

By: Senator(s) Browning

To: Finance

SENATE BILL NO. 2954

1 AN ACT TO AMEND SECTION 75-76-129, MISSISSIPPI CODE OF 1972,
 2 TO REDISTRIBUTE A PORTION OF THE STATE'S SHARE OF GAMING LICENSE
 3 FEES TO SPECIAL FUNDS, THE PROCEEDS OF WHICH MAY BE USED FOR
 4 BEAVER ERADICATION AND CONTROL, THE LOCAL SYSTEM BRIDGE
 5 REPLACEMENT AND REHABILITATION PROGRAM AND THE LOCAL SYSTEM ROAD
 6 PROGRAM; TO AMEND SECTION 65-37-13, MISSISSIPPI CODE OF 1972, TO
 7 DELETE THE PROVISIONS THAT REQUIRE THE LEGISLATURE TO APPROPRIATE
 8 MONIES TO THE LOCAL SYSTEM BRIDGE REPLACEMENT AND REHABILITATION
 9 FUND; TO AMEND SECTION 65-18-9 AND 65-18-11, MISSISSIPPI CODE OF
 10 1972, TO CREATE THE LOCAL SYSTEM ROAD FUND; TO AUTHORIZE THE STATE
 11 ENGINEER TO ALLOCATE MONIES IN THE FUND TO EACH COUNTY FOR
 12 CONSTRUCTING, RECONSTRUCTING OF LOCAL SYSTEM ROADS; TO AMEND
 13 SECTION 75-76-193, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IN
 14 CALCULATING GROSS REVENUE FROM ANY GAME UNDER THE MISSISSIPPI
 15 GAMING CONTROL ACT, PAYMENTS OF CASH OR TRANSFERS OF OTHER THINGS
 16 OF VALUE TO PATRONS BASED ON THE RESULT OF A GAME SHALL NOT BE
 17 DEDUCTED AS LOSSES PAID TO PATRONS WHERE THE ITEM USED OR RISKED
 18 BY THE PATRON TO PARTICIPATE IN THE GAME WOULD NOT BE CONSIDERED
 19 REVENUE TO A GAMING LICENSEE IF THE PATRON LOST THE GAME; AND FOR
 20 RELATED PURPOSES.

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

22 **SECTION 1.** Section 75-76-129, Mississippi Code of 1972, is
 23 amended as follows:

24 **[Through June 30, 2022, this section shall read as follows:]**

25 75-76-129. On or before the last day of each month all
 26 taxes, fees, interest, penalties, damages, fines or other monies
 27 collected by the State Tax Commission during that month under the
 28 provisions of this chapter, with the exception of (a) the local
 29 government fees imposed under Section 75-76-195, and (b) an amount
 30 equal to Three Million Dollars (\$3,000,000.00) of the revenue
 31 collected pursuant to the fee imposed under Section
 32 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)
 33 of the revenue collected pursuant to the fee imposed under Section
 34 75-76-177(1)(c), whichever is the greater amount, shall be paid by
 35 the State Tax Commission to the State Treasurer to be deposited in
 36 the State General Fund. The local government fees shall be

37 distributed by the State Tax Commission pursuant to Section
38 75-76-197. Except for the period beginning on July 1, 2004, and
39 through June 30, 2005, an amount equal to Three Million Dollars
40 (\$3,000,000.00) of the revenue collected during that month
41 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be
42 deposited by the State Tax Commission into the bond sinking fund
43 created in Section 65-39-3. Except for the period beginning on
44 July 1, 2004, and through June 30, 2005, the revenue collected
45 during that month pursuant to the fee imposed under Section
46 75-76-177(1)(c) that is in excess of Three Million Dollars
47 (\$3,000,000.00), but is less than twenty-five percent (25%) of the
48 amount of revenue collected during that month, shall be
49 distributed as follows:

50 (a) Twenty-five Thousand Dollars (\$25,000.00) shall be
51 deposited each month into a special fund that is created in the
52 State Treasury. Monies in the special fund may be expended, upon
53 appropriation by the Legislature, to assist counties in
54 eradicating or controlling beaver populations. Monies in the fund
55 at the end of a fiscal year shall not lapse into the General Fund
56 and interest earned on any amounts in the fund shall be credited
57 to the special fund.

58 (b) The amount each month that exceeds Twenty-five
59 Thousand Dollars (\$25,000.00) but which is less than One Million
60 Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars
61 (\$1,666,666.00) shall be deposited into the Local System Bridge
62 Replacement and Rehabilitation Fund created under Section
63 65-37-13.

64 (c) The amount each month that exceeds One Million Six
65 Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars
66 (\$1,666,666.00) shall be deposited into the Local System Road Fund
67 created under Section 65-18-9.

