

2016 Regular Legislative Session

The 111 days of the 2016 Regular Session of the Mississippi Legislature took some time to get through this year. With approximately 1,789 House bills and 969 Senate bills filed, legislators and their respective committees had their work cut out for them. Ultimately, 119 House bills and 100 Senate bills remain active. In addition to the large number of bills filed, regular requests to have bills read on the House floor seemed to slow down an already slow pace. However, the Mississippi House of Representatives adjourned "Sine Die" on April 21, 2016, day 108 of the session, a full three days early.

This session brought many new faces to the Legislature. The House welcomed 26 freshman legislators (out of 122 members total), while the Senate welcomed 10 new members (out of 52 members total). The new lawmakers jumped right in by authoring bills, serving on various committees and presenting bills on the floor.

Although from time to time there were some partisan disagreements, as is natural and to be expected, major legislation was adopted.

Conservative Budget, Bonding

The Fiscal Year (FY) 2017 State Support budget (includes General and additional State Funds) demanded a lot of attention and nurturing as it was crafted throughout the 2016 Session. House and Senate members were able to reach an agreement on a State Support budget of approximately \$6.3 billion. The following figures compare to the FY 2016 State Support level of funding with the Governor's January reductions and do not include deficits:

- K-12 Education-- \$2.24 billion, Funding for Mississippi Adequate Education Program (MAEP) component is at the same FY 2016 level of funding.
- IHL Universities-- \$748 million total, a \$13.5 million cut (-1.8%).
- Community and Junior Colleges-- \$264.7 million total, a \$582,160 cut (-.02%).
- Department of Health-- \$65.0 million total, a \$278,175 cut (-.04%).

House members also adopted a plan to issue roughly \$250 million in general obligation bonds for various projects this year. In order to raise funds, bonds are often issued. Many people believe bonds are necessary to help fund large projects with the intent to repay the debts over time. Discretionary money for small projects in local communities is also incorporated into this plan. Some of the larger projects included are:



IHL: \$61 million for the eight colleges and universities
Community and Junior Colleges: \$25 million
Civil Rights Museum and MS Museum of History: \$16.6 million
State Shipyard: \$45 million
Local Bridge Program: \$20 million

The Mississippi Budget Transparency and Simplification Act, <u>Senate Bill 2362</u>, was adopted this year. Current law permits state agencies to charge other state agencies for rent, assessments, audit fees, personnel fees and other charges for services and resources. Enactment of this measure eliminates those interagency charges for resources. This action will free up about \$123 million of special funds that will now go to the General Fund.

Sixteen state agencies will be affected by this change: the State Fire Marshall, the State Fire Academy, the Office of the Secretary of State, the Mississippi Public Service Commission, the Mississippi Department of Information Technology Services, the State Personnel Board, the Mississippi Department of Insurance, the Mississippi Law Enforcement Officers' Minimum Standards Board, the Mississippi Tort Claims Board, the Mississippi Gaming Commission, the Mississippi Oil and Gas Board, the Mississippi Department of Revenue—License Tag, the Office of the State Public Defender, the Mississippi Workers' Compensation Commission, the Office of the Attorney General and the Mississippi Department of Finance and Administration.

These agencies combined have \$104 million in ending cash balances in FY2017. This nonrecurring money will be used to help the state get out of FY16. Additionally, this move creates \$19 million in recurring General Fund dollars that can be spent in FY2017. The agencies will lose \$29 million in federal fund matches and will now have to compete with other state agencies during the Appropriations process. Proponents believe this legislation will shine a light on the appropriations process and hold agencies accountable. Opponents argue that this legislation removes some of the agencies' flexibility to operate.

Education

Once again, legislators placed continued importance on reforming Mississippi's education system.

<u>House Bill 33</u> revises the definition of eligible students under the Equal Opportunity for Students with Special Needs Act to include those who have had an active IEP for the past five years. The "Special Needs Bill," passed last year, established a pilot program that gave the parents of children with special needs the ability to withdraw their children from public schools, allotting them up to \$6,500 to go toward



school tuition, tutoring and other educational expenses. The original language only extended to students with IEPs for a year and a half.

