To: Appropriations

By: Senator(s) Hopson

## SENATE BILL NO. 2444

AN ACT TO BRING FORWARD SECTION 49-2-131, 41-3-16.1, 57-123-9, 57-123-11, 45-2-41, MISSISSIPPI CODE OF 1972, WHICH ARE CERTAIN ARPA PROGRAMS, FOR PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 5, CHAPTER 113, LAWS OF 2022, WHICH IS AN ADDITIONAL APPROPRIATION OF ARPA FUNDS TO THE BUREAU OF BUILDING WITHIN THE DEPARTMENT OF FINANCE AND ADMINISTRATIONS, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 9 **SECTION 1.** Section 49-2-131, Mississippi Code of 1972, is
- 10 brought forward as follows:
- 11 49-2-131. (1) This section shall be known and may be cited
- 12 as the "Mississippi Municipality and County Water Infrastructure
- 13 Grant Program Act of 2022."
- 14 (2) There is hereby established within the Mississippi
- 15 Department of Environmental Quality the Mississippi Municipality
- 16 and County Water Infrastructure (MCWI) Grant Program under which
- 17 municipalities, counties and certain public utilities not
- 18 regulated by the Public Service Commission may apply for
- 19 reimbursable grants to make necessary investments in water,
- 20 wastewater, and stormwater infrastructure to be funded by the

- 21 Legislature utilizing Coronavirus State Fiscal Recovery Funds made
- 22 available under the federal American Rescue Plan Act of 2021
- 23 (ARPA). Such grants shall be made available to municipalities and
- 24 counties to be matched with the Coronavirus Local Fiscal Recovery
- 25 Funds awarded or to be awarded to them under ARPA on a one-to-one
- 26 matching basis. Coronavirus Local Fiscal Recovery Funds that a
- 27 county transfers to a municipality or that a county or
- 28 municipality transfers to a public utility not regulated by the
- 29 Public Service Commission are eligible on a one-to-one matching
- 30 basis. Municipalities that received less than One Million Dollars
- 31 (\$1,000,000.00) in the total allocation of Coronavirus Local
- 32 Fiscal Recovery Funds are eligible for a two-to-one match only on
- 33 the Coronavirus Local Fiscal Recovery Funds awarded or to be
- 34 awarded to them under ARPA. The total funds provided for all
- 35 two-to-one matches shall not exceed Fifty Million Dollars
- 36 (\$50,000,000.00). The dollar amount for professional fees that
- 37 can be allocated as a part of a county's, municipality's or public
- 38 utility's matching share is not to exceed four percent (4%) of the
- 39 total project cost.
- 40 (3) For purposes of this section, unless the context
- 41 requires otherwise, the following terms shall have the meanings
- 42 ascribed herein:
- 43 (a) "MCWI Grant Program" means the Mississippi
- 44 Municipality and County Water Infrastructure Grant Program.

45 (	b)	"ARPA"	means	the	federal	American	Rescue	Plan	Act

- 46 of 2021, Public Law 117-2, which amends Title VI of the Social
- 47 Security Act.
- 48 (c) "State Recovery Funds" means Coronavirus State
- 49 Fiscal Recovery Funds awarded through Section 602 of Title VI of
- 50 the Social Security Act amended by Section 9901 of the federal
- 51 American Rescue Plan Act of 2021, Public Law 117-2.
- 52 (d) "Local Recovery Funds" means Coronavirus Local
- 53 Fiscal Recovery Funds awarded through Section 603 of Title VI of
- 54 the Social Security Act amended by Section 9901 of the federal
- 55 American Rescue Plan Act of 2021, Public Law 117-2.
- (e) "Department" means the Department of Environmental
- 57 Quality.
- 58 (f) "Professional fees" means fees for the services of
- 59 attorneys and engineering, surveying, and environmental studies.
- (g) "Project" means the infrastructure improvements
- 61 defined in an application that (i) complies with all requirements
- of ARPA, and (ii) is eligible for a grant award under this
- 63 section.
- 64 (4) (a) On or before July 1, 2022, the Department of
- 65 Environmental Quality shall promulgate rules and regulations
- 66 necessary to administer the MCWI Grant Program prescribed under
- 67 this section, including application procedures and deadlines. The
- 68 department is exempt from compliance with the Mississippi

