

By: Representatives Miles, To: Appropriations
 McCoy, Cummings, Ward,
 Montgomery, Hudson, Sullivan,
 Reynolds, Walley, Turner, Gadd,
 Moss, Taylor, Howell, Stevens,
 Staples, Weathersby, Rogers (14th), Akins, Gibbs

HOUSE BILL NO. 24

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 THE
 4 LOCAL SYSTEM BRIDGE REPLACEMENT AND REHABILITATION PROGRAM AND THE
 5 LOCAL SYSTEM ROAD PROGRAM; TO AMEND SECTION 65-37-13, MISSISSIPPI
 6 CODE OF 1972, TO DELETE THE PROVISIONS THAT REQUIRE THE
 7 LEGISLATURE TO APPROPRIATE MONIES TO THE LOCAL SYSTEM BRIDGE
 8 REPLACEMENT AND REHABILITATION FUND; TO AMEND SECTION 65-18-9 AND
 9 65-18-11, MISSISSIPPI CODE OF 1972, TO CREATE THE LOCAL SYSTEM
 10 ROAD FUND; TO AUTHORIZE THE STATE ENGINEER TO ALLOCATE MONIES IN
 11 THE FUND TO EACH COUNTY FOR CONSTRUCTING AND RECONSTRUCTING OF
 12 LOCAL SYSTEM ROADS; TO AMEND SECTION 27-5-101, MISSISSIPPI CODE OF
 13 1972, TO DELETE THE REQUIREMENT FOR THE PAYMENT OF A PORTION OF
 14 THE REVENUES DERIVED FROM MOTOR FUEL TAXES TO BE DEPOSITED INTO
 15 THE GAMING COUNTIES BOND SINKING FUND FOR THE PURPOSE OF PAYING
 16 THE DEBT SERVICE ON BONDS ISSUED IN SUPPORT OF THE GAMING COUNTIES
 17 INFRASTRUCTURE PROGRAM; AND FOR RELATED PURPOSES.

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

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

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

22 75-76-129. On or before the last day of each month all
 23 taxes, fees, interest, penalties, damages, fines or other monies
 24 collected by the State Tax Commission during that month under the
 25 provisions of this chapter, with the exception of (a) the local
 26 government fees imposed under Section 75-76-195, and (b) an amount
 27 equal to Three Million Dollars (\$3,000,000.00) of the revenue
 28 collected pursuant to the fee imposed under Section
 29 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)
 30 of the revenue collected pursuant to the fee imposed under Section
 31 75-76-177(1)(c), whichever is the greater amount, shall be paid by
 32 the State Tax Commission to the State Treasurer to be deposited in
 33 the State General Fund. The local government fees shall be
 34 distributed by the State Tax Commission pursuant to Section

35 75-76-197. Except for the period beginning on July 1, 2004, and
36 through June 30, 2005, an amount equal to Three Million Dollars
37 (\$3,000,000.00) of the revenue collected during that month
38 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be
39 deposited by the State Tax Commission into the bond sinking fund
40 created in Section 65-39-3. Except for the period beginning on
41 July 1, 2004, and through June 30, 2006, the revenue collected
42 during that month pursuant to the fee imposed under Section
43 75-76-177(1)(c) that is in excess of Three Million Dollars
44 (\$3,000,000.00), but is less than twenty-five percent (25%) of the
45 amount of revenue collected during that month, shall be deposited
46 into the State Highway Fund to be used exclusively for the
47 reconstruction and maintenance of highways of the State of
48 Mississippi.

49 For the period beginning on July 1, 2004, and through June
50 30, 2005, twenty-five percent (25%) of the amount of revenue
51 collected during each month pursuant to the fee imposed under
52 Section 75-76-177(1)(c) shall be deposited into the Budget
53 Contingency Fund created in Section 27-103-301.

54 For the period beginning on July 1, 2005, and through June
55 30, 2006, the revenue collected during each month pursuant to the
56 fee imposed under Section 75-76-177(1)(c) that is in excess of
57 Three Million Dollars (\$3,000,000.00), but is less than
58 twenty-five percent (25%) of the amount of revenue collected
59 during that month shall be deposited into the State General Fund.

60 From and after July 1, 2006, through June 30, 2022, an amount
61 equal to Three Million Dollars (\$3,000,000.00) of the revenue
62 collected during that month pursuant to the fee imposed under
63 Section 75-76-177(1)(c) shall be deposited by the State Tax
64 Commission into the bond sinking fund created in Section 65-39-3.
65 The revenue collected during that month pursuant to the fee
66 imposed under Section 75-76-177(1)(c) that is in excess of Three
67 Million Dollars (\$3,000,000.00), but is less than twenty-five

68 percent (25%) of the amount of revenue collected during that
69 month, shall be allocated among and deposited equally each month
70 into the Local System Bridge Replacement and Rehabilitation Fund
71 created under Section 65-37-13 and the Local System Road Fund
72 created under Section 65-18-9.

