MISSISSIPPI ASSOCIATION OF SUPERVISORS

Weekly Legislative Update 2017 Regular Legislative Session March 10, 2017

HOUSE PASSES THIRD BILL TO ADDRESS LONG—TERM INFRASTRUCTURE FUNDING

On Thursday March 9th, The Mississippi House of Representatives amended Senate Bill 2939 with a "strike all" amendment, and inserted new language that addresses long-term infrastructure funding. Senate Bill 2939 passed with the new language by a vote of 109 to 8. This is the third attempt by the House of Representatives to address long-term road/bridge funding. The first attempt (*HB-480*) targeted collecting the "uncollected" online sales tax from out-of-state retailers. The Lt. Governor opposed that methodology calling it unconstitutional. While the second attempt was a stand alone bond bill (HB-1732) for \$50 million for local bridge repair. That bill is still alive in the Senate Finance Committee, but no action has been taken on it.

The "strike all" language to **Senate Bill 2939** addresses long-term infrastructure funding in a number of ways. The following is an outline breakdown of the "strike all" language:

- \$50 million in bonds: \$25 million to counties & \$25 million to cities.
- Allocates the use tax Mississippi is already receiving through "voluntary payments" on out-of-state purchases by Mississippi residents: 50% will go to MDOT if they internally reallocate \$25 million in their existing budget to prioritize road and bridge repair; 25% will go to counties & 25% will go to cities for road & bridge repair.
- If the federal law changes, allowing for the collection of use tax from out-ofstate sellers, Mississippi will spend up to \$200 million of that money on road and bridge improvements.
- When the state general fund revenue grows more than 2% in one year, 50% of those dollars beyond the 2% growth (up to a max of \$100 million) will be devoted to road and bridge improvement under the same formula.
- ⇒ Note: This entire package is estimated to spend between \$150 and \$175 million on roads and bridges beginning this July.

HOMESTEAD EXEMPTION REIMBURSEMENT, CUT

<u>Senate Bill 2973</u> contains the homestead exemption reimbursement in **Section 6** of this bill. This bill is currently funding the homestead exemption reimbursement at **\$82,038,206.00**. This is a **\$2,416,435.00** cut from last year's funding level. **\$87.5** million is needed for "Full" reimbursement.



The deadline for original floor action on general bills and constitutional amendment originating in other House has passed. The deadline for original floor action on appropriations and revenue bills originating in other house is Tuesday March 14, 2017 The House and Senate reconvene Monday, March 10. at 2:00 p.m.

Special Thanks

We would like to thank every county that participated in this year's regional capitol visit. We saw a tremendous increase in participation. Thank you for your hard work and dedication to your association.

2017 ANNUAL CONVENTION: REGISTER NOW

Registration is now open for the MAS 88th Annual Convention, June 12—15 in Biloxi. More information is available on the MAS website: www.mssupervisors.org/88thannual-convention

Contact Stephanie Spangler, Director of Member Services, at <u>sspangler@massup.org</u> or by phone 601.353.2741 if you have any questions.

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