Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO

House Bill No. 604

BY: Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. Section 49-2-131, Mississippi Code of 1972, is brought forward as follows:

49-2-131. (1) This section shall be known and may be cited as the "Mississippi Municipality and County Water Infrastructure Grant Program Act of 2022."

(2) There is hereby established within the Mississippi Department of Environmental Quality the Mississippi Municipality and County Water Infrastructure (MCWI) Grant Program under which municipalities, counties and certain public utilities not regulated by the Public Service Commission may apply for
reimbursable grants to make necessary investments in water, wastewater, and stormwater infrastructure to be funded by the Legislature utilizing Coronavirus State Fiscal Recovery Funds made available under the federal American Rescue Plan Act of 2021 (ARPA). Such grants shall be made available to municipalities and counties to be matched with the Coronavirus Local Fiscal Recovery Funds awarded or to be awarded to them under ARPA on a one-to-one matching basis. Coronavirus Local Fiscal Recovery Funds that a county transfers to a municipality or that a county or municipality transfers to a public utility not regulated by the Public Service Commission are eligible on a one-to-one matching basis. Municipalities that received less than One Million Dollars ($1,000,000.00) in the total allocation of Coronavirus Local Fiscal Recovery Funds are eligible for a two-to-one match only on the Coronavirus Local Fiscal Recovery Funds awarded or to be awarded to them under ARPA. The total funds provided for all two-to-one matches shall not exceed Fifty Million Dollars ($50,000,000.00). The dollar amount for professional fees that can be allocated as a part of a county's, municipality's or public utility's matching share is not to exceed four percent (4%) of the total project cost.

(3) For purposes of this section, unless the context requires otherwise, the following terms shall have the meanings ascribed herein:
(a) "MCWI Grant Program" means the Mississippi Municipality and County Water Infrastructure Grant Program.

(b) "ARPA" means the federal American Rescue Plan Act of 2021, Public Law 117-2, which amends Title VI of the Social Security Act.

(c) "State Recovery Funds" means Coronavirus State Fiscal Recovery Funds awarded through Section 602 of Title VI of the Social Security Act amended by Section 9901 of the federal American Rescue Plan Act of 2021, Public Law 117-2.

(d) "Local Recovery Funds" means Coronavirus Local Fiscal Recovery Funds awarded through Section 603 of Title VI of the Social Security Act amended by Section 9901 of the federal American Rescue Plan Act of 2021, Public Law 117-2.

(e) "Department" means the Department of Environmental Quality.

(f) "Professional fees" means fees for the services of attorneys and engineering, surveying, and environmental studies.

(g) "Project" means the infrastructure improvements defined in an application that (i) complies with all requirements of ARPA, and (ii) is eligible for a grant award under this section.

(4) (a) On or before July 1, 2022, the Department of Environmental Quality shall promulgate rules and regulations necessary to administer the MCWI Grant Program prescribed under this section, including application procedures and deadlines. The
department is exempt from compliance with the Mississippi
Administrative Procedures Law in fulfilling the requirements of
this section.
(b) The Department of Health shall advise the
Mississippi Department of Environmental Quality regarding all such
rules and regulations as related to the federal Safe Drinking
Water Act.
(5) Funding under the MCWI Grant Program shall be allocated
to projects certified by the Mississippi Department of
Environmental Quality as eligible for federal funding, including,
but not be limited to, the following:
(a) Construction of publicly owned treatment works;
(b) Projects pursuant to the implementation of a
nonpoint source pollution management program established under the
Clean Water Act (CWA);
(c) Decentralized wastewater treatment systems that
treat municipal wastewater or domestic sewage;
(d) Management and treatment of stormwater or
subsurface drainage water;
(e) Water conservation, efficiency, or reuse measures;
(f) Development and implementation of a conservation
and management plan under the CWA;
(g) Watershed projects meeting the criteria set forth
in the CWA;
(h) Energy consumption reduction for publicly owned treatment works;
(i) Reuse or recycling of wastewater, stormwater, or subsurface drainage water;
(j) Facilities to improve drinking water quality;
(k) Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements;
(l) New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage;
(m) Storage of drinking water, such as to prevent contaminants or equalize water demands;
(n) Purchase of water systems and interconnection of systems;
(o) New community water systems;
(p) Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure;
(q) Dam and reservoir rehabilitation, if the primary purpose of dam or reservoir is for drinking water supply and project is necessary for the provision of drinking water;
(r) Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act; and
(s) Any eligible drinking water, wastewater or
stormwater project through ARPA guidelines, guidance, rules,
regulations and other criteria, as may be amended from time to
time, by the United States Department of the Treasury.

