
965 fuel or kerosene). The amount produced by the nine-fourteenths
966 (9/14) division shall be allocated to the Transportation
967 Department and paid into the State Treasury as provided in this
968 section and in Section 27-5-103 and the five-fourteenths (5/14)
969 division shall be returned to the counties of the state on the
970 following basis:

971 1. In each fiscal year, each county shall be
972 paid each month the same percentage of the monthly total to be
973 distributed as was paid to that county during the same month in
974 the fiscal year which ended April 9, 1960, until the county
975 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
976 fiscal year, at which time funds shall be distributed under the
977 provisions of paragraph (b) (vi)4 of this section.



978 2. If after payments in 1 above, any county
979 has not received a total of One Hundred Ninety Thousand Dollars
980 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
981 and each fiscal year thereafter, then any available funds not
982 distributed under 1 above shall be used to bring such county or
983 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
984 or such funds shall be divided equally among such counties not
985 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
986 there is not sufficient money to bring all the counties to said
987 One Hundred Ninety Thousand Dollars (\$190,000.00).

988 3. When a county has been paid an amount
989 equal to the total which was paid to the same county during the
990 fiscal year ended April 9, 1960, such county shall receive no
991 further payments during the then current fiscal year until the
992 last month of such current fiscal year, at which time distribution
993 will be made under 2 above, except as set out in 4 below.

994 4. During the last month of the current
995 fiscal year, should it be determined that there are funds
996 available in excess of the amount distributed for the year under 1
997 and 2 above, then such excess funds shall be distributed among the
998 various counties as follows:

999 One-third (1/3) of such excess to be
1000 divided equally among the counties;

1001 One-third (1/3) of such excess to be paid
1002 to the counties in the proportion which the population of each
1003 county bears to the total population of the state according to the
1004 last federal census;

1005 One-third (1/3) of such excess to be paid
1006 to the counties in the proportion which the number of square miles
1007 of each county bears to the total square miles in the state.

1008 5. It is the declared purpose and intent of
1009 the Legislature that no county shall be paid less than was paid
1010 during the year ended April 9, 1960, unless the amount to be



1011 distributed to all counties in any year is less than the amount
1012 distributed to all counties during the year ended April 9, 1960.

1013 The Municipal Aid Fund as established by Section 27-5-103
1014 shall not participate in any portion of any funds allocated to any
1015 county hereunder over and above One Hundred Ninety Thousand
1016 Dollars (\$190,000.00).

1017 In any county having road or bridge bonds outstanding which
1018 exceed, in the aggregate, twelve percent (12%) of the assessed
1019 valuation of the taxable property of the county, it shall be the
1020 duty of the board of supervisors to set aside not less than sixty
1021 percent (60%) of such county's share of the gasoline, diesel fuel
1022 or kerosene taxes to be used in paying the principal and interest
1023 on such road or bridge bonds as they mature.

1024 In any county having such road or bridge bonds outstanding
1025 which exceed, in the aggregate, eight percent (8%) of the assessed
1026 valuation of the taxable property of the county, but which do not
1027 exceed, in the aggregate, twelve percent (12%) of the assessed
1028 valuation of the taxable property of the county, it shall be the
1029 duty of the board of supervisors to set aside not less than
1030 thirty-five percent (35%) of such county's share of the gasoline,
1031 diesel fuel or kerosene taxes to be used in paying the principal
1032 and interest of such road or bridge bonds as they mature.

1033 In any county having such road or bridge bonds outstanding
1034 which exceed, in the aggregate, five percent (5%) of the assessed
1035 valuation of the taxable property of the county, but which do not
1036 exceed, in the aggregate, eight percent (8%) of the assessed
1037 valuation of the taxable property of the county, it shall be the
1038 duty of the board of supervisors to set aside not less than twenty
1039 percent (20%) of such county's share of the gasoline, diesel fuel
1040 or kerosene taxes to be used in paying the principal and interest
1041 of such road and bridge bonds as they mature.

1042 In any county having such road or bridge bonds outstanding
1043 which do not exceed, in the aggregate, five percent (5%) of the



1044 assessed valuation of the taxable property of the county, it shall
1045 be the duty of the board of supervisors to set aside not less than
1046 ten percent (10%) of such county's share of the gasoline, diesel
1047 fuel or kerosene taxes to be used in paying the principal and
1048 interest on such road or bridge bonds as they mature.