68 **[From and after July 1, 2022, this section shall read as**
69 **follows:]**

70 75-76-129. On or before the last day of each month, all
71 taxes, fees, interest, penalties, damages, fines or other monies
72 collected by the State Tax Commission during that month under the
73 provisions of this chapter, with the exception of the local
74 government fees imposed under Section 75-76-195, shall be paid by
75 the State Tax Commission to the State Treasurer to be deposited in
76 the State General Fund. The local government fees shall be
77 distributed by the State Tax Commission pursuant to Section
78 75-76-197.

79 **SECTION 2.** Section 65-37-13, Mississippi Code of 1972, is
80 amended as follows:

81 65-37-13. (1) There is created in the State Treasury a
82 special fund to be designated as the "Local System Bridge
83 Replacement and Rehabilitation Fund." The fund shall consist of
84 the monies directed to be deposited into the fund under Section
85 75-76-129 and such other monies as the Legislature may designate
86 for deposit in the fund. Monies in the fund may be expended upon
87 legislative appropriation in accordance with the provisions of
88 Sections 65-37-1 through 65-37-15.

89 * * *

90 (2) Such monies as are deposited in the fund under the
91 provisions of this section may be expended upon requisition
92 therefor by the State Aid Engineer in accordance with the
93 provisions of Sections 65-37-1 through 65-37-15. The Office of
94 State Aid Road Construction shall be entitled to reimbursement
95 from monies in the fund, upon requisitions therefor by the State
96 Aid Engineer, for the actual expenses incurred by the office in
97 administering the provisions of the local system bridge
98 replacement and rehabilitation program. Unexpended amounts
99 remaining in the fund at the end of a fiscal year shall not lapse
100 into the State General Fund, and any interest earned on amounts in
101 the fund shall be deposited to the credit of the fund.

102 (3) Monies in the Local System Bridge Replacement and
103 Rehabilitation Fund shall be allocated and become available for
104 distribution to counties in accordance with the formula prescribed
105 in Section 65-37-4 beginning January 1, 1995, on a
106 project-by-project basis. Monies in the Local System Bridge
107 Replacement and Rehabilitation Fund may not be used or expended
108 for any purpose except as authorized under Sections 65-37-1
109 through 65-37-15.

110 (4) Monies in the Local System Bridge Replacement and
111 Rehabilitation Fund may be credited to a county in advance of the
112 normal accrual to finance certain projects, subject to the
113 approval of the State Aid Engineer and subject further to the
114 following limitations:

115 (a) That the maximum amount of such monies that may be
116 advanced to any county shall not exceed ninety percent (90%) of
117 the funds estimated to accrue to such county during the remainder
118 of the term of office of the board of supervisors of such county;

119 (b) That no advance credit of funds will be made to any
120 county when the unobligated balance in the Local System Bridge
121 Replacement and Rehabilitation Fund is less than One Million
122 Dollars (\$1,000,000.00); and

123 (c) That such advance crediting of funds be effected by
124 the State Aid Engineer at the time of the approval of the plans
125 and specifications for the proposed projects.

126 It is the intent of this provision to utilize to the fullest
127 practicable extent the balance of monies in the Local System
128 Bridge Replacement and Rehabilitation Fund on hand at all times.

129 **SECTION 3.** Section 65-18-9, Mississippi Code of 1972, is
130 amended as follows:

131 65-18-9. (1) The State Aid Engineer shall allocate annually
132 the amount of the state aid road allocation of a county that is
133 requested by such county for use in the construction,
134 reconstruction and paving of local system roads in the county if

135 the county has met the requirements of this chapter; provided,
136 however, that the State Aid Engineer shall not allocate more than
137 twenty-five percent (25%) of the annual state aid road allocation
138 of a county for such purposes.

139 (2) The State Aid Engineer shall allocate annually the
140 amount of the Local System Bridge Replacement and Rehabilitation
141 Program allocation of a county that is requested by such county
142 for use in the construction, reconstruction and paving of local
143 system roads in the county if:

144 (a) The State Aid Engineer has certified, pursuant to
145 Section 65-37-7, that all the local system bridges within the
146 county have a sufficiency rating of greater than fifty (50) or
147 that all such bridges within the county with a sufficiency rating
148 of fifty (50) or less are currently under contract for replacement
149 or rehabilitation; and

150 (b) The county has met the requirements of this
151 chapter.

