MS HOUSE OF REPRESENTATIVES PASSES HISTORIC
REVENUE MEASURE FOR LOCAL GOVERNMENT
INFRASTRUCTURE FUNDING 118 to 0

On Thursday January 11, 2018, the House Chamber passed House Bill 722 by a vote of 118 to 0. This bill is designed to divert 35% of the state's use tax into a fund to support municipal and county local infrastructure. Counties would receive 15% of the new revenue and it would be distributed based on the State Aid Formula. Municipalities would receive the other 15% and it would be distributed based on their current sales tax diversion formula. In addition, this measure would also provide 5% of this new revenue to the Mississippi Development Authority (MDA) for grant programs where local governments could apply for road and bridge funding up to $1.5 million per project.

NOTE: This bill would set a new historic precedent for Mississippi county revenue, because counties has never directly received any form of a use tax. This new funding stream would be residual on an annual basis. Last year, the state’s use tax brought in $310 million. House Bill 722 will now head to the Senate for consideration.

PLEASE CONTACT YOUR SENATORS AND REQUEST SUPPORT FOR HOUSE BILL 722.

REVERSE AUCTION HOUSE BILL 796

Prior to the legislative session, the Mississippi Association of Supervisors devoted a significant amount of time updating and educating on the mandated reverse auction law. It is very clear that there are mix emotions regarding this law. There are supervisors that are concerned about unintentional noncompliance and unintentional audit violations, and there are supervisors that see benefits in savings.

With the previous being stated, for those supervisors that would like to see the reverse auction discretionary and not mandated, we encourage them to contact their House of Representative members and ask them to support the passage of House Bill 796. House Bill 796 is authored by Representative Roun McNeal who is also the Vice-Chairman of County Affairs.

This bill makes reverse auction discretionary and it is single referred to the House Accountability, Efficiency, and Transparency Committee. The chairman of this committee is Representative Jerry Turner.

EDUCATION REFORM

On Wednesday January 10, 2018, a special committee meeting was called to evaluate some of the proposals brought forward as it relates to the state's education system. Rebecca Sibilia, CEO of EbBuild (a consultancy firm hired last year to study Mississippi’s education system) has voiced concerns over Speaker of the House Philip Gunn’s recommendation to maintain the 27% Rule. The 27% Rule ensures that local school districts are only responsible for 27% of the cost of public education, while the state picks up the other 73%. Sibilia opposes maintaining the 27% Rule because she believes wealthy school districts are in a position to contribute more than 27%.

NOTE: Please talk to your local legislative delegation about keeping the 27% Rule. In addition, please also request that 55 mill cap limit for funding local school districts remain intact.