1049 The portion of any such county's share of the gasoline,
1050 diesel fuel or kerosene taxes thus set aside for the payment of
1051 the principal and interest of road or bridge bonds, as provided
1052 for in this section, shall be used in paying the currently
1053 maturing installments of the principal and interest of such road
1054 or bridge bonds, if there be any such road or bridge bonds
1055 outstanding.

1056 The remaining portion of such county's share of the gasoline,
1057 diesel fuel or kerosene taxes, after setting aside the portion
1058 above provided for the payment of the principal and interest of
1059 bonds, shall be used in the construction and maintenance of any
1060 public highways, bridges or culverts of the county, in the
1061 discretion of the board of supervisors.

1062 In any county having no road or bridge bonds outstanding, all
1063 such county's share of the gasoline, diesel fuel or kerosene taxes
1064 shall be used in the construction, reconstruction and maintenance
1065 of the public highways, bridges or culverts of the county, as the
1066 board of supervisors may determine.

1067 In every county in which there are county road bonds or
1068 seawall or road protection bonds outstanding which were issued for
1069 the purpose of building bridges or constructing public roads or
1070 seawalls, such funds shall be used in the manner provided by law.

1071 (c) From the amount produced by the nine-fourteenths
1072 (9/14) division allocated to the Transportation Department, there
1073 shall be deducted:

1074 (i) The amount paid to the State Treasurer for the
1075 "Highway Bonds Sinking Fund" under paragraph (a) of this section;



1076 (ii) Any amounts due counties in accordance with
1077 Section 65-33-45 which have outstanding bonds issued for seawall
1078 or road protection purposes, issued under provisions of Chapter
1079 319, Laws of 1924, and amendments thereto; and

1080 (iii) Beginning August 15, 2002, and on or before
1081 the fifteenth day of each month thereafter, an amount equal to
1082 one-sixth (1/6) of the principal and interest certified by the
1083 State Treasurer to the State Tax Commission to be due on the next
1084 semiannual bond and interest payment date for the bonds issued
1085 under Sections 65-39-5 through 65-39-33. On or before the
1086 twenty-fifth day of each month the State Tax Commission shall pay
1087 into the State Treasury for credit to the Gaming Counties Bond
1088 Sinking Fund created in Section 65-39-3, the amount certified by
1089 the State Treasurer;

1090 (iv) Except as otherwise provided in Section
1091 31-17-127, the remainder shall be paid by the State Tax Commission
1092 to the State Treasurer on the fifteenth day of each month next
1093 succeeding the month in which the gasoline, diesel fuel or
1094 kerosene taxes were collected to the credit of the State Highway
1095 Fund.

1096 The funds allocated for the construction, reconstruction and
1097 improvement of state highways, bridges and culverts, or so much
1098 thereof as may be necessary, shall first be used in conjunction
1099 with funds supplied by the federal government for such purposes
1100 and allocated to the Transportation Department to be expended on
1101 the state highway system. It is specifically provided hereby that
1102 the necessary portion of such funds hereinabove allocated to the
1103 Transportation Department may be used for the prompt payment of
1104 principal and interest on highway bonds heretofore issued,
1105 including such bonds issued or to be issued under the provisions
1106 of Chapter 312, Laws of 1956, and amendments thereto.

1107 Nothing contained in this section shall be construed to
1108 reduce the amount of such gasoline, diesel fuel or kerosene excise



1109 taxes levied by the state, allotted under the provisions of Title
1110 65, Chapter 33, Mississippi Code of 1972, to counties in which
1111 there are outstanding bonds issued for seawall or road protection
1112 purposes issued under the provisions of Chapter 319, Laws of 1924,
1113 and amendments thereto; the amount of said gasoline, diesel fuel
1114 or kerosene excise taxes designated in this section for the
1115 payment of bonds and interest authorized and issued or to be
1116 issued under the provisions of Chapter 130, Laws of 1938, and
1117 subsequent acts authorizing the issuance of bonds payable from
1118 gasoline, diesel fuel or kerosene tax revenue, shall, in such
1119 counties, be considered as being paid "into the State Treasury to
1120 the credit of the State Highway Fund" within the meaning of
1121 Section 65-33-45 in computing the amount to be paid to such
1122 counties under the provisions of said section, and this section
1123 shall be administered in connection with Title 65, Chapter 33,
1124 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
1125 65-33-49 dealing with seawalls, as if made a part of this section.