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

75 75-76-129. On or before the last day of each month, all
76 taxes, fees, interest, penalties, damages, fines or other monies
77 collected by the State Tax Commission during that month under the
78 provisions of this chapter, with the exception of the local
79 government fees imposed under Section 75-76-195, shall be paid by
80 the State Tax Commission to the State Treasurer to be deposited in
81 the State General Fund. The local government fees shall be
82 distributed by the State Tax Commission pursuant to Section
83 75-76-197.

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

86 65-37-13. (1) There is created in the State Treasury a
87 special fund to be designated as the "Local System Bridge
88 Replacement and Rehabilitation Fund." The fund shall consist of
89 the monies directed to be deposited into the fund under Section
90 75-76-129, and such other monies as the Legislature may designate
91 for deposit into the fund. Monies in the fund may be expended
92 upon legislative appropriation in accordance with the provisions
93 of Sections 65-37-1 through 65-37-15.

94 * * *

95 (2) Such monies as are deposited into the fund under the
96 provisions of this section may be expended upon requisition
97 therefor by the State Aid Engineer in accordance with the
98 provisions of Sections 65-37-1 through 65-37-15. The Office of
99 State Aid Road Construction shall be entitled to reimbursement
100 from monies in the fund, upon requisitions therefor by the State

101 Aid Engineer, for the actual expenses incurred by the office in
102 administering the provisions of the local system bridge
103 replacement and rehabilitation program. Unexpended amounts
104 remaining in the fund at the end of a fiscal year shall not lapse
105 into the State General Fund, and any interest earned on amounts in
106 the fund shall be deposited to the credit of the fund.

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

115 (4) Monies in the Local System Bridge Replacement and
116 Rehabilitation Fund may be credited to a county in advance of the
117 normal accrual to finance certain projects, subject to the
118 approval of the State Aid Engineer and subject further to the
119 following limitations:

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

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

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

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

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

136 65-18-9. (1) The State Aid Engineer shall allocate annually
137 the amount of the state aid road allocation of a county that is
138 requested by such county for use in the construction,
139 reconstruction and paving of local system roads in the county if
140 the county has met the requirements of this chapter; provided,
141 however, that the State Aid Engineer shall not allocate more than
142 twenty-five percent (25%) of the annual state aid road allocation
143 of a county for such purposes.

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

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

155 (b) The county has met the requirements of this
156 chapter.

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

166 system roads in the county if the county meets the requirements of
167 this chapter.

168 (4) The State Aid Engineer shall establish specific designs
169 and standards to be followed by such counties in the construction,
170 reconstruction and paving of local system roads. The specific
171 designs and standards shall be based upon policies on geometric
172 design of local rural roads, highways and streets adopted and
173 published by the American Association of State Highway and
174 Transportation Officials.

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

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

183 (a) The county has employed a county engineer, together
184 with such other technical assistance as is necessary to carry out
185 the duties of this chapter, the same as provided under the
186 provisions of Section 65-9-15, for its state aid road system and,
187 through its official minutes, has authorized the county engineer
188 to perform the necessary engineering services connected with the
189 Local System Road Program. The county engineer shall prepare the
190 necessary plans and designs for all construction projects,
191 including state aid projects and projects provided under this
192 chapter. He also shall provide engineering supervision for the
193 construction of such projects and shall approve all estimate
194 payments made on the projects. Engineering cost for any project
195 performed under the Local System Road Program may be paid from any
196 funds allocated to a county under the program; however, the
197 maximum fee paid to an engineer shall not exceed twelve percent

198 (12%) of the final construction cost. No such cost shall be
199 reimbursed to the county before the letting of the project; and

200 (b) The county has presented a plan for the
201 construction, reconstruction and paving of a local system road
202 which plan has been made and approved by the county engineer of
203 the county, showing the specific road or project to be improved,
204 stating the condition of the existing roadbed, drainage and
205 bridges and outlining the type of construction or reconstruction
206 to be made and the designs and specifications therefor, including
207 the paving of the road and the sources of revenue to be used and
208 the sources and types of material to be used thereon. The plan
209 shall be presented to the State Aid Engineer for the initial
210 approval of the beginning of a project to receive monies.

