May 21, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-may-21-196188

Long MS Legislative Session Adjourns

Lawmakers Rewrite School Funding... Stall on Medicaid... Address Energy, Healthcare, Insurance and Workforce Training

May 21, 2024

The Mississippi Legislature officially ended its 2024 session on Tuesday, May 14th.

The following are the final results on legislation discussed by the MAR Legislative & Regulatory Affairs Committee or the MAR Board of Directors during MAR's Winter Meetings in February, or bills identified for action by the Legislative Advocacy Team (LAT) during the session:

- HB 1647 authorizes and provides for implementation of a State Insurance Exchange. The Exchange establishes a structure for vendors to provide better options for Health Insurance for Mississippi REALTORS®, a 2024 Legislative Priority. The bill passed into law on May 14th without the Governor's signature.
- 2. SB 2130 went to conference, and the conference report was signed by the Governor on May 13th. The bill states that if an insurer has issued to an insured a policy that provides coverage or a binder that binds coverage of a residential structure, the insurer shall not cancel the policy, cancel the binder, or deny coverage solely because of the age of the roof of the residential structure. The statute becomes effective on July 1,2024.
- 3. SB 2519 passed out of the Senate and the House and was signed by the Governor on April 15th. This bill addresses foreign ownership of agricultural land.
- 4. SB 2788 revives the Home Inspector Regulatory Board and provides that the Mississippi Appraisal Board regulate Home Inspectors. The bill passed the Senate and the House and was signed by the Governor on April 17th.

- 5. HB 1271 revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor. Further, the bill was amended to include an abrogation of the MREC Rule 3.2(C) which allows a unilateral cancellation of a buyer agency agreement with a 15 day notice. The bill as amended was passed by the Senate and returned to the House. The Governor signed the bill on April 23rd.
- 6. Late in the session, the LAT took action to support the conference report for SB 2799, which simplifies the geographical diversity requirements for appointees to the Mississippi Real Estate Commission and several other agencies, boards and commissions. Previously, appointments to the MREC were based on the 22 year-old 2002 Mississippi Congressional District map. Effective immediately, appointments will be based on Mississippi's 3 Supreme Court Districts plus 2 At-Large appointees.

A comprehensive look at the 2024 Legislative Session from Capitol Resources follows –

Mississippi lawmakers adjourned a lengthy regular Legislative Session, rewriting a quarter-century old school funding formula and declining to expand Medicaid coverage despite intensive negotiations over several months. Lawmakers also began to address a potential shortfall in the state's retirement system.

This session, which began Jan. 2, 2024, took nearly every day of the initially allotted 125 days, and in fact was extended on paper until May14. Lawmakers could have returned on that date to consider any gubernatorial vetoes.

The session began with a bang, with Gov. Tate Reeves's inauguration to a second term and then his announcement (and lawmakers approval of) incentive packages to lure two major industrial recruits: a \$2 billion truck-battery manufacturer to Marshall County near Memphis; and a major \$10 billion Amazon datacenter in Madison County, just north of Jackson.

Newly elected House Speaker Jason White combined his Republican majority and Democratic support to rewrite a 25-year-old school funding formula—once a volatile hot-button issue. Speaker White also pushed for full Medicaid expansion. Lt. Gov. Delbert Hosemann, who entered his second four-year term as presiding officer of the state Senate, coalesced his diverse chamber on both issues—Medicaid and School Funding—adding an objective funding calculation to the education bill that passed and insisting on the work requirement on Medicaid bill, which didn't pass.

Your Capitol Resources team has been on the ground for you day and night during the session, and included with this report is a list of key bills we've watched for you. Here are a few highlights:

Economic Development/Infrastructure

Lawmakers appropriated an additional \$380 million for transportation projects, including \$250 million to the MS Dept. of Transportation for projects that increase highway capacity, major projects in DeSoto and Lafayette counties, \$30 million in emergency road and bridge dollars and \$10 million in multi-modal port/rail grant funds and a scattering of smaller appropriations to projects across the state.