1126 (d) The proceeds of the Five and One-fourth Cents
1127 (5.25¢) of the tax per gallon on oils used as a propellant for jet
1128 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
1129 per gallon on aviation gasoline and the tax of One Cent (1¢) per
1130 gallon for each gallon of gasoline for which a refund has been
1131 made pursuant to Section 27-55-23 because such gasoline was used
1132 for aviation purposes, shall be paid to the State Treasury into a
1133 special fund to be used exclusively, pursuant to legislative
1134 appropriation, for the support and development of aeronautics as
1135 defined in Section 61-1-3.

1136 (e) State highway funds in an amount equal to the
1137 difference between Forty-two Million Dollars (\$42,000,000.00) and
1138 the annual debt service payable on the state's highway revenue
1139 refunding bonds, Series 1985, shall be expended for the
1140 construction or reconstruction of highways designated under
1141 the * * * Highway Program created under Section 65-3-97.



1142 (f) "Gasoline, diesel fuel or kerosene taxes" as used
1143 in this section shall be deemed to mean and include state
1144 gasoline, diesel fuel or kerosene taxes levied and imposed on
1145 distributors of gasoline, diesel fuel or kerosene, and all state
1146 excise taxes derived from any fuel used to propel vehicles upon
1147 the highways of this state, when levied by any statute.

1148 **SECTION 5.** Section 27-19-99, Mississippi Code of 1972, is
1149 amended as follows:

1150 27-19-99. The State Tax Commission shall furnish the tax
1151 collector of each county a sufficient supply of license tags or
1152 plates and a sufficient supply of license receipts with which to
1153 make the collection of the taxes imposed by the provisions of this
1154 article, which such tax collectors are required to collect. The
1155 license tag receipts shall be on forms prescribed by the
1156 commission. Upon the payment of the taxes and fees required by
1157 this article, the tax collector shall issue the license receipt in
1158 the form prescribed by the commission. The commission shall keep
1159 account against the tax collector for the license taxes and fees
1160 collected. The tax collector shall keep a similar account.

1161 The tax collector shall, at the end of each month or within
1162 twenty (20) days thereafter, pay into the county road fund all
1163 privilege taxes collected by him during the preceding month upon
1164 motor vehicle privilege licenses which he is entitled to issue,
1165 less the county's commission.

1166 The tax collector shall keep a record of the information
1167 furnished by the owners of each motor vehicle registered. The
1168 record shall be made in numerical order by tag number or decal
1169 number, whichever is appropriate. At the end of each month, or
1170 within twenty (20) days thereafter, the tax collector shall submit
1171 to the commission a copy of such record, together with the copy of
1172 each registration receipt, and shall, at the same time, remit to
1173 the commission the registration fee for each license tag or decal
1174 sold by him during the preceding month. When the tax collector



1175 shall have complied with the provisions of this section and shall
1176 have forwarded to the commission, within the time specified, all
1177 reports required of him hereunder, he shall then be entitled to
1178 retain five percent (5%) of the registration fees imposed in
1179 paragraphs (a) and (b) of Section 27-19-43, Mississippi Code of
1180 1972, to be paid into the county general fund; otherwise the
1181 county's commission shall be forfeited. The five percent (5%)
1182 shall not apply to any additional registration fee imposed above
1183 the amounts imposed in paragraphs (a) and (b) of Section 27-19-43.
1184 The commission shall keep a record from the duplicates filed by
1185 the tax collectors of all registered vehicles.

1186 Counties that use their existing computer system to
1187 communicate all data regarding vehicle title and registration
1188 transactions to the state's central computer system shall be
1189 allotted Fifty Cents (50¢) for each registration fee collected by
1190 the county and remitted to the State Tax Commission. Such
1191 communication must successfully pass any edit features and
1192 successfully create or update title/registration records on the
1193 network system. This amount paid to the county shall be deposited
1194 into the county general fund to be expended only for costs
1195 incurred for the purchase of equipment, software, maintenance or
1196 other costs directly related to the title/registration network
1197 system.