<u>House Bill 199</u> proposes to extend the time the Department of Education is removed from the State Personnel Board to a total of three years.

<u>House Bill 200</u> permits teachers employed at public special purpose schools, like the Mississippi School for the Deaf and Blind, to receive Education Enhancement Fund (EEF) Procurement Cards.

<u>House Bill 207</u> addresses reimbursement for all school employees who complete each component of the National Board Certification process. Enactment of this measure also allows an additional \$4,000 supplement and benefits to National Board Certified teachers in Claiborne, Adams, Jefferson, Wilkinson, Amite, Bolivar, Coahoma, Leflore, Quitman, Sharkey, Issaquena, Sunflower and Washington counties.

<u>House Bill 989</u> establishes the Mississippi Achievement School District (MSASD) to oversee the administration of certain failing school districts with an "F" rating for two consecutive years. Enactment of this measure would roll them into the MSASD. In an effort to prevent overwhelming the MSASD, the Mississippi Department of Education would have the authority to determine if placing a failing district within the new district would be prudent. After achieving a "C" for five years, the local political subdivision could petition the State Board of Education for the school district to revert back to local control in which time a referendum would be held to gauge the public's interest in doing so.

<u>Senate Bill 2438</u> requires that all local school board superintendents be appointed after January 1, 2019. If a superintendent was elected after the last general election, that superintendent would be permitted to maintain his or her position until the next qualifying date.

<u>Senate Bill 2157</u> increases the rigors of the "Third Grade Reading Gate," which was passed a few years ago. Implementation of this law would raise Mississippi up from a level from the lowest achievement level in reading.

<u>Senate Bill 2161</u> makes changes to the Mississippi Charter Schools Act of 2013 by permitting students in C-, D- and F-rated school districts to cross districts lines in order to attend a charter school. Enrollment preference will go toward underserved children.

School District Consolidations. Over the last several years, there has been a move in the Legislature to consolidate school districts. Since 2012, the Legislature has reduced the number of school districts from 152 to 139. Criteria for consolidation include small school districts and/or chronically underperforming



academically. By consolidating, members hope that the money saved will go into the classrooms instead of to support administrative costs.

<u>House Bill 926</u> consolidates the administrations of the Durant Public School District and Holmes County School District.

<u>House Bill 987</u> consolidates the administrations of the Greenwood Public School District and Leflore County School District.

<u>House Bill 991</u> creates a study committee to review consolidating all three school districts (Houston, Okolona and Chickasaw County) within Chickasaw County into one school district with one local school board.

<u>Senate Bill 2495</u> proposes administrative consolidation of Montgomery County and Winona Municipal Separate School Districts. Winona City Schools would absorb the two schools in Montgomery County.

<u>Senate Bill 2500</u> provides for the administrative consolidation of the Lamar County School District. The Lumberton School District pulls from two counties, Pearl River County and Lamar County. Local leaders in Lumberton, Lamar and Poplarville School Districts would be tasked with determining a way to dissolve the Lumberton School District by July 2019. Enactment of this measure would include maintaining a school in Lumberton despite dissolving the Lumberton Central Office.

<u>Senate Bill 2501</u> transforms Coahoma Agricultural High School into an early college high school managed by Coahoma Community College. Reassuring Public Safety, Transportation

Reassuring Public Safety, Transportation

Legislation was passed this year to ensure safety on our roads and in our communities.

<u>House Bill 447</u> authorizes the Department of Revenue to require fingerprints and background checks for employees with access to federal tax information.

<u>House Bill 1292</u> describes felony requirements for violations of those serving as social hosts. Enactment of this measure would fine any adult who hosts, or allows to continue, a party where minors are drinking alcohol. The adult would be fined \$1,000 and/or face imprisonment of no more than six months.



<u>House Bill 578</u> enacts the "Mississippi See Something, Say Something Act," which protects a person who acts in good faith and reports suspicious activity or behavior that relates to an act of terrorism.