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

223 **SECTION 5.** Section 27-5-101, Mississippi Code of 1972, is
224 amended as follows:

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

227 27-5-101. Unless otherwise provided in this section, on or
228 before the fifteenth day of each month, all gasoline, diesel fuel
229 or kerosene taxes which are levied under the laws of this state

230 and collected during the previous month shall be paid and
231 apportioned by the State Tax Commission as follows:

232 (a) (i) Except as otherwise provided in Section
233 31-17-127, from the gross amount of gasoline, diesel fuel or
234 kerosene taxes produced by the state, there shall be deducted an
235 amount equal to one-sixth (1/6) of principal and interest
236 certified by the State Treasurer to the State Tax Commission to be
237 due on the next semiannual bond and interest payment date, as
238 required under the provisions of Chapter 130, Laws of 1938, and
239 subsequent acts authorizing the issuance of bonds payable from
240 gasoline, diesel fuel or kerosene tax revenue on a parity with the
241 bonds issued under authority of said Chapter 130. The State
242 Treasurer shall certify to the State Tax Commission on or before
243 the fifteenth day of each month the amount to be paid to the
244 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
245 of 1938, and subsequent acts authorizing the issuance of bonds
246 payable from gasoline, diesel fuel or kerosene tax revenue, on a
247 parity with the bonds issued under authority of said Chapter 130;
248 and the State Tax Commission shall, on or before the twenty-fifth
249 day of each month, pay into the State Treasury for credit to the
250 "Highway Bonds Sinking Fund" the amount so certified to him by the
251 State Treasurer due to be paid into such fund each month. The
252 payments to the "Highway Bonds Sinking Fund" shall be made out of
253 gross gasoline, diesel fuel or kerosene tax collections before
254 deductions of any nature are considered; however, such payments
255 shall be deducted from the allocation to the Mississippi
256 Department of Transportation under paragraph (c) of this section.

257 (ii) From collections derived from the portion of
258 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
259 from the portion of the tax on aviation gas under Section 27-55-11
260 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
261 portion of the special fuel tax levied under Sections 27-55-519
262 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten

263 Cents (10¢) per gallon, from the portion of the taxes levied under
264 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
265 gallon that exceeds One Cent (1¢) per gallon on special fuel and
266 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
267 as aircraft fuel, from the portion of the excise tax on compressed
268 gas used as a motor fuel that exceeds the rate of tax in effect on
269 June 30, 1987, and from the portion of the gasoline excise tax in
270 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
271 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
272 shall be deducted:

273 1. An amount as provided in Section
274 27-65-75(4) to the credit of a special fund designated as the
275 "Office of State Aid Road Construction."

276 2. An amount equal to the tax collections
277 derived from Two Cents (2¢) per gallon of the gasoline excise tax
278 for distribution to the State Highway Fund to be used exclusively
279 for the construction, reconstruction and maintenance of highways
280 of the State of Mississippi or the payment of interest and
281 principal on bonds when specifically authorized by the Legislature
282 for that purpose.

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

285 (b) Subject to the provisions that said basis of
286 distribution shall in nowise affect adversely the amount
287 specifically pledged in paragraph (a) of this section to be paid
288 into the "Highway Bonds Sinking Fund," the following shall be
289 deducted from the amount produced by the state tax on gasoline,
290 diesel fuel or kerosene tax collections, excluding collections
291 derived from the portion of the gasoline excise tax that exceeds
292 Seven Cents (7¢) per gallon, from the portion of the tax on
293 aviation gas under Section 27-55-11 that exceeds Six and
294 Four-tenths Cents (6.4¢) per gallon, from the portion of the
295 special fuel tax levied under Sections 27-55-519 and 27-55-521, at

296 Eighteen Cents (18¢) per gallon that exceeds Ten Cents (10¢) per
297 gallon, from the portion of the taxes levied under Section
298 27-55-519, at Five and Three-fourths Cents (5.75¢) per gallon that
299 exceeds One Cent (1¢) per gallon on special fuel and Five and
300 One-fourth Cents (5.25¢) per gallon on special fuel used as
301 aircraft fuel, from the portion of the excise tax on compressed
302 gas used as a motor fuel that exceeds the rate of tax in effect on
303 June 30, 1987, and from the portion of the gasoline excise tax in
304 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
305 excess of Ten Cents (10¢) per gallon under Section 27-61-5:

306 (i) Twenty percent (20%) of such amount which
307 shall be earmarked and set aside for the construction,
308 reconstruction and maintenance of the highways and roads of the
309 state, provided that if such twenty percent (20%) should reduce
310 any county to a lesser amount than that received in the fiscal
311 year ending June 30, 1966, then such twenty percent (20%) shall be
312 reduced to a percentage to provide that no county shall receive
313 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