1198 All monies remitted to the commission by tax collectors as
1199 registration or tag fees from the portion of the rate imposed in
1200 paragraphs (a) and (b) of Section 27-19-43, and all monies
1201 received by the commission directly as registration or tag fees
1202 from the portion of the rate imposed in paragraphs (a) and (b) of
1203 Section 27-19-43, shall be paid by the commission into the General
1204 Fund of the State Treasury on the first day of the month
1205 succeeding the month in which such fees are received by the
1206 commission. Except as otherwise provided in Section 31-17-127,
1207 all monies remitted to the commission by tax collectors as



1208 registration or tag fees from the additional rate of Five Dollars
1209 (\$5.00) and all monies received by the commission directly as
1210 registration or tag fees from the additional rate of Five Dollars
1211 (\$5.00) shall be paid into the State Treasury to the credit of the
1212 State Highway Fund for the construction or reconstruction of
1213 highways designated under the * * * Highway Program created under
1214 Section 65-3-97.

1215 **SECTION 6.** Section 27-57-37, Mississippi Code of 1972, is
1216 amended as follows:

1217 27-57-37. Except as otherwise provided in Section 31-17-127,
1218 the amount received from lubricating oil excise tax, as defined in
1219 this article, shall be deposited by the commission, in the State
1220 Treasury to the credit of the State Highway Fund, and until the
1221 date specified in Section 65-39-35, such amount shall be used for
1222 the construction or reconstruction of highways designated under
1223 the * * * Highway Program created under Section 65-3-97.

1224 **SECTION 7.** Section 27-65-75, Mississippi Code of 1972, is
1225 amended as follows:

1226 27-65-75. On or before the fifteenth day of each month, the
1227 revenue collected under the provisions of this chapter during the
1228 preceding month shall be paid and distributed as follows:

1229 (1) On or before August 15, 1992, and each succeeding month
1230 thereafter through July 15, 1993, eighteen percent (18%) of the
1231 total sales tax revenue collected during the preceding month under
1232 the provisions of this chapter, except that collected under the
1233 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
1234 business activities within a municipal corporation shall be
1235 allocated for distribution to such municipality and paid to such
1236 municipal corporation. On or before August 15, 1993, and each
1237 succeeding month thereafter, eighteen and one-half percent
1238 (18-1/2%) of the total sales tax revenue collected during the
1239 preceding month under the provisions of this chapter, except that
1240 collected under the provisions of Sections 27-65-15, 27-65-19(3)



1241 and 27-65-21, on business activities within a municipal
1242 corporation shall be allocated for distribution to such
1243 municipality and paid to such municipal corporation.

1244 A municipal corporation, for the purpose of distributing the
1245 tax under this subsection, shall mean and include all incorporated
1246 cities, towns and villages.

1247 Monies allocated for distribution and credited to a municipal
1248 corporation under this subsection may be pledged as security for
1249 any loan received by the municipal corporation for the purpose of
1250 capital improvements as authorized under Section 57-1-303, or
1251 loans as authorized under Section 57-44-7, or water systems
1252 improvements as authorized under Section 41-3-16.

1253 In any county having a county seat which is not an
1254 incorporated municipality, the distribution provided hereunder
1255 shall be made as though the county seat was an incorporated
1256 municipality; however, the distribution to such municipality shall
1257 be paid to the county treasury wherein the municipality is located
1258 and such funds shall be used for road, bridge and street
1259 construction or maintenance therein.

1260 (2) On or before September 15, 1987, and each succeeding
1261 month thereafter, from the revenue collected under this chapter
1262 during the preceding month One Million One Hundred Twenty-five
1263 Thousand Dollars (\$1,125,000.00) shall be allocated for
1264 distribution to municipal corporations as defined under subsection
1265 (1) of this section in the proportion that the number of gallons
1266 of gasoline and diesel fuel sold by distributors to consumers and
1267 retailers in each such municipality during the preceding fiscal
1268 year bears to the total gallons of gasoline and diesel fuel sold
1269 by distributors to consumers and retailers in municipalities
1270 statewide during the preceding fiscal year. The State Tax
1271 Commission shall require all distributors of gasoline and diesel
1272 fuel to report to the commission monthly the total number of
1273 gallons of gasoline and diesel fuel sold by them to consumers and



1274 retailers in each municipality during the preceding month. The
1275 State Tax Commission shall have the authority to promulgate such
1276 rules and regulations as is necessary to determine the number of
1277 gallons of gasoline and diesel fuel sold by distributors to
1278 consumers and retailers in each municipality. In determining the
1279 percentage allocation of funds under this subsection for the
1280 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
1281 State Tax Commission may consider gallons of gasoline and diesel
1282 fuel sold for a period of less than one (1) fiscal year. For the
1283 purposes of this subsection, the term "fiscal year" means the
1284 fiscal year beginning July 1 of a year.