(6) The governing authority of a municipality, county or
public utility that is not regulated by the Public Service
Commission may submit an application for grant funds under this
section if the applicant is an operator-member of Mississippi 811,
Inc., as defined in Section 77-13-3. Applicants shall certify to
the department that each expenditure of the funds awarded to them
under this section is in compliance with ARPA guidelines,
guidance, rules, regulations and other criteria, as may be amended
from time to time, by the United States Department of the Treasury
regarding the use of monies from the State Coronavirus State
Fiscal Recovery Funds. Subsequent submissions will be due by the
dates established by the department.

(7) An application for a grant under this section shall be
submitted at such time, be in such form, and contain such
information as the department prescribes. Each application for
grant funds shall include the following at a minimum: (a)
applicant contact information; (b) project description and type of
project; (c) project map; (d) estimate of population affected by
the project; (e) disadvantaged community criteria (population,
median household income, unemployment, current water/sewer rates);
(f) estimated project cost; (g) list of match funds of direct
Coronavirus Local Fiscal Recovery Funds received and to be received from the federal government, a certification that such funds have been or will be used for the project detailed in the application, and documentation of commitment; (h) estimated project schedule and readiness to proceed; (i) engineering services agreement; (j) engineering reports; and (k) information 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: (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 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; (g) the
grant applicant's proposed contribution of other funds or in-kind
cost-sharing to the proposed project; (h) the grant applicant's
long-term plans for the financial and physical operation and
maintenance of the project; (i) the grant applicant's capacity to
initiate construction in a timely manner and complete the proposed
project by the deadline specified by the United States Department
of Treasury rules for ARPA funds; (j) the extent to which the
project benefits multiple political subdivisions in a regional
manner; (k) the project's ability to enhance public service
infrastructure, including transportation and emergency access; and
(l) 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.

(10) Applications shall be reviewed and scored as they are
received. The Mississippi Department of Environmental Quality
shall certify whether each project submitted is a "necessary
investment" in water, wastewater, or stormwater infrastructure as
defined in the American Rescue Plan Act and all applicable
guidance issued by the United States Department of the Treasury.
The Department of Environmental Quality shall review the lists of
recommended water infrastructure projects and issue its list of
recommended projects to the Mississippi Department of Health for
its advice. Grant agreements shall be executed between the
recipient and the Mississippi Department of Environmental Quality.
All final awards shall be determined at the discretion of the
executive director of the department. Any funds awarded to the
City of Jackson under this section shall be deposited in the
Capital City Water/Sewer Projects Fund of the State Treasury.
Funds shall be obligated to a grantee upon the execution of a
grant agreement between the department and the approved applicant.
Funds shall be made available to a grantee when the department
obtains the necessary support for reimbursement. The department
is authorized to conduct additional rounds of grants as needed;
however, in the first round no more than forty percent (40%) of
the total funds appropriated for each grant program may be awarded
by the department, and the remaining funds may be awarded in the
second or subsequent rounds which shall occur no later than six
(6) months from the previous round. To ensure equitable treatment
between the categories of projects, no less than twenty percent
(20%) awarded under this section shall be allocated to each of the
three (3) categories of drinking water projects, wastewater
projects and stormwater projects. In second or subsequent rounds,
any funds not requested may be allocated to any category.

(11) Grant funds shall be used prospectively; however, grant
funds may be used to reimburse expenses incurred before the
enactment of this program if the costs are adequately documented
and comply with applicable ARPA guidelines. An applicant must
agree to obtain all necessary state and federal permits and follow
all state bidding and contracting laws and fiscally sound
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.

(b) The use of funds allocated under this program shall
be subject to audit by the United States Department of the
Treasury's Office of Inspector General and the Mississippi Office
of the State Auditor. Each person receiving funds under these
programs found to be fully or partially noncompliant with the
requirements in this section shall return to the state all or a
portion of the funds received.