Lawmakers also are funneling between \$30-\$50 million in unspent ARPA dollars into paving projects at MDOT, depending on what other state agencies report is unspent. Lawmakers increased from \$20 million annually to over \$40 million annually the state's Site Development Grant Fund that is used by state and local economic development officials to prepare local industrial sites. Lawmakers also approved a range of capital investments, including \$110 million at the state's universities, \$45 million at community colleges, and \$50 million for state agency buildings repair and renovations.

HEALTHCARE

Hospitals and Federally Qualified Community Health Centers will be able to access federally negotiated discount pharmaceutical pricing in <u>HB 728</u>. The bill provides protections for qualifying hospitals and clinics to access pricing in the

federal 340B program. Mississippi joins about two dozen other states in adopting this legislation.

Insurance/Pharmacy Costs: The business community quickly united to repel a late-session push limiting the use of pharmacy benefit managers – a tool insurers use to aggregate buying power on drugs. The issue died early in the session but was resurrected through a late-hour floor amendment in the Senate to HB 1265 on the last day for general bill consideration. Business groups were alarmed the ban would further increase their costs for private insurance. Once conferees on the bill agreed to move regulation of pharmacy benefit managers at the Department of Insurance (instead of at the Board of Pharmacy), independent pharmacists that had worked to enact the bill then turned against the bill.

Medicaid: New Speaker Jason White moved early in the session after his election (succeeding retired speaker Philip Gunn) to push out a full expansion bill, uniting part of his Republican caucus with Democratic votes to pass the bill. The House adopted HB 1725 that would expand coverage to all those living at or below 138% of the federal poverty level. Lt. Gov. Hosemann and Republican Senators in that chamber insisted on requiring adults (with some exceptions) to demonstrate they were in the workforce. And the Senate resisted efforts to shift people off of the federally subsidized health insurance exchange policies, which reimburse hospitals and providers at higher rates than Medicaid. The Senate-passed version expanded Medicaid coverage to Mississippians living at 100% of poverty level. Here is a side-by-side look at those plans.

Late in the session, leaders in both chambers appeared to have <u>reached a deal</u> that would have the state subsidizing enrollment on the federal health insurance exchange for individuals whose incomes ranged from between 100% to 138% of the federal poverty level. The day before the House was ready to take up the bill, House Democratic leaders stunned Capitol observers, pulling their support of the bill because of the mandatory work requirement. They argued it could prevent the federal authorities from ever approving a plan.

Medicaid Tech Bill: House Medicaid Chairman Missy McGee declined to advance legislation adopting other changes to the Medicaid program, killing what is commonly referred to as the periodic "Medicaid Technical Amendments Bill" used to tweak the highly codified program.

Lawmakers early in the session did enact <u>HB 539</u> which will more quickly enroll pregnant women in Medicaid while their eligibility status is confirmed.

Ambulance Reimbursement: Gov. Tate Reeves signed <u>HB 1489</u> that will require private insurers to pay out-of-network ambulance providers a set percentage of the Medicare rate. The legislation also requires reimbursement for ambulances for treatment of patients in place or when transported to alternate destinations, such as mental health crisis units or urgent care centers.

IVF: Lawmakers paused efforts to enact legislation regarding in vitro fertilization. Legislation purported to protect the practice could, in fact, have ended up severely restricting it in Mississippi. Leaders in both chambers said they would revisit the issue over the summer.

Medical Records: Hospitals will store medical records digitally for 10 years under a new storage schedule established in <u>SB 2873</u>.

Certificates of Need Unchanged: The Mississippi Board of Health late last year recommended to lawmakers that they repeal the state's certificate need(need-based licenses) for psychiatric hospitals and drug treatment centers. Lawmakers spent time considering the legislation, but ultimately stopped short this year. Senate and House committees are likely to consider this issue during the offsession.

Education

MS Lawmakers rewrote the state's funding formula that divides state dollars among the local school districts. Lawmakers for more than25 years have used the MS Adequate Education Act formula to distribute funds to schools. That act first broached the concept of providing extra support to school districts that could not rely on a local tax base – rural, impoverished areas, for example. The new formula in HB 4130, takes that concept further and adds additional weights for students who need additional help, such as children with disabilities, English language learners as well as funding for high concentrations of poverty or for those districts with higher fixed costs due to their rural nature. Lawmakers also added additional funding to the program. Here is some media coverage on the issue.

