

Alississippi House of Representatives Weekly Summary

Week of February 16, 2015

This week, members of the House turned their focus toward budget matters, with both the Appropriations and Ways and Means committees very active. The Appropriations committee deals with spending the state's money and is charged with designing the Fiscal Year (FY) 2016 State Budget, which begins July 1. The Ways and Means Committee focuses on sources of state revenue. This committee crafts bills used as vehicles to fund the government. Early projections suggest the budget for FY2016 will be close to \$6 billion.

The Ways and Means Committee passed several bills out of committee and onto the House floor, including:

- --<u>House Bill 38 (HB38)</u> authorizes the issuance of bonds to provide funds for the Small Municipalities and Limited Population Counties Fund. This allows counties under populations of 30,000 and cities under populations of 10,000 to apply for grants with the Mississippi Development Authority (MDA) of up to \$250,000 a piece.
- --<u>House Bill 155</u> (HB155) increases the historic property income tax credit from \$60,000 to \$100,000 and extends the time taxpayers may be eligible to receive it through 2030.
- --<u>House Bill 216</u> (HB216) freezes the assessed valuation of a person's home (ages 65 or older or totally disabled) as long as they live in that house and do not increase the value of the home through renovations.

On the House floor Wednesday and Thursday, House members first addressed Special Funds Appropriations bills and then moved to tackle General Funds Appropriations bills. Special Funds are amounts set aside in separate accounts in the State Treasury for specific spending purposes. This money is typically generated from fees and licensing expenses collected by agencies, and also includes federal funds available to agencies. General Funds are state revenues that are not restricted to specific spending purposes. General fund money is, for the most part, collected through taxation of individuals and businesses.

The amounts appropriated to each agency were determined based on agency needs, not what the agency already had in its coffers. The deadline to address these bills is February 25 at midnight.

During the presentation of the first Special Funds bill, an amendment was adopted to authorize a pay raise for employees of state agencies who have not had a pay raise since 2011. This amendment, which was also adopted for each additional appropriation bill, allows agencies to provide the raises, within their authorized budgets, up to five percent. Adoption of this amendment does not increase expenditures from the General Fund, and it will apply to all state agencies, not just those funded through Special Funds.



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General Fund budget bills were taken up next. A few agency appropriations are noted:

- --<u>House Bill 1536</u> (HB1536), the budget for the Mississippi Department of Education, passed unanimously. Included in the\$2.5 billion budget is \$106 million more for the Mississippi Adequate Education Program (MAEP). The MAEP money covers the second year of the teacher pay raise and assistant teacher raise, along with about \$50 million going toward school districts.
- --<u>House Bill 1538</u> (HB1538) provides the Mississippi Library Commission with an additional \$1.3 million to go toward improving fiber optics and technology.
- --House Bill 1541 (HB1541), the budget for the Division of Medicaid: \$882.4 million.
- --House Bill 1530 (HB1530), the budget for the Attorney General: \$8.7 million.
- --<u>House Bill 1555 (HB1555)</u>, the budget for the Department of Health: \$62.4 million.
- --<u>House Bill 1556</u> (HB1556), the budget for the Department of Human Services: \$159.2 million.