(13) The department shall submit to the Lieutenant Governor,
Speaker of the House, House and Senate Appropriations Chairmen,
and the Legislative Budget Office quarterly reports and annual
reports that are due by the dates established in the Compliance
and Reporting Guidance by the United States Department of
Treasury. The reports shall contain the applications received,
the score of the applications, the amount of grant funds awarded
to each applicant, the amount of grant funds expended by each applicant, and status of each applicant's project.

(14) Grant funds shall be available under this section through December 31, 2026, or on the date of the fund expenditure deadline provided by the federal government, whichever occurs later. Each grant recipient shall certify for any project for which a grant is awarded that if the project is not completed by December 31, 2026, and the United States Congress does not enact an extension of the deadline on the availability of ARPA funds, then the grant recipient will complete the project through other funds.

(15) The Mississippi Department of Environmental Quality may retain an amount not to exceed five percent (5%) of the total funds allocated to the program to defray administrative costs.

(16) The department shall be exempt from provisions of the Public Procurement Review Board for any requirements of personal or professional service contracts or the pre-approval of the solicitation for such contracts used in the execution of its responsibilities under this section. This subsection shall stand repealed on January 1, 2026.

(17) The provisions of this section shall stand repealed on January 1, 2027.

SECTION 2. Section 41-3-16.1, Mississippi Code of 1972, is brought forward as follows:
41-3-16.1. (1) The State Department of Health (department) shall establish a grant program to be known as the ARPA Rural Water Associations Infrastructure Grant Program (program) to assist rural water associations in the construction of eligible drinking water infrastructure projects as provided in the Final Rule for the Coronavirus State and Local Fiscal Recovery Funds as 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.

(3) The department shall obligate the funds by the deadline set by the rules and guidelines of the United States Department of the Treasury and will adhere to the Treasury's rules and guidelines for reporting and monitoring projects funded through ARPA.

(4) The department shall develop a system for use in ranking 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 users); (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; (g) the grant applicant's proposed contribution of other funds or in-kind cost-sharing to the proposed project; (h) the grant applicant's long-term plans for the financial and physical operation and maintenance of the project; and (i) the grant applicant's capacity to initiate construction in a timely manner and complete the proposed project by the deadline specified by rules and guidelines of the United States Department of the Treasury for ARPA funds.

(5) An application for a grant under this section shall be submitted at such time, be in such form, and contain such information as the department prescribes.

(6) Upon the approval of an application for a grant under this section, the department shall enter into a project grant agreement with each grantee to establish the terms of the grant for the project, including the amount of the grant. The maximum amount of funds that may be provided to any rural water association from all grants under the program is Two Million Five Hundred Thousand Dollars ($2,500,000.00).
(7) The department shall have all powers necessary to implement and administer the program. Of the funds appropriated to the department for the program, not more than five percent (5%) may be used by the department to cover the department's costs of administering the program.

(8) In carrying out its responsibilities under the program, for any contract under the purview of the Public Procurement Review Board (PPRB), the department shall be exempt from any requirement that the PPRB approve any personal or professional services contracts or pre-approve any solicitation of such contracts. This subsection shall stand repealed on July 1, 2026.

(9) The department shall submit an annual report regarding the program no later than December 31 of each year to the Lieutenant Governor, the Speaker of the House, and the Chairmen of the Senate and House Appropriations Committees.

SECTION 3. Section 57-123-7, Mississippi Code of 1972, is brought forward as follows:

57-123-7. (1) As used in this section, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Destination marketing organization" means:

(i) Special local governmental units created by local and private laws of the State of Mississippi for the purpose of tourism promotion, funded by special local tax levies, and staffed with professionals engaged in out-of-state tourism
marketing and tourism product development for municipalities, counties and/or regions; or

(ii) Publicly-funded local organizations that engage in out-of-state tourism marketing and tourism development for municipalities, counties and/or regions.

(b) "Marketing activities" means multimedia marketing and advertising, including digital media, broadcast media and printed media, including travel publications, production, travel market sector analysis, consumer travel sentiment, public relations, communication strategy, direct sales bookings, group tour bookings, tourism development and administrative costs to execute marketing activities related to the business disruption effects of the Coronavirus Disease 2019 as expressed in Section 1 of Chapter 399, Laws of 2022.