324 (vi) The remainder shall be divided on a basis of
325 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
326 same basis as Four and One-half Cents (4-1/2¢) and Two and
327 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
328 six and forty-three one-hundredths (6.43) and three and

329 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
330 fuel or kerosene). The amount produced by the nine-fourteenths
331 (9/14) division shall be allocated to the Transportation
332 Department and paid into the State Treasury as provided in this
333 section and in Section 27-5-103 and the five-fourteenths (5/14)
334 division shall be returned to the counties of the state on the
335 following basis:

336 1. In each fiscal year, each county shall be
337 paid each month the same percentage of the monthly total to be
338 distributed as was paid to that county during the same month in
339 the fiscal year which ended April 9, 1960, until the county
340 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
341 fiscal year, at which time funds shall be distributed under the
342 provisions of paragraph (b)(vi)4 of this section.

343 2. If after payments in 1 above, any county
344 has not received a total of One Hundred Ninety Thousand Dollars
345 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
346 and each fiscal year thereafter, then any available funds not
347 distributed under 1 above shall be used to bring such county or
348 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
349 or such funds shall be divided equally among such counties not
350 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
351 there is not sufficient money to bring all the counties to said
352 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

359 4. During the last month of the current
360 fiscal year, should it be determined that there are funds
361 available in excess of the amount distributed for the year under 1

362 and 2 above, then such excess funds shall be distributed among the
363 various counties as follows:

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

366 One-third (1/3) of such excess to be paid
367 to the counties in the proportion which the population of each
368 county bears to the total population of the state according to the
369 last federal census;

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

373 5. It is the declared purpose and intent of
374 the Legislature that no county shall be paid less than was paid
375 during the year ended April 9, 1960, unless the amount to be
376 distributed to all counties in any year is less than the amount
377 distributed to all counties during the year ended April 9, 1960.

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

382 In any county having countywide road or bridge bonds, or
383 supervisors district or district road or bridge bonds outstanding,
384 which exceed, in the aggregate, twelve percent (12%) of the
385 assessed valuation of the taxable property of the county or
386 district, it shall be the duty of the board of supervisors to set
387 aside not less than sixty percent (60%) of such county's share or
388 district's share of the gasoline, diesel fuel or kerosene taxes to
389 be used in paying the principal and interest on such road or
390 bridge bonds as they mature.

391 In any county having such countywide road or bridge bonds or
392 district road or bridge bonds outstanding which exceed, in the
393 aggregate, eight percent (8%) of the assessed valuation of the
394 taxable property of the county, but which do not exceed, in the

395 aggregate, twelve percent (12%) of the assessed valuation of the
396 taxable property of the county, it shall be the duty of the board
397 of supervisors to set aside not less than thirty-five percent
398 (35%) of such county's share of the gasoline, diesel fuel or
399 kerosene taxes to be used in paying the principal and interest of
400 such road or bridge bonds as they mature.

401 In any county having such countywide road or bridge bonds or
402 district road or bridge bonds outstanding which exceed, in the
403 aggregate, five percent (5%) of the assessed valuation of the
404 taxable property of the county, but which do not exceed, in the
405 aggregate, eight percent (8%) of the assessed valuation of the
406 taxable property of the county, it shall be the duty of the board
407 of supervisors to set aside not less than twenty percent (20%) of
408 such county's share of the gasoline, diesel fuel or kerosene taxes
409 to be used in paying the principal and interest of such road and
410 bridge bonds as they mature.

411 In any county having such countywide road or bridge bonds or
412 district road or bridge bonds outstanding which do not exceed, in
413 the aggregate, five percent (5%) of the assessed valuation of the
414 taxable property of the county, it shall be the duty of the board
415 of supervisors to set aside not less than ten percent (10%) of
416 such county's share of the gasoline, diesel fuel or kerosene taxes
417 to be used in paying the principal and interest on such road or
418 bridge bonds as they mature.

419 The portion of any such county's share of the gasoline,
420 diesel fuel or kerosene taxes thus set aside for the payment of
421 the principal and interest of road or bridge bonds, as provided
422 for in this section, shall be used first in paying the currently
423 maturing installments of the principal and interest of such
424 countywide road or bridge bonds, if there be any such countywide
425 road or bridge bonds outstanding, and secondly, in paying the
426 currently maturing installments of principal and interest of
427 district road or bridge bonds outstanding. It shall be the duty

428 of the board of supervisors to pay bonds and interest maturing in
429 each supervisors district out of the supervisors district's share
430 of the gasoline, diesel fuel or kerosene taxes of such district.

