MISSISSIPPI ASSOCIATION OF SUPERVISORS

Weekly Legislative Update

2021 Regular Legislative Session

February 19, 2021

THE 2021 REGULAR LEGISLATIVE SESSION

HOUSE INTRODUCES MAJOR INFRASTRUCTURE FUNDING LEGISLATION (HOUSE BILL 1364)

On Friday, February 19th the House Ways and Means Committee passed out House Bill 1364. It is anticipated that this measure will come up for a House Floor vote next week. The following is a breakdown of what the bill does:

Section 1 introduces a bond issuance that shall not exceed $2.5 Billion (NOTE: Within this section, the bond will also cover specified projects that are identified on lines 68 -159). In addition, this bond will send $100 million directly to counties and it will be distributed based on the state aid formula. Another $100 million will go to municipalities in a newly created "2021 Municipal Road & Bridge Fund." Also, The Emergency Road and Bridge Repair Fund will receive $100 million.

Section 2 establishes the rules and oversight of the newly created "2021 Municipal Road and Bridge Fund."

Section 3 introduces an excise tax of 10-cent per gallon on gasoline. This tax increase will only take effect if it is approved on a statewide referendum on June 8,2021. If passed, the 10-cent on gasoline will remain in place until July 1st 2031, then from there the tax will fluctuate by 1% based on federal inflation from the U.S. Bureau of Labor Statistics. An amendment was added in committee to phase in the 10-cent per gallon on gasoline. 5-cent per gallon on gasoline would go into effect 30 days (around July,2021) after passaged and certification of statewide referendum. The remaining 5-cent would go into effect January 2022.

Section 4 and 5 introduces an excise tax of 14-cent per gallon on dyed and undyed diesel. This tax increase will only take effect if it is approved on a statewide referendum. If passed, the 14-cent on diesel will remain in place until July 1st 2031, then from there the tax will fluctuate by 1% based on federal inflation from the U.S. Bureau of Labor Statistics. An amendment was added in committee to phase in the 14-cent per gallon on diesel. 7-cent per gallon on diesel would go into effect 30 days (around July,2021) after passaged and certification of statewide referendum. The remaining 7-cent would go into effect January 2022.

Section 6 directs revenue collected into the bond sinking fund.

Section 7 contains the ballot referendum language.

Section 8 establishes election procedures for the referendum.

Section 9 is when the bill takes effect.

NOTE: The $2.5 Billion bonds are revenue bonds that are paid only from the $0.10 gas/ $0.14 diesel tax that has to be approved by referendum, so if the referendum fails, the bonds will not be issued.

MAS needs feedback from our membership before taking a position on HB 1364. Please call or text Derrick Surrette *(601.812.8159)* or Steve Gray *(601.218.5720)* to express your position on this bill.

THE FIRST OF FIVE COLLABORATIVE REGIONAL LEGISLATIVE & EDUCATIONAL MEETINGS BEGINS FEBRUARY 24TH WITH NORTHEAST PDD AND 3 RIVERS PDD REGION

On February 24th, the **Northeast and Three Rivers Planning and Development District counties** are scheduled to meet at the Hilton Hotel for the MAS legislative and educational regional meeting. Please visit the MAS website www.mssupervisors.org to view the tentative agenda for that day or click **HERE** to view tentative agenda.

The House and Senate will reconvene Monday, February 22 at 4:00 p.m.

The Seventh week of the 2021 Regular Legislative Session is complete. The deadline for original floor action on appropriations and revenue bills originating in own house is Wednesday, February 24th.

SAVE THE DATE

2021 Annual Convention

The 2021 Annual Convention will be at the MS Coast Coliseum & Convention Center June 14—17, 2021.

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***Bills highlighted in orange are hyperlinked to the MS Legislature website. You may view the entire bill online.**

ASSOCIATION OF SUPERVISORS MISSISSIPPI