1285 (3) On or before September 15, 1987, and on or before the
1286 fifteenth day of each succeeding month, until the date specified
1287 in Section 65-39-35, the proceeds derived from contractors' taxes
1288 levied under Section 27-65-21 on contracts for the construction or
1289 reconstruction of highways designated under the * * * Highway
1290 Program created under Section 65-3-97 shall, except as otherwise
1291 provided in Section 31-17-127, be deposited into the State
1292 Treasury to the credit of the State Highway Fund to be used to
1293 fund such * * * Highway Program. The Mississippi Department of
1294 Transportation shall provide to the State Tax Commission such
1295 information as is necessary to determine the amount of proceeds to
1296 be distributed under this subsection.

1297 (4) On or before August 15, 1994, and on or before the
1298 fifteenth day of each succeeding month through July 15, 1999, from
1299 the proceeds of gasoline, diesel fuel or kerosene taxes as
1300 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
1301 (\$4,000,000.00) shall be deposited in the State Treasury to the
1302 credit of a special fund designated as the "State Aid Road Fund,"
1303 created by Section 65-9-17. On or before August 15, 1999, and on
1304 or before the fifteenth day of each succeeding month, from the
1305 total amount of the proceeds of gasoline, diesel fuel or kerosene
1306 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million



1307 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
1308 one-fourth percent (23.25%) of such funds, whichever is the
1309 greater amount, shall be deposited in the State Treasury to the
1310 credit of the "State Aid Road Fund," created by Section 65-9-17.
1311 Such funds shall be pledged to pay the principal of and interest
1312 on state aid road bonds heretofore issued under Sections 19-9-51
1313 through 19-9-77, in lieu of and in substitution for the funds
1314 heretofore allocated to counties under this section. Such funds
1315 may not be pledged for the payment of any state aid road bonds
1316 issued after April 1, 1981; however, this prohibition against the
1317 pledging of any such funds for the payment of bonds shall not
1318 apply to any bonds for which intent to issue such bonds has been
1319 published, for the first time, as provided by law prior to March
1320 29, 1981. From the amount of taxes paid into the special fund
1321 pursuant to this subsection and subsection (9) of this section,
1322 there shall be first deducted and paid the amount necessary to pay
1323 the expenses of the Office of State Aid Road Construction, as
1324 authorized by the Legislature for all other general and special
1325 fund agencies. The remainder of the fund shall be allocated
1326 monthly to the several counties in accordance with the following
1327 formula:

1328 (a) One-third (1/3) shall be allocated to all counties
1329 in equal shares;

1330 (b) One-third (1/3) shall be allocated to counties
1331 based on the proportion that the total number of rural road miles
1332 in a county bears to the total number of rural road miles in all
1333 counties of the state; and

1334 (c) One-third (1/3) shall be allocated to counties
1335 based on the proportion that the rural population of the county
1336 bears to the total rural population in all counties of the state,
1337 according to the latest federal decennial census.



1338 For the purposes of this subsection, the term "gasoline,
1339 diesel fuel or kerosene taxes" means such taxes as defined in
1340 paragraph (f) of Section 27-5-101.

1341 The amount of funds allocated to any county under this
1342 subsection for any fiscal year after fiscal year 1994 shall not be
1343 less than the amount allocated to such county for fiscal year
1344 1994. Monies allocated to a county from the State Aid Road Fund
1345 for fiscal year 1995 or any fiscal year thereafter that exceed the
1346 amount of funds allocated to that county from the State Aid Road
1347 Fund for fiscal year 1994, first must be expended by the county
1348 for replacement or rehabilitation of bridges on the state aid road
1349 system that have a sufficiency rating of less than twenty-five
1350 (25), according to National Bridge Inspection standards before
1351 such monies may be approved for expenditure by the State Aid Road
1352 Engineer on other projects that qualify for the use of state aid
1353 road funds.