- 69 Administrative Procedures Law in fulfilling the requirements of
- 70 this section.
- 71 (b) The Department of Health shall advise the
- 72 Mississippi Department of Environmental Quality regarding all such
- 73 rules and regulations as related to the federal Safe Drinking
- 74 Water Act.
- 75 (5) Funding under the MCWI Grant Program shall be allocated
- 76 to projects certified by the Mississippi Department of
- 77 Environmental Quality as eligible for federal funding, including,
- 78 but not be limited to, the following:
- 79 (a) Construction of publicly owned treatment works;
- 80 (b) Projects pursuant to the implementation of a
- 81 nonpoint source pollution management program established under the
- 82 Clean Water Act (CWA);
- 83 (c) Decentralized wastewater treatment systems that
- 84 treat municipal wastewater or domestic sewage;
- 85 (d) Management and treatment of stormwater or
- 86 subsurface drainage water;
- 87 (e) Water conservation, efficiency, or reuse measures;
- 88 (f) Development and implementation of a conservation
- 89 and management plan under the CWA;
- 90 (g) Watershed projects meeting the criteria set forth
- 91 in the CWA;
- 92 (h) Energy consumption reduction for publicly owned
- 93 treatment works;

94		(i)	Reuse	or	recyc	cling	of	wastewate	er, s	tormwater,	or
95	subsurface	drai	inage w	vate	er;						
96		( i )	Facili	itie	es to	impro	ove	drinkina	wate:	r qualitv;	

- Facilities to improve drinking water quality; ( † )
- 97 Transmission and distribution, including (k)
- 98 improvements of water pressure or prevention of contamination in
- 99 infrastructure and lead service line replacements;
- 100 New sources to replace contaminated drinking water (1)
- or increase drought resilience, including aquifer storage and 101
- 102 recovery system for water storage;
- 103 (m) Storage of drinking water, such as to prevent
- 104 contaminants or equalize water demands;
- 105 Purchase of water systems and interconnection of
- 106 systems;
- 107 New community water systems;  $(\circ)$
- Culvert repair, resizing, and removal, replacement 108 (p)
- 109 of storm sewers, and additional types of stormwater
- 110 infrastructure;
- Dam and reservoir rehabilitation, if the primary 111
- 112 purpose of dam or reservoir is for drinking water supply and
- 113 project is necessary for the provision of drinking water;
- 114 Broad set of lead remediation projects eligible
- 115 under EPA grant programs authorized by the Water Infrastructure
- Improvements for the Nation (WIIN) Act; and 116
- 117 Any eligible drinking water, wastewater or
- stormwater project through ARPA guidelines, guidance, rules, 118

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- regulations and other criteria, as may be amended from time to time, by the United States Department of the Treasury.
- 121 (6) The governing authority of a municipality, county or
- 122 public utility that is not regulated by the Public Service
- 123 Commission may submit an application for grant funds under this
- 124 section if the applicant is an operator-member of Mississippi 811,
- 125 Inc., as defined in Section 77-13-3. Applicants shall certify to
- 126 the department that each expenditure of the funds awarded to them
- 127 under this section is in compliance with ARPA guidelines,
- 128 guidance, rules, regulations and other criteria, as may be amended
- 129 from time to time, by the United States Department of the Treasury
- 130 regarding the use of monies from the State Coronavirus State
- 131 Fiscal Recovery Funds. Subsequent submissions will be due by the
- 132 dates established by the department.
- 133 (7) An application for a grant under this section shall be
- 134 submitted at such time, be in such form, and contain such
- 135 information as the department prescribes. Each application for
- 136 grant funds shall include the following at a minimum: (a)
- 137 applicant contact information; (b) project description and type of
- 138 project; (c) project map; (d) estimate of population affected by
- 139 the project; (e) disadvantaged community criteria (population,
- 140 median household income, unemployment, current water/sewer rates);
- 141 (f) estimated project cost; (g) list of match funds of direct
- 142 Coronavirus Local Fiscal Recovery Funds received and to be
- 143 received from the federal government, a certification that such

144 funds have been or will be used for the project detailed in the 145 application, and documentation of commitment; (h) estimated project schedule and readiness to proceed; (i) engineering 146 services agreement; (j) engineering reports; and (k) information 147 148 about status of obtaining any required permits.