<u>Agriculture</u>

Foreign ownership of farm land: Lawmakers adopted <u>SB 2519</u> to impose fines on non-resident aliens from foreign advisories (as defined by the U.S. State Dept.) for owning agriculture and forestry lands. The prohibition had already been on the books, but it had no penalty. This legislation sets up a range of potential fines from \$100,000 to \$5 million that affected foreign landowners could face.

Forestry Biomass/Energy: SB 2059 set state policy that Mississippi considers energy derived from biomass, such as wood pellets and chips, to be carbon neutral; and when combined with carbon sequestration it is considered carbon negative. The law is similar to ones adopted in other Southeastern forestry-rich states such as Arkansas and Louisiana.

Energy

Gas Appliances: Mississippi moved to preempt local utility efforts to restrict the use of gas appliances in <u>HB 1583</u>. It follows legislation from several years ago that preempts cities from banning energy sources such as coal or gas.

Refinery Taxes: Gov. Tate Reeves approved <u>HB 1984</u> that restructured a long-time incentive to build refineries in-state. The measure would allow refineries a credit for ad valorem taxes paid on stored oil and gas inventory at the refinery that would be applied against ad valorem taxes owed on physical refinery assets and

property. The incentive had previously been a direct exemption on the stored inventory, if are finery was located in-state. That long-time inventory exemption is being challenged in court.

Oilfield Sales Taxes: HB 1764 sets a flat 4.5% sales taxes on equipment used in oil field drilling and production. The new, single rate comes at the request of drillers industry players who have grappled for more than a decade with multiple tax rates and how to apply it among multiple investment and cost-sharing arrangements.

Solar: MS State University Agricultural& Mechanical Experiment Stations will be authorized to enter into lease agreements to solar power installations. The legislation is <u>SB 2557.</u>

Oil and Gas Board: The MS Senate confirmed these appointments to the Oil and Gas Board:

- Richard Yoder Jr (reappointment)
- James Hinkle (Jimmy) Heidelberg (reappointment)
- James Harrell (Jim) Herring (reappointment)
- Bradley Dees (Brad) Mayo

General Business

Expedited Environmental Permits: SB 2649, which the governor has signed, will allow the Mississippi Dept. of Environmental Quality to expedite permit application review for applicants willing to cover the cost of out-sourcing some of that review work. The legislation also requires MDEQ to report annually on the backlog of permits. It comes as the agency has struggled to keep up with permit applications due to staffing challenges.

Workforce training: <u>SB 3099</u> revives a 50% tax credit employers in Mississippi can receive for expenditures on workforce training expenses when they work in

conjunction with a local community college. The state will only grant a total of \$1million in credits statewide.

IT/Communications

Lawmakers adopted <u>SB 2698</u> that created a formal panel to monitor cybersecurity threats and make recommendations on agency defense and responses. With <u>SB 2698</u>, websites and apps face potential unfair and deceptive practices act litigation from the state if they don't ask users ages and limit information gathering on minors and marketing scams focused on minors. Lawmakers in <u>SB 2577</u> approved criminal penalties of up to five years in prison for using digital alteration – deep fakes – in political campaigns.

Gaming

Two key pieces of legislation stalled. <u>SB 2780</u>, would have addressed Tidelands leases and imposed some restrictions on future casino sites; and <u>HB 774</u>, which would have legalized mobile sports betting. Senate leadership was hesitant to advance the mobile sports betting legislation, and House leaders pushed for the measures to be adopted as a pair.

The Senate confirmed:

- Franc Lee to the MS Gaming Commission (reappointment)
- Jeremy Felder to the MS Gaming Commission
- Mike McGrevey to the Lottery Corporation Board of Directors (reappointment)

Tobacco, Cannabis

Medical Cannabis legislation aimed at tweaking regulations to allow patients more access to cannabis and to clarify marketing restrictions died, as did a bill that would have required "intoxicating hemp" products now sold at gas stations to move behind the regulated walls of cannabis stores. However, lawmakers sent to Gov. Reeves <u>SB 2857</u> that if signed will eliminate weekly limits (but not the overall

monthly limit) as well as authorize the state Dept. of Health to work with the FBI to more completely vet medical cannabis licensees.