1354 Any reference in the general laws of this state or the
1355 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1356 construed to refer and apply to subsection (4) of Section
1357 27-65-75.

1358 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1359 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1360 the special fund known as the "State Public School Building Fund"
1361 created and existing under the provisions of Sections 37-47-1
1362 through 37-47-67. Such payments into said fund are to be made on
1363 the last day of each succeeding month hereafter.

1364 (6) An amount each month beginning August 15, 1983, through
1365 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
1366 of 1983, shall be paid into the special fund known as the
1367 Correctional Facilities Construction Fund created in Section 6 of
1368 Chapter 542, Laws of 1983.

1369 (7) On or before August 15, 1992, and each succeeding month
1370 thereafter through July 15, 2000, two and two hundred sixty-six



1371 one-thousandths percent (2.266%) of the total sales tax revenue
1372 collected during the preceding month under the provisions of this
1373 chapter, except that collected under the provisions of Section
1374 27-65-17(2) shall be deposited by the commission into the School
1375 Ad Valorem Tax Reduction Fund created pursuant to Section
1376 37-61-35. On or before August 15, 2000, and each succeeding month
1377 thereafter, two and two hundred sixty-six one-thousandths percent
1378 (2.266%) of the total sales tax revenue collected during the
1379 preceding month under the provisions of this chapter, except that
1380 collected under the provisions of Section 27-65-17(2), shall be
1381 deposited into the School Ad Valorem Tax Reduction Fund created
1382 under Section 37-61-35 until such time that the total amount
1383 deposited into the fund during a fiscal year equals Forty-two
1384 Million Dollars (\$42,000,000.00). Thereafter, the amounts
1385 diverted under this subsection (7) during the fiscal year in
1386 excess of Forty-two Million Dollars (\$42,000,000.00) shall be
1387 deposited into the Education Enhancement Fund created under
1388 Section 37-61-33 for appropriation by the Legislature as other
1389 education needs and shall not be subject to the percentage
1390 appropriation requirements set forth in Section 37-61-33.

1391 (8) On or before August 15, 1992, and each succeeding month
1392 thereafter, nine and seventy-three one-thousandths percent
1393 (9.073%) of the total sales tax revenue collected during the
1394 preceding month under the provisions of this chapter, except that
1395 collected under the provisions of Section 27-65-17(2) shall be
1396 deposited into the Education Enhancement Fund created pursuant to
1397 Section 37-61-33.

1398 (9) On or before August 15, 1994, and each succeeding month
1399 thereafter, from the revenue collected under this chapter during
1400 the preceding month, Two Hundred Fifty Thousand Dollars
1401 (\$250,000.00) shall be paid into the State Aid Road Fund.

1402 (10) On or before August 15, 1994, and each succeeding month
1403 thereafter through August 15, 1995, from the revenue collected



1404 under this chapter during the preceding month, Two Million Dollars
1405 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1406 Valorem Tax Reduction Fund established in Section 27-51-105.

1407 (11) Notwithstanding any other provision of this section to
1408 the contrary, on or before February 15, 1995, and each succeeding
1409 month thereafter, the sales tax revenue collected during the
1410 preceding month under the provisions of Section 27-65-17(2) and
1411 the corresponding levy in Section 27-65-23 on the rental or lease
1412 of private carriers of passengers and light carriers of property
1413 as defined in Section 27-51-101 shall be deposited, without
1414 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
1415 established in Section 27-51-105.

1416 (12) Notwithstanding any other provision of this section to
1417 the contrary, on or before August 15, 1995, and each succeeding
1418 month thereafter, the sales tax revenue collected during the
1419 preceding month under the provisions of Section 27-65-17(1) on
1420 retail sales of private carriers of passengers and light carriers
1421 of property, as defined in Section 27-51-101 and the corresponding
1422 levy in Section 27-65-23 on the rental or lease of these vehicles,
1423 shall be deposited, after diversion, into the Motor Vehicle Ad
1424 Valorem Tax Reduction Fund established in Section 27-51-105.

1425 (13) On or before July 15, 1994, and on or before the
1426 fifteenth day of each succeeding month thereafter, that portion of
1427 the avails of the tax imposed in Section 27-65-22, which is
1428 derived from activities held on the Mississippi state fairgrounds
1429 complex, shall be paid into a special fund hereby created in the
1430 State Treasury and shall be expended pursuant to legislative
1431 appropriations solely to defray the costs of repairs and
1432 renovation at such Trade Mart and Coliseum.