(8) The department must apply a system for use in ranking the grant applications received. When applying the ranking system, the department shall apply a greater weight to projects that have approved engineering/design, plans and permits if the department has deemed the project is ready to begin construction within six (6) months. Projects that are included on the municipal or county engineer's approved list and provide applicable supporting documentation shall receive additional consideration awarded to the application. The ranking system shall include the following factors, at a minimum: environmental impact of the proposed project; (b) the proposed project's ability to address noncompliance with state/federal requirements; (c) the extent to which the project promotes economic development; (d) the number of people served by the project and the number of communities the project serves; (e) impacts of the proposed project on disadvantaged/overburdened communities; (f) the grant applicant's prior efforts to secure funding to address the proposed project's objectives; (q) the grant applicant's proposed contribution of other funds or in-kind cost-sharing to the proposed project; (h) the grant applicant's

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169 long-term plans for the financial and physical operation and 170 maintenance of the project; (i) the grant applicant's capacity to 171 initiate construction in a timely manner and complete the proposed project by the deadline specified by the United States Department 172 173 of Treasury rules for ARPA funds; (j) the extent to which the 174 project benefits multiple political subdivisions in a regional manner; (k) the project's ability to enhance public service 175 176 infrastructure, including transportation and emergency access; and 177 (1) any other factors as determined by the department.

- (9) The grant program shall include a specific emphasis on addressing the needs of an economically disadvantaged community, including providing safe, reliable drinking water in areas that lack infrastructure, providing sewage treatment capacity in unsewered areas and providing regional development of infrastructure to serve multiple communities.
- 184 Applications shall be reviewed and scored as they are 185 The Mississippi Department of Environmental Quality received. shall certify whether each project submitted is a "necessary 186 187 investment" in water, wastewater, or stormwater infrastructure as 188 defined in the American Rescue Plan Act and all applicable 189 quidance issued by the United States Department of the Treasury. 190 The Department of Environmental Quality shall review the lists of recommended water infrastructure projects and issue its list of 191 192 recommended projects to the Mississippi Department of Health for its advice. Grant agreements shall be executed between the 193

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194 recipient and the Mississippi Department of Environmental Quality. All final awards shall be determined at the discretion of the 195 196 executive director of the department. Any funds awarded to the 197 City of Jackson under this section shall be deposited in the 198 Capital City Water/Sewer Projects Fund of the State Treasury. 199 Funds shall be obligated to a grantee upon the execution of a 200 grant agreement between the department and the approved applicant. 201 Funds shall be made available to a grantee when the department 202 obtains the necessary support for reimbursement. The department 203 is authorized to conduct additional rounds of grants as needed; 204 however, in the first round no more than forty percent (40%) of 205 the total funds appropriated for each grant program may be awarded 206 by the department, and the remaining funds may be awarded in the 207 second or subsequent rounds which shall occur no later than six 208 (6) months from the previous round. To ensure equitable treatment 209 between the categories of projects, no less than twenty percent 210 (20%) awarded under this section shall be allocated to each of the three (3) categories of drinking water projects, wastewater 211 212 projects and stormwater projects. In second or subsequent rounds, 213 any funds not requested may be allocated to any category. 214 Grant funds shall be used prospectively; however, grant 215 funds may be used to reimburse expenses incurred before the 216 enactment of this program if the costs are adequately documented 217 and comply with applicable ARPA guidelines. An applicant must agree to obtain all necessary state and federal permits and follow 218