Tobacco legislation: SB 2567 will allow cigar bars to serve wine and spirits. Mississippi will be the first state in the nation to regulate and tax heated tobacco products in SB 3105. Efforts to establish a registry of vaping products died.

Government

Retirement: Lawmakers expressed frustration with the state's retirement system leadership, but efforts to reshape the governing board failed early in the Session. Lawmakers ultimately adopted <u>SB 3231</u> that phases in over four years a recommended 2% increase in employer (state government) contributions; it also requires outside actuaries to review future recommendations of the Board of the Public Employees Retirement System.

Agency Appointments: Lawmakers scaled back from ambitious reorganization plans for all boards and commissions that first appeared in SB 2799, now on its way to the governor. The legislation, which originally applied to most state agencies and executive directors, would have required uniform terms of service and geographic districts on boards and periodic Senate confirmation for most agency executive directors. The compromise conference report, however, now applies to about a dozen agencies whose boards had antiquated geographic requirements tying appointments to congressional district boundaries that long ago expired.

Judicial Redistricting: Lawmakers halted an effort to reorder some of the state's judicial districts after push back from local circuit and chancery court districts. They are expected to address the issue in the 2025 regular session. Here is a look at that plan that died.

Budget: Lawmakers approved a \$7 billion (not counting federal dollars) general fund budget, an increase of about 5.4% percent. Much of that increase came in \$238 million added to the state's new public school funding formula. (See attached budget summary).

April 26, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-april-26-196152

MS Legislative Session End Game

Leaders hint at adjournment ... Differences on Education, Medicaid could keep lawmakers here longer

April 26, 2024

Work continues in the Mississippi Legislature with a number of bills in conference as the 2024 Legislative Session enters its final days.

The following are updates from the past week on Bills the MAR Legislative & Regulatory Affairs Committee discussed at their February 21st meeting, Bills the MAR Board of Directors voted on at their February 22nd meeting, or Bills identified for action by the Legislative Advocacy Team following our Winter Meetings:

- 1. HB 1647 has passed the House and would authorize and implement a State Insurance Exchange and authorize income tax deductions and insurance premium credit. This Exchange would establish a structure for vendors to provide better options for Health Insurance for Mississippi REALTORS®, a 2024 Legislative Priority. The bill has passed the House Ways & Means Committee, the House of Representatives and was amended and passed by the Senate. The House has invited conference on the bill.
- 2. SB 2130 passed the Senate and was amended and passed by the House. The Senate has invited conference on the bill and the conferees continue to meet to produce a conference report. The bill in concept would prevent insurance companies from declining coverage on a roof that is less than 15 years old solely based on the age of the roof. The Legislative & Regulatory Affairs Committee voted to support the bill. The companion HB 1319 died in the Senate committee.
- 3. SB 2519 passed out of the Senate and the House and was signed by the Governor on April 15th. This bill addresses foreign ownership of agricultural land. The Legislative & Regulatory Affairs Committee took a position to support this bill.

- 4. SB 2788 revives the Home Inspector Regulatory Board and provides that the Mississippi Appraisal Board regulate Home Inspectors. The bill passed the Senate and the House and was signed by the Governor on April 17th. The Legislative & Regulatory Affairs Committee took a position to support this move.
- 5. HB 1271 has passed the House and was referred to the Business and Financial Institutions Committee in the Senate. The Legislative & Regulatory Affairs Committee took a position to support this bill, which revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor. Further, the bill was amended in the Senate Business and Financial Institutions Committee to include an amendment that would abrogate the MREC Rule 3.2(C) which allows a unilateral cancellation of a buyer agency agreement with a 15 day notice. The bill as amended was passed by the Senate and returned to the House. The House concurred with the amended bill and the Governor signed the bill on April 23rd.

In other important Legislative Action –

Lawmakers convened this week with hopes they can wrap up negotiations on general bills and begin finalizing budget numbers this week. Last week, members were pointing to adjournment as soon as Wednesday of this week, but by week's end it seemed less likely they could wrap up talks.

