

Week of January 15, 2024 2024 First Extraordinary Session

This was the third week of the 2024 Legislative Session. Despite winter weather across much of Mississippi, the Legislature met throughout the week.

On Wednesday, Governor Tate Reeves called an extraordinary, or special, session of the Legislature for Thursday, January 18. A special session is a meeting of the legislature outside the parameters of a normal session, and the governor decides the subject and matters that will be considered. Usually, a special session takes place when the Legislature is not already in session. This special session was dedicated to a major economic development project.

"Project Poppy" is a \$1.9 billion corporate capital investment, the second largest in state history, bringing approximately 2,000 jobs to Marshall County. The average salary is expected to be \$66,000. The total payroll for these jobs is expected to be the largest payroll commitment of a major project in state history.

The project is a joint venture of Accelera by Cummins, Inc., Daimler Trucks & Buses and PACCAR. Each of these companies will own 30 percent of the joint venture. The remaining ten percent is owned by EVE Energy, which will serve as the technology partner. The plant will build batteries for electric commercial vehicles, such as 18-wheelers, and it will be located north of Byhalia at the Chickasaw Trail Industrial Park on a 500-acre plot.

The package from the state includes infrastructure improvements, site preparation and certain tax incentives. If benchmarks are not met, the joint venture agrees to pay the state back in full.

Upon gaveling in at 9:30 a.m. on Thursday, the House Ways and Means Committee met to introduce <u>House Bill 1</u>, which outlines the project and provides certain incentives to the companies. HB 1 authorizes the issuance of state bonds of approximately \$482 million for the project.

The Senate Appropriations Committee introduced two bills: <u>Senate Bill 2001</u> and <u>Senate Bill 2002</u>. SB 2001 creates the Project Poppy Fund, a special fund in the State Treasury for this project, while SB 2002 appropriates \$117.6 million to the Mississippi Development Authority to fund "Project Poppy." Both bills passed the full Senate and were released to the House.

The House convened to discuss the three bills, which all passed by a bipartisan vote. House Minority Leader Robert L. Johnson, III, (D – Natchez) introduced two amendments to HB 1. <u>Amendment 1</u> would require that at least 70 percent of the project's workforce be Mississippi residents, while <u>Amendment 2</u>

would require the companies to make extra investments in the community surrounding the plant. Both amendments failed, and House Bill 1 was sent to the Senate without changes.

Governor Reeves is expected to sign the bills into law. The House adjourned sine die from the special session on Thursday afternoon.

Speaker Jason White announced on Friday that committee assignments of Appropriations B, C, D and E will be completed next week. These committees are new standing House committees that are comprised of members of the full Appropriations Committee (Appropriations A).