431 The remaining portion of such county's share of the gasoline,
432 diesel fuel or kerosene taxes, after setting aside the portion
433 above provided for the payment of the principal and interest of
434 bonds, shall be used in the construction and maintenance of any
435 public highways, bridges, or culverts of the county, including the
436 roads in special or separate road districts, in the discretion of
437 the board of supervisors, or in paying the interest and principal
438 of county road and bridge bonds or district road and bridge bonds,
439 in the discretion of the board of supervisors.

440 In any county having no countywide road or bridge bonds or
441 district road or bridge bonds outstanding, all such county's share
442 of the gasoline, diesel fuel or kerosene taxes shall be used in
443 the construction, reconstruction, and maintenance of the public
444 highways, bridges, or culverts of the county as the board of
445 supervisors may determine.

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

450 (c) From the amount produced by the nine-fourteenths
451 (9/14) division allocated to the Transportation Department, there
452 shall be deducted:

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

455 (ii) Any amounts due counties in accordance with
456 Section 65-33-45 which have outstanding bonds issued for seawall
457 or road protection purposes, issued under provisions of Chapter
458 319, Laws of 1924, and amendments thereto;

459 * * *

460 (iii) Except as otherwise provided in Section
461 31-17-127, the remainder shall be paid by the State Tax Commission
462 to the State Treasurer on the fifteenth day of each month next
463 succeeding the month in which the gasoline, diesel fuel or
464 kerosene taxes were collected to the credit of the State Highway
465 Fund.

466 The funds allocated for the construction, reconstruction, and
467 improvement of state highways, bridges, and culverts, or so much
468 thereof as may be necessary, shall first be used in conjunction
469 with funds supplied by the federal government for such purposes
470 and allocated to the State Transportation Department to be
471 expended on the state highway system. It is specifically provided
472 hereby that the necessary portion of such funds hereinabove
473 allocated to the State Transportation Department may be used for
474 the prompt payment of principal and interest on highway bonds
475 heretofore issued, including such bonds issued or to be issued
476 under the provisions of Chapter 312, Laws of 1956, and amendments
477 thereto.

478 Nothing contained in this section shall be construed to
479 reduce the amount of such gasoline, diesel fuel or kerosene excise
480 taxes levied by the state, allotted under the provisions of Title
481 65, Chapter 33, Mississippi Code of 1972, to counties in which
482 there are outstanding bonds issued for seawall or road protection
483 purposes issued under the provisions of Chapter 319, Laws of 1924,
484 and amendments thereto; the amount of said gasoline, diesel fuel
485 or kerosene excise taxes designated in this section for the
486 payment of bonds and interest authorized and issued or to be
487 issued under the provisions of Chapter 130, Laws of 1938, and
488 subsequent acts authorizing the issuance of bonds payable from
489 gasoline, diesel fuel or kerosene tax revenue, shall, in such
490 counties, be considered as being paid "into the State Treasury to
491 the credit of the State Highway Fund" within the meaning of
492 Section 65-33-45 in computing the amount to be paid to such

493 counties under the provisions of said section, and this section
494 shall be administered in connection with Title 65, Chapter 33,
495 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
496 65-33-49 dealing with seawalls, as if made a part of this section.

497 (d) The proceeds of the Five and One-fourth Cents
498 (5.25¢) of the tax per gallon on oils used as a propellant for jet
499 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
500 per gallon on aviation gasoline and the tax of One Cent (1¢) per
501 gallon for each gallon of gasoline for which a refund has been
502 made pursuant to Section 27-55-23 because such gasoline was used
503 for aviation purposes, shall be paid to the State Treasury into a
504 special fund to be used exclusively, pursuant to legislative
505 appropriation, for the support and development of aeronautics as
506 defined in Section 61-1-3.

507 (e) State highway funds in an amount equal to the
508 difference between Forty-two Million Dollars (\$42,000,000.00) and
509 the annual debt service payable on the state's highway revenue
510 refunding bonds, Series 1985, shall be expended for the
511 construction or reconstruction of highways designated under the
512 highway program created under Section 65-3-97.

513 (f) "Gasoline, diesel fuel or kerosene taxes" as used
514 in this section shall be deemed to mean and include state
515 gasoline, diesel fuel or kerosene taxes levied and imposed on
516 distributors of gasoline, diesel fuel or kerosene, and all state
517 excise taxes derived from any fuel used to propel vehicles upon
518 the highways of this state, when levied by any statute.