House and Senate leaders have for much of the session remained at odds over whether to change the formula that distributes funding to public schools; and whether and how to provide health insurance coverage to more Mississippians through the state-federal Medicaid program. They are also debating potential reforms to the Public Employee Retirement System. Without those issues resolved, adopting a budget and finalizing many other issues would appear to be challenging.

Medicaid Status: Lawmakers have already approved legislation continuing the status quo in Medicaid and in particular the sections defining benefits at existing levels. However, both the House and Senate Medicaid Committees have also advanced "technical amendments" to that statute, updating a range of issues from foster care to ambulance care all now encapsulated in <u>SB 2823</u>. That technical-

amendments legislation is in a conference committee for final tweaks. Significant differences remain between the House and Senate over whether to expand Medicaid coverage. The House adopted HB 1725 that would expand coverage to all those living at or below 138% of the federal poverty level. The Senate-passed version attempts to keep those between 100% and 138% of the poverty level on the federally subsidized health insurance exchange.

Conference Weekend Ahead... Maybe

The deadline for finalizing the budget in conference committees is Saturday April 27th, a rare Saturday deadline that traditionally has the effect of keeping lawmakers in Jackson, working on budgets and the few remaining general bills. Leadership had expressed hope of wrapping up business before conference weekend. (The deadline for adjourning the Session is May 5, but they may adjourn earlier if both chambers agree). Within those on-going budget negotiations for Medicaid, education and all of state government are a host of other decisions that must also be finalized, such as: whether to fund state and local construction projects (university buildings, roads, libraries, etc.), whether to address highway funding, ports, education projects, funds for healthcare projects and much more.

Your next report may be the adjournment report. Capitol Resources' team is at the Capitol, working toward finalizing bills. We typically don't send a report the Monday after Conference weekend because adjournment is eminent. This year, we will send a report upon final adjournment and we may send one prior, depending on timing and events.

Of course, we will communicate directly with you as needed. As always, feel free to reach out to us at any point with any comments or questions.

Last week

• Insurance/Pharmacy Costs: Six lawmakers were appointed to negotiate on legislation largely opposed by the business community that would restrict the use of pharmacy benefit managers. The issue died early in the session but was resurrected through a floor amendment in the Senate to HB 1265 on the last day for general bill consideration. Senate Conferees are Senate Insurance Chair Walter Michel, Sen. Daniel Sparks and Sen. Neil Whaley; House conferees are House Insurance Chair Jerry Turner, Rep. Stacey Hobgood-Wilkes and Rep. Lee Yancey.

- Energy: Gov. Tate Reeves signed into law HB 1583 that provides protections for gas appliances from local ordinances that might ban their use. Lawmakers sent to Gov. Reeves HB 1984 that revises a long-time incentive to build refineries in-state. The measure would allow refineries a credit against ad valorem taxes owed on refinery assets and property for ad valorem taxes paid on stored oil and gas inventory at the refinery. Two measures, HB 1764 and SB 2990, would revise the sales taxes levied on equipment used in oil field drilling and production. Negotiators are trying to finalize the rate, currently proposed between 4% and 4.5% in the two bills.
- Gaming: Legislation to legalize mobile sports betting and to clarify
 enforcement of leases on state Tidelands and locations for Coast casinos
 remain unresolved. <u>SB 2780</u>, would address Tidelands leases and impose
 some restrictions on future casino sites; and <u>HB 774</u>, which would legalize
 mobile sports betting await final negotiations.
- Charter Schools: House and Senate leaders are pursuing differing agendas regarding the state's Charter schools. The Senate would like to remove a 3% administration fee that charter schools currently pay to fund the operations of the Board overseeing charter schools, and Senators are pushing to add more performance accountability. The House would like to provide more access for charters to operate in traditional public school districts which are currently restricted to only "D-" and "F-" rated districts and to allow for charter schools with a special purpose (such as a school serving special needs students). If they agree on any changes, they would be amended into HB 1683, which currently just keeps the statutes governing charter available for amendment.
- Agency Appointments: SB 2799 would impose sweeping changes to appointment and Senate confirmation requirements on state agencies across state government. The measure, which appears destined for a conference committee, attempts to address delays in appointments and a confusing array of appointment requirements that currently requires each governor to look at a range of geographic boundaries for each of hundreds of appointments to boards and commissions. The bill would also give substantial power to the Legislature, requiring every executive director to appear for confirmation every four years. And it would require that pending gubernatorial appointments not made timely (by July 1 of a governor's first

and third year) would fall to the lieutenant governor (or the secretary of state if the lieutenant governor didn't act within 120 days).