(2) (a) The Department of Finance and Administration shall establish a program for the purpose of providing funds to assist destination marketing organizations in paying costs for marketing activities as provided in this section. Monies disbursed by the Department of Finance and Administration under this section shall be disbursed in compliance with all requirements and/or conditions on funds appropriated from the Coronavirus State Fiscal Recovery Fund for the program established under this section. The Department of Finance and Administration shall determine, in conjunction with the destination marketing organizations, the
allocation of funds under this section and shall disburse funds as follows:

(i) Not more than Nine Million Four Hundred Twenty-seven Thousand Five Hundred Fifty-seven Dollars ($9,427,557.00) of such monies shall be allocated to destination marketing organizations in a manner that will provide monies to a destination marketing organization in an amount equal to seventy-five percent (75%) of the destination marketing organization's marketing and advertising expenditures during the 2019 fiscal year, and

(ii) Not more than Twenty Million Five Hundred Seventy-two Thousand Four Hundred Forty-three Dollars ($20,572,443.00) of such monies shall be allocated to destination marketing organizations based on the proportion that a destination marketing organization's contribution toward total tourism visitors in the state according to the 2019 Fiscal Year Visit Mississippi Visitors Profile Report bears to all destination marketing organizations' contributions toward total tourism visitors in the state according to the 2019 Fiscal Year Visit Mississippi Visitors Profile Report. However, a destination marketing organization shall not receive an amount less than Two Hundred Fifty Thousand Dollars ($250,000.00) under this subparagraph (ii).

(b) Within fifteen (15) days after July 1, 2022, the Department of Finance and Administration shall distribute the
funds allocated under paragraph (a) of this subsection (2) to eligible destination marketing organizations. Before receiving funds under this subsection (2), a destination marketing organization must certify to the Department of Finance and Administration that:

(i) The funds will only be used for marketing activities, and

(ii) The destination marketing organization will comply with applicable federal and state regulations and requirements related to American Rescue Plan Act funds, and

(iii) The destination marketing organization will obligate all funds by December 31, 2024, and fully expend all funds by December 31, 2026.

(c) Destination marketing organizations receiving funds under this subsection (2) shall keep and maintain records related to expenditures. Destination marketing organizations receiving funds under this subsection (2) shall also track impacts of their marketing activities through special levy tax receipts, hotel occupancy indicators, other tourism industry metrics, and analytics from marketing campaigns, as appropriate. Such destination marketing organizations shall provide semi-annual reports on expenditures and economic impacts of their marketing activities to the Department of Finance and Administration, the Governor, the Lieutenant Governor, the Speaker of the House of Representatives and the Department of Audit.
Subject to applicable purchasing laws, destination marketing organizations will give preference, when available and practical, to Mississippi-based companies for any new contracts entered into for marketing activities.

(3) The Department of Finance and Administration and the Department of Audit shall have all powers necessary for the implementation of this section.

SECTION 4. Section 57-123-9, Mississippi Code of 1972, is brought forward as follows:

57-123-9. (1) The Department of Finance and Administration shall establish a program for the purpose of providing assistance to Mississippi nonprofit museums as provided in this section. Monies disbursed by the Department of Finance and Administration under this section shall be disbursed in compliance with all requirements and/or conditions on funds appropriated from the Coronavirus State Fiscal Recovery Fund for the program established under this section. The Department of Finance and Administration shall disburse funds under this section to nonprofit museums located in municipalities with a population of not more than fifty thousand (50,000) according to the latest federal decennial census to assist in paying costs associated with advertising and other forms of promoting and publicizing nonprofit museums and museum related activities, and repairs and renovations of and upgrades and improvements to such museums for health and safety purposes related to the Coronavirus Disease 19. Of the monies disbursed by
the Department of Finance and Administration under this section, twenty-five percent (25%) of such monies shall be used to provide assistance for requests for assistance of less than Three Hundred Thousand Dollars ($300,000.00); thirty-five percent (35%) of such monies shall be used to provide assistance for requests for assistance of Three Hundred Thousand Dollars ($300,000.00) or more but less than Seven Hundred Thousand Dollars ($700,000.00) and forty percent (40%) of such monies shall be used to provide assistance for requests for assistance of Seven Hundred Thousand Dollars ($700,000.00) or more. A museum desiring assistance under this section must submit an application to the Department of Finance and Administration. The application must include a description of the purposes for which the assistance is requested, the amount of the assistance requested and any other information required by the department.