- 219 all state bidding and contracting laws and fiscally sound 220 practices in the administration of the funds.
- (12) (a) Monies must be disbursed under this section in compliance with the guidelines, guidance, rules, regulations or other criteria, as may be amended from time to time, of the United States Department of the Treasury regarding the use of monies from the Coronavirus State Fiscal Recovery Fund, established by the American Rescue Plan of 2021.
- 227 (b) The use of funds allocated under this program shall
  228 be subject to audit by the United States Department of the
  229 Treasury's Office of Inspector General and the Mississippi Office
  230 of the State Auditor. Each person receiving funds under these
  231 programs found to be fully or partially noncompliant with the
  232 requirements in this section shall return to the state all or a
  233 portion of the funds received.
- 234 The department shall submit to the Lieutenant Governor, 235 Speaker of the House, House and Senate Appropriations Chairmen, 236 and the Legislative Budget Office quarterly reports and annual 237 reports that are due by the dates established in the Compliance 238 and Reporting Guidance by the United States Department of The reports shall contain the applications received, 239 240 the score of the applications, the amount of grant funds awarded to each applicant, the amount of grant funds expended by each 241 242 applicant, and status of each applicant's project.

- 243 Grant funds shall be available under this section 244 through December 31, 2026, or on the date of the fund expenditure 245 deadline provided by the federal government, whichever occurs 246 later. Each grant recipient shall certify for any project for 247 which a grant is awarded that if the project is not completed by 248 December 31, 2026, and the United States Congress does not enact 249 an extension of the deadline on the availability of ARPA funds, 250 then the grant recipient will complete the project through other 251 funds.
- 252 (15) The Mississippi Department of Environmental Quality may 253 retain an amount not to exceed five percent (5%) of the total 254 funds allocated to the program to defray administrative costs.
- 255 (16) The department shall be exempt from provisions of the 256 Public Procurement Review Board for any requirements of personal 257 or professional service contracts or the pre-approval of the 258 solicitation for such contracts used in the execution of its 259 responsibilities under this section. This subsection shall stand 260 repealed on January 1, 2026.
- 261 (17) The provisions of this section shall stand repealed on 262 January 1, 2027.
- 263 **SECTION 2.** Section 41-3-16.1, Mississippi Code of 1972, is 264 brought forward as follows:
- 265 41-3-16.1. (1) The State Department of Health (department)
  266 shall establish a grant program to be known as the ARPA Rural
  267 Water Associations Infrastructure Grant Program (program) to

268	assist rural water associations in the construction of eligible
269	drinking water infrastructure projects as provided in the Final
270	Rule for the Coronavirus State and Local Fiscal Recovery Funds as
71	established by the federal American Rescue Plan Act (ARPA)

- (2) The program shall be funded from appropriations by the Legislature to the department from the Coronavirus State Fiscal Recovery Fund, and the department shall expend all such funds for the purposes provided in subsection (1) of this section. It is the intent of the Legislature that, in the first fiscal year after April 25, 2022, twenty percent (20%) of the funds appropriated to the department for the program be obligated to projects that have completed plans and specifications, acquired all necessary land and/or easements, and are ready to proceed to construction.
- 281 (3) The department shall obligate the funds by the deadline
  282 set by the rules and guidelines of the United States Department of
  283 the Treasury and will adhere to the Treasury's rules and
  284 guidelines for reporting and monitoring projects funded through
  285 ARPA.
- the grant applications received. The ranking system shall include the following factors, at a minimum: (a) the environmental impact of the proposed project; (b) the proposed project's ability to address noncompliance with state/federal requirements; (c) the extent to which the project promotes economic development; (d) the number of people served by the project (both new and existing