519 **[With regard to any county which is required to operate on a**
520 **countywide system of road administration as described in Section**
521 **19-2-3, this section shall read as follows:]**

522 27-5-101. Unless otherwise provided in this section, on or
523 before the fifteenth day of each month, all gasoline, diesel fuel
524 or kerosene taxes which are levied under the laws of this state

525 and collected during the previous month shall be paid and
526 apportioned by the State Tax Commission as follows:

527 (a) (i) Except as otherwise provided in Section
528 31-17-127, from the gross amount of gasoline, diesel fuel or
529 kerosene taxes produced by the state, there shall be deducted an
530 amount equal to one-sixth (1/6) of principal and interest
531 certified by the State Treasurer to the State Tax Commission to be
532 due on the next semiannual bond and interest payment date, as
533 required under the provisions of Chapter 130, Laws of 1938, and
534 subsequent acts authorizing the issuance of bonds payable from
535 gasoline, diesel fuel or kerosene tax revenue on a parity with the
536 bonds issued under authority of said Chapter 130. The State
537 Treasurer shall certify to the State Tax Commission on or before
538 the fifteenth day of each month the amount to be paid to the
539 "Highway Bonds Sinking Fund" as provided by said Chapter 130, Laws
540 of 1938, and subsequent acts authorizing the issuance of bonds
541 payable from gasoline, diesel fuel or kerosene tax revenue, on a
542 parity with the bonds issued under authority of said Chapter 130;
543 and the State Tax Commission shall, on or before the twenty-fifth
544 day of each month, pay into the State Treasury for credit to the
545 "Highway Bonds Sinking Fund" the amount so certified to him by the
546 State Treasurer due to be paid into such fund each month. The
547 payments to the "Highway Bonds Sinking Fund" shall be made out of
548 gross gasoline, diesel fuel or kerosene tax collections before
549 deductions of any nature are considered; however, such payments
550 shall be deducted from the allocation to the Transportation
551 Department under paragraph (c) of this section.

552 (ii) From collections derived from the portion of
553 the gasoline excise tax that exceeds Seven Cents (7¢) per gallon,
554 from the portion of the tax on aviation gas under Section 27-55-11
555 that exceeds Six and Four-tenths Cents (6.4¢) per gallon, from the
556 portion of the special fuel tax levied under Sections 27-55-519
557 and 27-55-521, at Eighteen Cents (18¢) per gallon that exceeds Ten

558 Cents (10¢) per gallon, from the portion of the taxes levied under
559 Section 27-55-519, at Five and Three-fourths Cents (5.75¢) per
560 gallon that exceeds One Cent (1¢) per gallon on special fuel and
561 Five and One-fourth Cents (5.25¢) per gallon on special fuel used
562 as aircraft fuel, from the portion of the excise tax on compressed
563 gas used as a motor fuel that exceeds the rate of tax in effect on
564 June 30, 1987, and from the portion of the gasoline excise tax in
565 excess of Seven Cents (7¢) per gallon and the diesel excise tax in
566 excess of Ten Cents (10¢) per gallon under Section 27-61-5 there
567 shall be deducted:

568 1. An amount as provided in Section
569 27-65-75(4) to the credit of a special fund designated as the
570 "Office of State Aid Road Construction."

571 2. An amount equal to the tax collections
572 derived from Two Cents (2¢) per gallon of the gasoline excise tax
573 for distribution to the State Highway Fund to be used exclusively
574 for the construction, reconstruction and maintenance of highways
575 of the State of Mississippi or the payment of interest and
576 principal on bonds when specifically authorized by the Legislature
577 for that purpose.

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

580 (b) Subject to the provisions that said basis of
581 distribution shall in nowise affect adversely the amount
582 specifically pledged in paragraph (a) of this section to be paid
583 into the "Highway Bonds Sinking Fund," the following shall be
584 deducted from the amount produced by the state tax on gasoline,
585 diesel fuel or kerosene tax collections, excluding collections
586 derived from the portion of the gasoline excise tax that exceeds
587 Seven Cents (7¢) per gallon, from the portion of the tax on
588 aviation gas under Section 27-55-11 that exceeds Six and
589 Four-tenths Cents (6.4¢) per gallon, from the portion of the
590 special fuel tax levied under Sections 27-55-519 and 27-55-521, at