<u>House Bill 1381</u> creates a preemption to allow transportation network companies, like Uber and Lyft, the ability to operate in Mississippi without fear of being shut down by local governments.

<u>Senate Bill 2237</u> ensures that the identity of the execution team and suppliers of lethal injection medicines will remain confidential.

Second Amendment Rights

Due to the continued tightening of Second Amendment rights in states around the nation, the leadership introduced and passed bills focused on protecting those rights.

<u>House Bill 786</u> creates the Mississippi Church Protection Act, allowing trained church members to carry guns. This bill was crafted as a direct result of the tragedy that occurred in a South Carolina church during the summer of 2015. This law gives the option, not a mandate, that the governing body of a church or place of worship may establish a security program in which designated members may carry firearms to protect the congregation.

<u>Senate Bill 2313</u> revises the prohibition of silencers on firearms, and those who violate the terms shall be charged with a misdemeanor and face a fine of no more than \$500 and/or imprisonment in the county jail for no more than 30 days.

Health and Wellness

Many pieces of legislation focused on the health and wellness of the state's citizens.

House Bill 519 creates the MS Unborn Child Protection from Dismemberment Abortion Act.

House Bill 772 authorizes counsel to represent indigent parents in Youth Court.

<u>House Bill 1240</u> addresses the termination of parental rights by eliminating sections of existing laws that caused problems and replacing them with statutes that should ensure faster, permanent placement for abused and neglected children.

House Bill 1289 requires law enforcement agencies to establish procedures relating to missing children.



<u>House Bill 1380</u> requires that in all cases of sex crimes against minors, the arresting authorities must report all HIV test results to the State Department of Health and Children's Safe Centers within 24 hours of receiving the test results.

House Bill 1413 provides that a trafficked child is an abused child.

<u>Senate Bill 2179</u> establishes the Department of Child Protection Services within the Department of Human Services (DHS) to begin the process of correcting Mississippi's child foster care woes. The ultimate goal is to create an agency independent of DHS whose sole focus is to address the treatment of children in the system. Currently, case loads are very high with one social worker for every 40 children. With the establishment of the new agency, the goal is to have one social worker for every 14 children.

Senate Bill 2493 establishes the Supporting and Strengthening Families Act. This legislation is designed to give families facing crises the ability to execute a power of attorney for voluntary guardianship for their children for a year. This does not impact parental rights. It provides parents a tool to be proactive before the Department of Human Services or the court systems become involved. Children would be placed with a family member or third party. The agency involved would require a full criminal background check on any third party. Children would be reunited with the parent once the parent's issue is resolved.

<u>House Bill 1375</u> encourages the Department of Mental Health to try and arrange for supportive services for alcoholics and drug addicts upon discharge from treatment facilities.

<u>Senate Bill 2527</u>, the "Right to Try Act," provides immunity for hospitals where investigational drugs are used or purchased.

Pro-Business, Pro-Economic Growth and Transparency

At the beginning of the Session, an "Extraordinary, "Special, Session was held to pass the largest job creation bill in the state's history. The Continental Tire project in Hinds County will be a \$1.45 billion company investment, bringing 2,500 jobs to the Central Mississippi area. The project with Edison Chouest Offshore, Topship, will be a \$68 million company investment, slated to bring 1,000 jobs to the Port of Gulfport. Incentives for both projects include provisions for workforce development training and infrastructure improvements. Both companies plan to hire locally and utilize Mississippi contractors for at least 70 percent of construction.

<u>House Bill 461</u> provides that the filing date for state income tax returns is the same as the filing date for corresponding federal returns.



<u>House Bill 167</u> withholds a portion of the diversion of sales tax to municipalities that fail to comply with audit requirements.

<u>House Bill 1223</u>, the "To Go Cup bill," authorizes certain municipalities and counties the ability to establish special entertainment districts, a Leisure and Recreation District. After going through a public hearing, an adoption as a city ordinance, then submission and subsequent approval of a map to the Alcohol Beverage Control (ABC) group, ABC permit holders may serve all permitted beverages in an outdoor environment so long as it is within the boundaries of the district. This will affect the three coastal counties, Hattiesburg, Tupelo, Holly Springs, Greenville, Greenwood, Canton, Grenada, Starkville, Water Valley, Jackson, Senatobia and Corinth.