152 (3) There is created in the State Treasury a special fund to
153 be designated as the "Local System Road Fund." The fund shall
154 consist of the monies directed to be deposited into the fund under
155 Section 75-76-129 and such other monies as the Legislature may
156 designate for deposit into the fund. The State Aid Engineer shall
157 allocate annually to each county monies in the fund according to
158 state aid road formula under Section 27-65-75(4). Monies
159 allocated to a county under this subsection may be used by a
160 county in the construction, reconstruction and paving of local
161 system roads in the county if the county meets the requirements of
162 this chapter.

163 (4) The State Aid Engineer shall establish specific designs
164 and standards to be followed by such counties in the construction,
165 reconstruction and paving of local system roads. The specific
166 designs and standards shall be based upon policies on geometric
167 design of local rural roads, highways and streets adopted and

168 published by the American Association of State Highway and
169 Transportation Officials.

170 **SECTION 4.** Section 65-18-11, Mississippi Code of 1972, is
171 amended as follows:

172 65-18-11. (1) In order for a county to be eligible to
173 utilize its Local System Bridge Replacement and Rehabilitation
174 Program allocation, any of its state aid road funds, or any of the
175 monies allocated to it from the Local System Road Fund, for the
176 Local System Road Program, a county must meet the following
177 conditions:

178 (a) The county has employed a county engineer, together
179 with such other technical assistance as is necessary to carry out
180 the duties of this chapter, the same as provided under the
181 provisions of Section 65-9-15, for its state aid road system and,
182 through its official minutes, has authorized the county engineer
183 to perform the necessary engineering services connected with the
184 Local System Road Program. The county engineer shall prepare the
185 necessary plans and designs for all construction projects,
186 including state aid projects and projects provided under this
187 chapter. He also shall provide engineering supervision for the
188 construction of such projects and shall approve all estimate
189 payments made on the projects. Engineering cost for any project
190 performed under the Local System Road Program may be paid from any
191 funds allocated to a county under the program; however, the
192 maximum fee paid to an engineer shall not exceed twelve percent
193 (12%) of the final construction cost. No such cost shall be
194 reimbursed to the county before the letting of the project; and

195 (b) The county has presented a plan for the
196 construction, reconstruction and paving of a local system road
197 which plan has been made and approved by the county engineer of
198 the county, showing the specific road or project to be improved,
199 stating the condition of the existing roadbed, drainage and
200 bridges and outlining the type of construction or reconstruction

201 to be made and the designs and specifications therefor, including
202 the paving of the road and the sources of revenue to be used and
203 the sources and types of material to be used thereon. The plan
204 shall be presented to the State Aid Engineer for the initial
205 approval of the beginning of a project to receive monies.

206 (2) After the initial approval of the plan and plans as
207 specified in subsection (1)(b) of this section has been made by
208 the State Aid Engineer, the county shall be eligible to receive
209 all funds made available to the county under the Local System Road
210 Program to be used exclusively for the construction,
211 reconstruction or paving of the local system road. The project
212 may be done either by contract or by using county equipment and
213 employees. It shall be according to the original plan or any
214 amendments thereto which have been approved by the State Aid
215 Engineer. The board may use county equipment and employees if the
216 construction can be accomplished at a more reasonable cost than
217 can be achieved by contract.

218 **SECTION 5.** Section 75-76-193, Mississippi Code of 1972, is
219 amended as follows:

220 75-76-193. (1) In calculating gross revenue, any prizes,
221 premiums, drawings, benefits or tickets which are redeemable for
222 money or merchandise or other promotional allowance, except money
223 or tokens paid at face value directly to a patron as the result of
224 a specific wager and the amount the cash paid to purchase an
225 annuity to fund winnings paid to that patron over several years by
226 an independent financial institution, must not be deducted as
227 losses from winnings at any game except a slot machine.

228 (2) In calculating gross revenue from slot machines, the
229 actual cost to the licensee of any personal property distributed
230 to a patron as the result of a legitimate wager may be deducted as
231 a loss, but not travel expenses, food, refreshments, lodging or
232 services.

233 (3) In calculating gross revenue from any game, including,
234 but not limited to, a slot machine, the payments of cash and/or
235 the transfers of any other thing or things of value to patrons
236 based on the result of the game shall not be deducted as losses
237 paid to patrons where the type of item used or risked by the
238 patron to participate in the game, including, but not limited to,
239 a chip, token, point or credit, would not be considered revenue to
240 the licensee if the patron lost in the game. Those transactions
241 where the item used or risked by the patron is not included in the
242 computation of gross revenue of the licensee shall not constitute
243 a wager. The licensee shall maintain detailed records to identify
244 whether the payments of cash and/or transfers of things of value
245 to patrons are the result of a wager or a nonwager event.

246 **SECTION 6.** This act shall take effect and be in force from
247 and after July 1, 2005.