(2) The Department of Finance and Administration shall have all powers necessary for the implementation of this section.

SECTION 5. Section 57-123-11, Mississippi Code of 1972, is brought forward as follows:

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

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<th>Year</th>
<th>Number of Population (Com)</th>
<th>Grant Amount</th>
<th>Total Grants</th>
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<td>Not more than 25,000</td>
<td>40</td>
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<td></td>
<td>Total</td>
<td></td>
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</tr>
</tbody>
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(2) The Department of Finance and Administration shall have all powers necessary for the implementation of this section.

**SECTION 6.** Section 45-2-41, Mississippi Code of 1972, is brought forward as follows:

45-2-41. (1) There is created the "Mississippi Law Enforcement and Fire Fighters Premium Pay Program," which shall be administered by the Department of Public Safety to provide premium pay to those law enforcement officers and firefighters in the State of Mississippi as provided for in subsection (2) of this section. Monies disbursed by the Department of Public Safety under this section shall be disbursed in compliance with all requirements and/or conditions on funds appropriated from the Coronavirus State Fiscal Recovery Fund for the program established under this section.
(2) The program shall be funded from monies appropriated by the Legislature from the Coronavirus State Fiscal Recovery Fund for that purpose. The Department of Public Safety shall distribute the monies for the program in accordance with the following:

(a) One Thousand Dollars ($1,000.00) of premium pay shall be paid to each eligible individual.

(b) Eligible individuals are all certified, full-time and part-time law enforcement officers and certified, full-time and part-time firefighters who are serving in the State of Mississippi on July 1, 2022, except those excluded under paragraph (c) of this subsection (2). If a person is an eligible individual in more than one (1) position covered under this paragraph, that person shall only be eligible for one (1) payment of premium pay under paragraph (a) of this subsection.

(c) Any law enforcement officer who received hazard pay from the Governor's discretionary funds authorized by the Legislature from the federal Coronavirus Aid, Relief and Economic Security Act is not eligible to receive monies under this section.

(d) The department also shall distribute monies to counties, municipalities and other governmental entities that, before July 1, 2022, paid premium pay to law enforcement officers and firefighters employed by them from funds received under the federal American Rescue Plan Act, to reimburse those governmental entities for not more than One Thousand Dollars ($1,000.00) of the
amount of premium pay that the governmental entity paid to each recipient.

**SECTION 7.** Section 5, Chapter 113, Laws of 2022, additional appropriation to DFA-Bureau of Building,-ARPA Funds, is brought forward as follows:

Section 5. Of the funds appropriated under the provisions of Section 1 of this act, One Hundred Seventy-nine Million Seven Hundred Fifty Thousand Dollars ($179,750,000.00) or so much thereof as may be necessary, shall be provided for capital projects at state-owned buildings or grounds occupied by the following state agencies, or for the following purposes as cited herein:

(a) Any state-owned building as deemed necessary by the Department of Finance and Administration Bureau of Building, Grounds and Real Property Management.......................$ 14,000,000.00.

(b) The Department of Corrections..........$ 80,000,000.00.

(c) The Department of Mental Health........$ 40,000,000.00.

(d) The Department of Human Services Oakley Youth Development Center....................$ 5,000,000.00.

(e) State Department of Health for necessary capital investment to assist in responding to the public health emergency......$ 12,000,000.00.

(f) The State Fire Academy...............$ 750,000.00.

(g) To the entity that oversees the
operations of state parks for the purpose of eligible water, wastewater, and stormwater projects..........................$ 12,000,000.00.

(h) To the entity that oversees the operations of state parks for the purpose of improvements to state parks due to increased use and to promote tourism..............................$ 16,000,000.00.

SECTION 8. This act shall take effect and be in force from and after July 1, 2023, and shall stand repealed on June 30, 2023.

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO BRING FORWARD SECTION 49-2-131, 41-3-16.1, 57-123-7, 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.