

MAS' WEEKLY LEGISLATIVE UPDATE

VOLUME 8

February 24, 2023

The 2023 Regular Legislative Session

The Eighth week of the 2023 Regular Legislative Session is now complete. The deadline for original floor action on appropriations and revenue bills originating in own house has passed. The deadline for committees to report general bills and constitutional amendments originating in other house is Tuesday, February 28th.

Senate Chamber Introduces and Passes Emergency Road and Bridge Repair Fund (ERBR) Funding (Senate Bill 3120)

On Wednesday, February 22nd, the Mississippi Senate Chamber passed Senate Bill 3120 by a **vote of 51 to 0**. Senate Bill 3120 makes a FY 2024 appropriation from the state Capital Expense Fund to the MS Department of Transportation (MDOT) for certain infrastructure expenses. Located in Section 3 of this measure is a line item appropriation for the Emergency Road and Bridge Repair Fund (ERBR) to be funded at \$100 million.

NOTE: This measure will now head to the House Chamber for committee consideration.

Additional Note: This is an MAS proposal item that the membership strongly supports.

House Chamber Introduce, Amend, and Pass Legislative Measure that will Divert New Additional Use Tax Revenue for State Aid Bridge Funding (House Bill 1734)

On Wednesday, February 22nd the House Chamber passed House Bill 1734 by a **vote of 107 to 8**. House Bill 1734 original intent was to provide technical clean up language for various bonds that were issued in the past. Yet, this measure was amended with language located in Section 38 that will allow for an additional one percent increase for the 5% use tax diversion. Instead of the current 5% diversion, it will now be a 6% diversion. This additional percentage is estimated to create an additional \$25 million for the diversion.

NOTE: This will be new money added to the current use tax funding structure, and a new split will be established between the Local Systems Bridge Program and funding for the State Aid Road Construction Program. This measure will now head to the Senate Chamber for committee consideration. **Additional Note:** This measure is aligned with the legislative interest of MAS regarding infrastructure and MAS strongly supports this measure.

House Chamber Passes and Amends Measure Allowing for Counties to Spend ARPA Funding During Last 6 Months of the Term (Senate Bill 2734)

On Wednesday, February 22nd, the House Chamber passed Senate Bill 2734 by a **vote of 113 to 5**. This measure permits county boards of supervisors to expend federal American Rescue Plan Act (ARPA) funds during the last six (6) months of the term of office. In addition, the House Chamber amended this measure to allow any matching funds required under ARPA to be expended during the last six months of the term as well.

NOTE: This measure will now head back to the Senate Chamber for Concurrence or Non-concurrence.

HOUSE & SENATE will reconvene on Monday at 4pm.

NACo Update on American Rescue Plan Act

U.S. TREASURY REOPENS RECOVERY FUND CONTACT CENTER TO SUPPORT COUNTIES WITH ARPA QUESTIONS AND INQUIRIES

By: MAXX SILVAN FEBRUARY 21, 2023

On February 21, the U.S. Department of Treasury (Treasury) resumed operations of its Office of Recovery Programs Contact Center which provides technical assistance to recipients of American Rescue Plan Act (ARPA) funds administered by Treasury. This includes the State and Local Fiscal Recovery Fund (Recovery Fund), the Local Assistance and Tribal Consistency Fund (LATCF), and the Emergency Rental Assistance (ERA) program. Treasury alerted county recipients to the Contact Center's reopening on February 14, stating that:

"The Contact Center closed last year due to an administrative funding shortfall, which impacted Treasury's ability to provide support to recipients of funding from the Office of Recovery Programs. However, late last year Congress provided additional resources for the Office of Recovery Programs in the Consolidated Appropriations Act, 2023. As a result, Treasury is able to reopen the Contact Center in order to better support recipients by answering their phone and email inquiries."

Since the bill's initial introduction in October 2021, NACo has advocated for the passage of the State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act to provide counties with the flexibility to invest funds in transportation infrastructure, Community Development Block Grant (CDBG)-eligible and natural disaster related projects. The bill was ultimately passed as an amendment to the Fiscal Year 2023 omnibus appropriations bill (Consolidated Appropriation Act of 2023) in December 2022. In addition to the expanded flexibilities, the bill also unlocked unobligated administrative funds for the Office of Recovery Programs that has allowed Treasury to reopen this Contact Center.

Treasury is expected to release additional guidance for the bill's expanded eligible uses in the coming month. NACo will alert counties when this guidance is available.

Since ARPA was enacted in March 2021, counties have been working tirelessly with Treasury to ensure Recovery Funds have the flexibility to properly address our unique needs and that we are fulfilling our role as sound financial stewards. Treasury has been a critical partner and valuable resource throughout the implementation of the Recovery Fund and with the recent release of LATCF payments, this partnership is as critical as ever.

NACo also has several resources available to counties to assist with the continued implementation and investment of the Recovery Fund and LATCF. Counties may ask questions regarding ARPA recovery funds [here](#) and NACo staff will respond via email.

[Link to NACo Article Above](#)

**Join us next Friday, March 3 at 10:30 a.m. for
our weekly legislative Zoom call.**

Join Zoom Meeting:

<https://us06web.zoom.us/j/3852299667>

Or Call in at: 888.788.0099

Then Enter Meeting Id Number: 385 229 9667

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Mark Your Calendar!

MAS 2023 Annual Convention

Date: June 12 - 15

Location: MS Coast Convention Center

More info to come on hotels and registration