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- 293 users); (e) impacts of the proposed project on disadvantaged/ 294 overburdened communities; (f) the grant applicant's prior efforts 295 to secure funding to address the proposed project's objectives; 296 (q) the grant applicant's proposed contribution of other funds or 297 in-kind cost-sharing to the proposed project; (h) the grant 298 applicant's long-term plans for the financial and physical 299 operation and maintenance of the project; and (i) the grant 300 applicant's capacity to initiate construction in a timely manner 301 and complete the proposed project by the deadline specified by 302 rules and quidelines of the United States Department of the 303 Treasury for ARPA funds.
- 304 (5) An application for a grant under this section shall be 305 submitted at such time, be in such form, and contain such 306 information as the department prescribes.
- 307 (6) Upon the approval of an application for a grant under
  308 this section, the department shall enter into a project grant
  309 agreement with each grantee to establish the terms of the grant
  310 for the project, including the amount of the grant. The maximum
  311 amount of funds that may be provided to any rural water
  312 association from all grants under the program is Two Million Five
  313 Hundred Thousand Dollars (\$2,500,000.00).
- 314 (7) The department shall have all powers necessary to 315 implement and administer the program. Of the funds appropriated 316 to the department for the program, not more than five percent (5%)

317	may be	used	рÀ	the	department	to	cover	the	department's	costs	of
318	admini	sterin	ng t	the p	program.						

- In carrying out its responsibilities under the program, 319 320 for any contract under the purview of the Public Procurement 321 Review Board (PPRB), the department shall be exempt from any 322 requirement that the PPRB approve any personal or professional 323 services contracts or pre-approve any solicitation of such 324 contracts. This subsection shall stand repealed on July 1, 2026.
- 325 The department shall submit an annual report regarding (9) 326 the program no later than December 31 of each year to the 327 Lieutenant Governor, the Speaker of the House, and the Chairmen of 328 the Senate and House Appropriations Committees.
- SECTION 3. Section 57-123-9, Mississippi Code of 1972, is 329 330 brought forward as follows:
- 331 57-123-9. (1) The Department of Finance and Administration 332 shall establish a program for the purpose of providing assistance 333 to Mississippi nonprofit museums as provided in this section. 334 Monies disbursed by the Department of Finance and Administration 335 under this section shall be disbursed in compliance with all 336 requirements and/or conditions on funds appropriated from the 337 Coronavirus State Fiscal Recovery Fund for the program established 338 under this section. The Department of Finance and Administration 339 shall disburse funds under this section to nonprofit museums 340 located in municipalities with a population of not more than fifty thousand (50,000) according to the latest federal decennial census 341

342	to assist in paying costs associated with advertising and other
343	forms of promoting and publicizing nonprofit museums and museum
344	related activities, and repairs and renovations of and upgrades
345	and improvements to such museums for health and safety purposes
346	related to the Coronavirus Disease 19. Of the monies disbursed by
347	the Department of Finance and Administration under this section,
348	twenty-five percent (25%) of such monies shall be used to provide
349	assistance for requests for assistance of less than Three Hundred
350	Thousand Dollars (\$300,000.00); thirty-five percent (35%) of such
351	monies shall be used to provide assistance for requests for
352	assistance of Three Hundred Thousand Dollars (\$300,000.00) or more
353	but less than Seven Hundred Thousand Dollars (\$700,000.00) and
354	forty percent (40%) of such monies shall be used to provide
355	assistance for requests for assistance of Seven Hundred Thousand
356	Dollars (\$700,000.00) or more. A museum desiring assistance under
357	this section must submit an application to the Department of
358	Finance and Administration. The application must include a
359	description of the purposes for which the assistance is requested,
360	the amount of the assistance requested and any other information
361	required by the department.

- 362 (2) The Department of Finance and Administration shall have 363 all powers necessary for the implementation of this section.
- 364 **SECTION 4.** Section 57-123-11, Mississippi Code of 1972, is 365 brought forward as follows:

366	57-123-11. (1) The Department of Finance and Administration
367	shall establish a program for the purpose of providing funds to
368	Mississippi Main Street Association as provided in this section.
369	Monies disbursed by the Department of Finance and Administration
370	under this section shall be disbursed in compliance with all
371	requirements and/or conditions on funds appropriated from the
372	Coronavirus State Fiscal Recovery Fund for the program established
373	under this section. The Department of Finance and Administration
374	shall disburse funds under this section to Mississippi Main Street
375	Association to be used for the purpose of making revitalization
376	grants to Mississippi communities as follows:

377	2020	Number of	Grant	Total
378	population	communities	amount	grants
379	More than 25,000	8	\$ 125,000.00	\$ 1,000,000.00
380	Not more than 25,000	0 40	\$ 100,000.00	\$ 4,000,000.00
381	Total			\$ 5,000,000.00

- The Department of Finance and Administration shall have 382 (2) 383 all powers necessary for the implementation of this section.
- 384 SECTION 5. Section 45-2-41, Mississippi Code of 1972, is 385 brought forward as follows:
- 386 45-2-41. (1) There is created the "Mississippi Law 387 Enforcement and Fire Fighters Premium Pay Program," which shall be administered by the Department of Public Safety to provide premium 388 389 pay to those law enforcement officers and firefighters in the 390 State of Mississippi as provided for in subsection (2) of this

391	section.	Monies	disbursed	by	the	Department	of	Public	Safety	Ţ
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- 392 under this section shall be disbursed in compliance with all
- 393 requirements and/or conditions on funds appropriated from the
- 394 Coronavirus State Fiscal Recovery Fund for the program established
- 395 under this section.
- 396 (2) The program shall be funded from monies appropriated by
- 397 the Legislature from the Coronavirus State Fiscal Recovery Fund
- 398 for that purpose. The Department of Public Safety shall
- 399 distribute the monies for the program in accordance with the
- 400 following:
- 401 (a) One Thousand Dollars (\$1,000.00) of premium pay
- 402 shall be paid to each eligible individual.
- 403 (b) Eligible individuals are all certified, full-time
- 404 and part-time law enforcement officers and certified, full-time
- 405 and part-time firefighters who are serving in the State of
- 406 Mississippi on July 1, 2022, except those excluded under paragraph
- 407 (c) of this subsection (2). If a person is an eliqible individual
- 408 in more than one (1) position covered under this paragraph, that
- 409 person shall only be eligible for one (1) payment of premium pay
- 410 under paragraph (a) of this subsection.
- 411 (c) Any law enforcement officer who received hazard pay
- 412 from the Governor's discretionary funds authorized by the
- 413 Legislature from the federal Coronavirus Aid, Relief and Economic
- 414 Security Act is not eligible to receive monies under this section.

415	(d) The department also shall distribute monies to
416	counties, municipalities and other governmental entities that,
417	before July 1, 2022, paid premium pay to law enforcement officers
418	and firefighters employed by them from funds received under the
419	federal American Rescue Plan Act, to reimburse those governmental
420	entities for not more than One Thousand Dollars (\$1,000.00) of the
421	amount of premium pay that the governmental entity paid to each
422	recipient.
423	SECTION 6. Section 5, Chapter 113, Laws of 2022, additional
424	appropriation to DFA-Bureau of Building,-ARPA Funds, is brought
425	forward as follows:
426	Section 5. Of the funds appropriated under the provisions of
427	Section 1 of this act, One Hundred Seventy-nine Million Seven
428	Hundred Fifty Thousand Dollars (\$179,750,000.00) or so much
429	thereof as may be necessary, shall be provided for capital
430	projects at state-owned buildings or grounds occupied by the
431	following state agencies, or for the following purposes as cited
432	herein:
433	(a) Any state-owned building as deemed
434	necessary by the Department of Finance and
435	Administration Bureau of Building, Grounds
436	and Real Property Management\$ 14,000,000.00.
437	(b) The Department of Corrections\$ 80,000,000.00.
438	(c) The Department of Mental Health\$ 40,000,000.00.
439	(d) The Department of Human Services

440	Oakley Youth Development Center\$ 5,000,000.00.
441	(e) State Department of Health for
442	necessary capital investment to assist
443	in responding to the public health emergency\$ 12,000,000.00.
444	(f) The State Fire Academy\$ 750,000.00.
445	(g) To the entity that oversees the
446	operations of state parks for the purpose of
447	eligible water, wastewater, and stormwater
448	projects\$ 12,000,000.00.
449	(h) To the entity that oversees the
450	operations of state parks for the purpose of
451	improvements to state parks due to increased use
452	and to promote tourism\$ 16,000,000.00.
453	SECTION 7. This act shall take effect and be in force from
454	and after its passage.