591 Eighteen Cents (18¢) per gallon, that exceeds Ten Cents (10¢) per
592 gallon, from the portion of the taxes levied under Section
593 27-55-519, at Five and Three-fourths Cents (5.75¢) that exceeds
594 One Cent (1¢) per gallon on special fuel and Five and One-fourth
595 Cents (5.25¢) per gallon on special fuel used as aircraft fuel,
596 from the portion of the excise tax on compressed gas used as a
597 motor fuel that exceeds the rate of tax in effect on June 30,
598 1987, and from the portion of the gasoline excise tax in excess of
599 Seven Cents (7¢) per gallon and the diesel excise tax in excess of
600 Ten Cents (10¢) per gallon under Section 27-61-5:

601 (i) Twenty percent (20%) of such amount which
602 shall be earmarked and set aside for the construction,
603 reconstruction and maintenance of the highways and roads of the
604 state, provided that if such twenty percent (20%) should reduce
605 any county to a lesser amount than that received in the fiscal
606 year ending June 30, 1966, then such twenty percent (20%) shall be
607 reduced to a percentage to provide that no county shall receive
608 less than its portion for the fiscal year ending June 30, 1966;

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

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

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

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

619 (vi) The remainder shall be divided on a basis of
620 nine-fourteenths (9/14) and five-fourteenths (5/14) (being the
621 same basis as Four and One-half Cents (4-1/2¢) and Two and
622 One-half Cents (2-1/2¢) is to Seven Cents (7¢) on gasoline, and
623 six and forty-three one-hundredths (6.43) and three and

624 fifty-seven one-hundredths (3.57) is to Ten Cents (10¢) on diesel
625 fuel or kerosene). The amount produced by the nine-fourteenths
626 (9/14) division shall be allocated to the Transportation
627 Department and paid into the State Treasury as provided in this
628 section and in Section 27-5-103 and the five-fourteenths (5/14)
629 division shall be returned to the counties of the state on the
630 following basis:

631 1. In each fiscal year, each county shall be
632 paid each month the same percentage of the monthly total to be
633 distributed as was paid to that county during the same month in
634 the fiscal year which ended April 9, 1960, until the county
635 receives One Hundred Ninety Thousand Dollars (\$190,000.00) in such
636 fiscal year, at which time funds shall be distributed under the
637 provisions of paragraph (b)(vi)4 of this section.

638 2. If after payments in 1 above, any county
639 has not received a total of One Hundred Ninety Thousand Dollars
640 (\$190,000.00) at the end of the fiscal year ending June 30, 1961,
641 and each fiscal year thereafter, then any available funds not
642 distributed under 1 above shall be used to bring such county or
643 counties up to One Hundred Ninety Thousand Dollars (\$190,000.00)
644 or such funds shall be divided equally among such counties not
645 reaching One Hundred Ninety Thousand Dollars (\$190,000.00) if
646 there is not sufficient money to bring all the counties to said
647 One Hundred Ninety Thousand Dollars (\$190,000.00).

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

654 4. During the last month of the current
655 fiscal year, should it be determined that there are funds
656 available in excess of the amount distributed for the year under 1

657 and 2 above, then such excess funds shall be distributed among the
658 various counties as follows:

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

661 One-third (1/3) of such excess to be paid
662 to the counties in the proportion which the population of each
663 county bears to the total population of the state according to the
664 last federal census;

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

668 5. It is the declared purpose and intent of
669 the Legislature that no county shall be paid less than was paid
670 during the year ended April 9, 1960, unless the amount to be
671 distributed to all counties in any year is less than the amount
672 distributed to all counties during the year ended April 9, 1960.

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

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

684 In any county having such road or bridge bonds outstanding
685 which exceed, in the aggregate, eight percent (8%) of the assessed
686 valuation of the taxable property of the county, but which do not
687 exceed, in the aggregate, twelve percent (12%) of the assessed
688 valuation of the taxable property of the county, it shall be the
689 duty of the board of supervisors to set aside not less than

690 thirty-five percent (35%) of such county's share of the gasoline,
691 diesel fuel or kerosene taxes to be used in paying the principal
692 and interest of such road or bridge bonds as they mature.

693 In any county having such road or bridge bonds outstanding
694 which exceed, in the aggregate, five percent (5%) of the assessed
695 valuation of the taxable property of the county, but which do not
696 exceed, in the aggregate, eight percent (8%) of the assessed
697 valuation of the taxable property of the county, it shall be the
698 duty of the board of supervisors to set aside not less than twenty
699 percent (20%) of such county's share of the gasoline, diesel fuel
700 or kerosene taxes to be used in paying the principal and interest
701 of such road and bridge bonds as they mature.

702 In any county having such road or bridge bonds outstanding
703 which do not exceed, in the aggregate, five percent (5%) of the
704 assessed valuation of the taxable property of the county, it shall
705 be the duty of the board of supervisors to set aside not less than
706 ten percent (10%) of such county's share of the gasoline, diesel
707 fuel or kerosene taxes to be used in paying the principal and
708 interest on such road or bridge bonds as they mature.