1433 (14) On or before August 15, 1998, and each succeeding month
1434 thereafter through July 15, 2005, that portion of the avails of
1435 the tax imposed in Section 27-65-23 which is derived from sales by
1436 cotton compresses or cotton warehouses and which would otherwise



1437 be paid into the General Fund, shall be deposited in an amount not
1438 to exceed Two Million Dollars (\$2,000,000.00) into the special
1439 fund created pursuant to Section 69-37-39.

1440 (15) Notwithstanding any other provision of this section to
1441 the contrary, on or before September 15, 2000, and each succeeding
1442 month thereafter, the sales tax revenue collected during the
1443 preceding month under the provisions of Section 27-65-19(f), shall
1444 be deposited, without diversion, into the Telecommunications Ad
1445 Valorem Tax Reduction Fund established in Section 27-38-7.

1446 (16) On or before August 15, 2000, and each succeeding month
1447 thereafter, the sales tax revenue collected during the preceding
1448 month under the provisions of this chapter on the gross proceeds
1449 of sales of a project as defined in Section 57-30-1 shall be
1450 deposited, after all diversions except the diversion provided for
1451 in subsection (1) of this section, into the Sales Tax Incentive
1452 Fund created in Section 57-30-3.

1453 (17) The remainder of the amounts collected under the
1454 provisions of this chapter shall be paid into the State Treasury
1455 to the credit of the General Fund.

1456 (18) It shall be the duty of the municipal officials of any
1457 municipality which expands its limits, or of any community which
1458 incorporates as a municipality, to notify the commissioner of such
1459 action thirty (30) days before the effective date. Failure to so
1460 notify the commissioner shall cause such municipality to forfeit
1461 the revenue which it would have been entitled to receive during
1462 this period of time when the commissioner had no knowledge of the
1463 action. If any funds have been erroneously disbursed to any
1464 municipality or any overpayment of tax is recovered by the
1465 taxpayer, the commissioner may make correction and adjust the
1466 error or overpayment with such municipality by withholding the
1467 necessary funds from any subsequent payment to be made to the
1468 municipality.



1469 **SECTION 8.** Section 65-1-59, Mississippi Code of 1972, is
1470 amended as follows:

1471 65-1-59. (1) It shall be the duty of the Mississippi
1472 Transportation Commission to have the Mississippi Transportation
1473 Department carry out all contracts and agreements, including
1474 federal-aid projects and agreements under the County Highway Aid
1475 Law of 1946, being Sections 65-11-1 through 65-11-37, heretofore
1476 made or entered into with any county, subject, however, to
1477 applicable rules and regulations of the Federal Highway
1478 Administration. It shall be the duty of the Transportation
1479 Commission to continue to have the Mississippi Transportation
1480 Department maintain all state highways now under maintenance or
1481 hereafter taken over for maintenance, the purpose of this
1482 provision being to preserve the status quo of all state highways
1483 insofar as such highways have been taken over and control and
1484 jurisdiction has been assumed by the Mississippi Transportation
1485 Commission and Mississippi Transportation Department; however,
1486 except as otherwise provided in this section, if any highway or
1487 link of highway is removed from the state highway system by
1488 legislative act or by relocation or reconstruction, it shall no
1489 longer be maintained by or be under the jurisdiction of the
1490 Mississippi Transportation Commission or Mississippi
1491 Transportation Department, but shall be returned to the
1492 jurisdiction of the board of supervisors of the county or
1493 governing authorities of the municipality through which such road
1494 runs. Except as to segments of highways shorter than three (3)
1495 miles which have been or which are hereafter replaced through
1496 curve straightening or minor realignment, the Transportation
1497 Commission shall retain and have the Mississippi Transportation
1498 Department maintain as state highways all portions of U.S.
1499 highways that either before or after July 1, 1989, have been or
1500 are replaced and constructed as a part of the interstate highway
1501 system, or four-lane primary system, or which are replaced and