<u>Senate Bill 2922</u> is a continuation of the Historic Property Income Tax Program. This program was authorized a few years ago and included \$60 million in tax credits. The \$60 million has been used by investors to restore buildings in downtown areas around the state. Enactment of this measure extends the amount an additional \$60 million to \$120 million. An annual cap of \$12 million is included for usage of the funds.

<u>House Bill 1511</u> creates the Mississippi Consumer Alternative Installment Loan Act. Enactment of this measure authorizes small loan licensees to make consumer loans under an alternative schedule of rates and charges from those under the Small Loan Regulatory Law. On loans of \$4,000 or less, the licensee may charge a monthly finance charge of not more than 59 percent per annum on the unpaid amount of the amount financed.

<u>Senate Bill 2409</u> creates the Mississippi Credit Availability Act and authorizes licensees to make consumer loans repayable in equal monthly installments over terms of four to 12 months. For loans of \$500 or less, the repayment term is four to six months, and for loans of more than \$500, but not more than \$2,500, the repayment term is six to 12 months. The lender may charge and collect a monthly handling fee not exceeding 25 percent of the outstanding principal balance per month. The fee is not set at 25%, but instead is a cap, with the expectation that competition will be instilled into the marketplace, allowing lenders to compete and ultimately lowering the lending rate for everyone.

<u>Senate Bill 2858</u> creates the Taxpayer Pay Raise Act of 2016, which is a \$415 million tax cut, phased in over 10 years. It will go into effect in two years. This legislation will ultimately eliminate the three percent individual income tax bracket and the franchise tax and ease the financial burden on self-employed Mississippians.

General Bills



House Bill 809 authorizes online voter registration under the authority of the Secretary of State.

<u>Senate Bill 2167</u> requires independent candidates to pay qualifying fees and also increases those fees for party candidates.

<u>Senate Bill 2162</u> expands the makeup of the board of the Jackson Airport Authority to now include members appointed not only by the City of Jackson, but also Rankin and Madison counties, the National Guard Adjutant General, the Mississippi Development Authority, the Governor and the Lieutenant Governor. Currently, board members are appointed by the Mayor of Jackson and are confirmed by the Board of Alderman. A House amendment was adopted to provide that the majority of the members be made up of citizens from Jackson. The two appointments made by the Governor and the one made by the Lieutenant Governor must now be residents of Jackson. This change gives the City of Jackson five members on the board of nine.

Supporters of the bill believe the airport's realm of service extends well beyond the City of Jackson. They believe that a more representative group from the immediate areas serviced will be better suited to operate the board than one comprised of members solely from Jackson. They are worried that with the departure of air carriers and the recent downgrade of the authority's bond rating, a revamp of the board is necessary. Opponents argue the airport was originally paid for by the taxpayers of Jackson, and other municipalities should respect that. They believe that with the leadership of the new director, who has been in the position for about a year and half, the airport is now turning a profit and will be able to recruit another low-cost carrier. Opponents of the bill also contend that changing the board makeup is hostile and not good for the business climate or growth of the area.

<u>Senate Bill 2603</u> permits municipalities with a population of 500 or less to choose to elect three aldermen instead of five. Enactment of this measure would affect 77 municipalities. The reasoning behind this legislation is that many of these small areas have difficulty finding qualified people to run. This is not a mandate, but a choice for the applicable municipalities.

<u>House Bill 1523</u> creates the "Protecting Freedom of Conscience from Government Discrimination Act." Supporters of this bill believe legal protections should be in place for businesses and public employees who believe that marriage occurs between a man and a woman. Enactment of this measure would provide protection against discrimination for those who hold those beliefs. Opponents argue the bill is discriminatory. They also maintain that public employees should adhere to the Supreme Court's ruling on marriage.