709 The portion of any such county's share of the gasoline,
710 diesel fuel or kerosene taxes thus set aside for the payment of
711 the principal and interest of road or bridge bonds, as provided
712 for in this section, shall be used in paying the currently
713 maturing installments of the principal and interest of such road
714 or bridge bonds, if there be any such road or bridge bonds
715 outstanding.

716 The remaining portion of such county's share of the gasoline,
717 diesel fuel or kerosene taxes, after setting aside the portion
718 above provided for the payment of the principal and interest of
719 bonds, shall be used in the construction and maintenance of any
720 public highways, bridges or culverts of the county, in the
721 discretion of the board of supervisors.

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

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

731 (c) From the amount produced by the nine-fourteenths
732 (9/14) division allocated to the Transportation Department, there
733 shall be deducted:

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

736 (ii) Any amounts due counties in accordance with
737 Section 65-33-45 which have outstanding bonds issued for seawall
738 or road protection purposes, issued under provisions of Chapter
739 319, Laws of 1924, and amendments thereto; and

740 * * *

741 (iii) Except as otherwise provided in Section
742 31-17-127, the remainder shall be paid by the State Tax Commission
743 to the State Treasurer on the fifteenth day of each month next
744 succeeding the month in which the gasoline, diesel fuel or
745 kerosene taxes were collected to the credit of the State Highway
746 Fund.

747 The funds allocated for the construction, reconstruction and
748 improvement of state highways, bridges and culverts, or so much
749 thereof as may be necessary, shall first be used in conjunction
750 with funds supplied by the federal government for such purposes
751 and allocated to the Transportation Department to be expended on
752 the state highway system. It is specifically provided hereby that
753 the necessary portion of such funds hereinabove allocated to the
754 Transportation Department may be used for the prompt payment of

755 principal and interest on highway bonds heretofore issued,
756 including such bonds issued or to be issued under the provisions
757 of Chapter 312, Laws of 1956, and amendments thereto.

758 Nothing contained in this section shall be construed to
759 reduce the amount of such gasoline, diesel fuel or kerosene excise
760 taxes levied by the state, allotted under the provisions of Title
761 65, Chapter 33, Mississippi Code of 1972, to counties in which
762 there are outstanding bonds issued for seawall or road protection
763 purposes issued under the provisions of Chapter 319, Laws of 1924,
764 and amendments thereto; the amount of said gasoline, diesel fuel
765 or kerosene excise taxes designated in this section for the
766 payment of bonds and interest authorized and issued or to be
767 issued under the provisions of Chapter 130, Laws of 1938, and
768 subsequent acts authorizing the issuance of bonds payable from
769 gasoline, diesel fuel or kerosene tax revenue, shall, in such
770 counties, be considered as being paid "into the State Treasury to
771 the credit of the State Highway Fund" within the meaning of
772 Section 65-33-45 in computing the amount to be paid to such
773 counties under the provisions of said section, and this section
774 shall be administered in connection with Title 65, Chapter 33,
775 Mississippi Code of 1972, and Sections 65-33-45, 65-33-47 and
776 65-33-49 dealing with seawalls, as if made a part of this section.

777 (d) The proceeds of the Five and One-fourth Cents
778 (5.25¢) of the tax per gallon on oils used as a propellant for jet
779 aircraft engines, and Six and Four-tenths Cents (6.4¢) of the tax
780 per gallon on aviation gasoline and the tax of One Cent (1¢) per
781 gallon for each gallon of gasoline for which a refund has been
782 made pursuant to Section 27-55-23 because such gasoline was used
783 for aviation purposes, shall be paid to the State Treasury into a
784 special fund to be used exclusively, pursuant to legislative
785 appropriation, for the support and development of aeronautics as
786 defined in Section 61-1-3.

787 (e) State highway funds in an amount equal to the
788 difference between Forty-two Million Dollars (\$42,000,000.00) and
789 the annual debt service payable on the state's highway revenue
790 refunding bonds, Series 1985, shall be expended for the
791 construction or reconstruction of highways designated under the
792 highway program created under Section 65-3-97.

793 (f) "Gasoline, diesel fuel or kerosene taxes" as used
794 in this section shall be deemed to mean and include state
795 gasoline, diesel fuel or kerosene taxes levied and imposed on
796 distributors of gasoline, diesel fuel or kerosene, and all state
797 excise taxes derived from any fuel used to propel vehicles upon
798 the highways of this state, when levied by any statute.

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