1502 constructed or are designated to be replaced and constructed as
1503 part of the * * * highway system under Section 65-3-97, including
1504 portions of all such highways so replaced, or which under Section
1505 65-3-97 are designated to be replaced, by municipal bypasses; and
1506 such highways and portions thereof shall be continued to be
1507 maintained as a part of the Mississippi state highway system until
1508 removed from such system by legislative act. All such highways and
1509 portions thereof which, by virtue of the provisions of this
1510 section, are returned on or after July 1, 1989, to the
1511 jurisdiction of the Mississippi Transportation Commission shall be
1512 maintained by the Mississippi Transportation Department only to
1513 the traffic capacities existing at the time that they are returned
1514 and any subsequent traffic capacity improvements or other
1515 improvements desired by the county or municipality within which
1516 such highway or portion thereof is located shall be performed in
1517 accordance with highway standards approved by the Transportation
1518 Commission and the expenses for making such improvements shall be
1519 paid by the county or municipality; however, all highways and
1520 portions thereof so improved by the county or municipality shall
1521 thereafter be maintained by the Mississippi Transportation
1522 Department. Before any highway or portion thereof is returned to
1523 the Transportation Commission under this section, the county or
1524 municipality having jurisdiction thereof shall remove or cause to
1525 be removed by July 1, 1991, all right-of-way encroachments along
1526 the entire length of the highway or portion thereof which are not
1527 permitted by Transportation Commission and Transportation
1528 Department policies and rules and regulations adopted pursuant to
1529 state and federal law. Any such encroachments may be allowed to
1530 remain only by permits issued by the Mississippi Transportation
1531 Department in the manner and subject to the same conditions for
1532 the issuance of permits for similar encroachments on other
1533 highways on the state highway system. If traffic counts indicate
1534 that any highway or portions thereof placed under the jurisdiction



1535 of the Transportation Commission under the provisions of this
1536 section no longer form a substantial part of the state highway
1537 system, the Transportation Commission may request the Legislature
1538 to remove such highways or portions thereof from the state highway
1539 system and return said roads for maintenance to the county or
1540 municipality in which they are located, as provided in subsection
1541 (2) of this section. The highways which the Transportation
1542 Department is required to continue to maintain by virtue of the
1543 provisions of this section shall be in addition to the total
1544 mileage limitation of eight thousand six hundred (8,600) miles
1545 provided in Section 65-3-3.

1546 (2) The Mississippi Transportation Commission shall, no
1547 later than October 1, 1981, and October 1 each year thereafter,
1548 furnish the Transportation Committee of the House of
1549 Representatives and the Highways and Transportation Committee of
1550 the Senate a recommendation for deletion of those highways or
1551 sections of highways which should be removed from the system.

1552 **SECTION 9.** Section 65-39-35, Mississippi Code of 1972, is
1553 amended as follows:

1554 65-39-35. The date upon which the taxes and fees levied and
1555 charged under the provisions of Sections 27-55-11, 27-57-37,
1556 27-59-11, 27-19-43, 27-19-309, 27-65-75, and Sections 27-55-519
1557 and 27-55-521 are reduced under such sections shall be the first
1558 day of the month immediately following the date upon which:

1559 (a) The Mississippi Transportation Commission certifies
1560 to the State Tax Commission that:

1561 (i) The * * * Highway Program created under
1562 Section 65-3-97 and the Gaming Counties Infrastructure Program
1563 created under Section 65-39-3, are completed and no funds are any
1564 longer necessary to pay the costs of such programs; and

1565 (ii) The Mississippi Transportation Commission
1566 will not declare the necessity for additional borrowings under



1567 Section 65-9-27, or for additional bonds under Sections 65-39-5
1568 through 65-39-33; and

1569 (b) The State Treasurer certifies:

1570 (i) That the amount on deposit in the Gaming
1571 Counties Bond Sinking Fund, together with earnings on investments
1572 to accrue to such fund, is equal to or greater than the aggregate
1573 of the entire principal, redemption premium (if any), and interest
1574 due and to become due (until the final maturity date or earlier
1575 scheduled redemption date) on all general obligation bonds issued
1576 under Sections 65-39-5 through 65-39-33; and

1577 (ii) That all principal, interest, cost and other
1578 expenses for all bonds, notes or other borrowings under Section
1579 65-9-27 and Section 31-17-127 (including redemption notes, if any)
1580 have been paid and are completely satisfied.

1581 **SECTION 10.** This act shall take effect and be in force from
1582 and after July 1, 2002.