Here is a full list of all legislation still pending in the House and in the Senate.

Here is the deadline for legislation in the 2024 session.

April 18, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-april-18-196144

Beginning of the End

General Bills Moving to Conference Committees... Second Deadline for Appropriations/Tax/Bond deadline was Wednesday

April 18, 2024

Work continues in the Mississippi Legislature after the April 10th deadline for floor action on general bills originating from the other chamber and the April 16th deadline for floor action on appropriations bills originating in the other chamber. A number of bills are awaiting conference action as the 2024 Legislative Session enters its final days.

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- 2. SB 2130 passed the Senate and was amended and passed by the House. The Senate has invited conference on the bill. The bill would prevent insurance companies from declining coverage on a roof that is less than 15 years old solely based on the age of the roof. The Legislative & Regulatory Affairs Committee voted to support the bill. The companion HB 1319 died in the Senate committee.
- SB 2519 passed out of the Senate and the House and was signed by the Governor on April 15th. This bill address foreign ownership of agricultural

- land. The Legislative & Regulatory Affairs Committee took a position to support this bill.
- 4. SB 2788 revives the Home Inspector Regulatory Board and provides that the Mississippi Appraisal Board regulate Home Inspectors. The bill passed the Senate and the House and was signed by the Governor on April 17th. The Legislative & Regulatory Affairs Committee took a position to support this move.
- 5. HB 1271 has passed the House and was referred to the Business and Financial Institutions Committee in the Senate. The Legislative & Regulatory Affairs Committee took a position to support this bill, which revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor. Further, the bill was amended in the Senate Business and Financial Institutions Committee to include an amendment that would abrogate the MREC Rule 3.2(C) which allows a unilateral cancellation of a buyer agency agreement with a 15 day notice. The bill as amended was passed by the Senate and returned to the House. The House concurred with the amended bill and it has been transmitted to the Governor.
- 6. HB 1303 would strengthen the Legislature's 2019 Fresh Start Act, which prevents occupational licensing boards from denying a license to an otherwise-qualified person because that person has been convicted of a felony at some point in their life that is unrelated to the occupation for which they seek to be licensed. The bill impacts numerous state agencies and boards, including MREC and MAB. The bill passed the House and the Senate Economic and Workforce Development Committee but died on the calendar in the Senate. MAR had concerns about the safety and privacy issues potentially created by this bill.

In other important Legislative Action –

Negotiations between House and Senate leaders on hundreds of bills will soon formally begin as lawmakers lay the groundwork to conclude the 2024 Legislative Session. While major differences continue to stall education funding and changes to Medicaid access, the details on other bills will now be hammered out in House-

Senate Conference Committees. Lawmakers could adjourn in the later part of April or early May.

Lawmakers gaveled in at 4 pm Monday and immediately faced a key deadline. Legislation adopted by one chamber dealing with spending, borrowing or taxing must have been adopted by Wednesday by the other chamber. That includes bills granting tax credits as well as the nearly 100 bills that make the state's appropriation process. This next phase of the session comes after an intense week of floor debate on a range of general bills impacting healthcare, businesses, the courts and citizens. Here's are some of the highlights from last week.

- Drug Savings/340B: Gov. Tate Reeves quickly signed into law HB 728 that
 adds Mississippi to the list of nearly two dozen states ensuring hospitals and
 federally qualified community health centers can leverage discounted drug
 pricing negotiated by the federal government's 340B program. The program
 prevents a drug manufacturer from retaliating against a facility.
- Pharmacy Costs: In a surprise move, the Senate last week inserted into a
 two-page bill a controversial, 38-page pharmacist-driven rewrite of the state
 law governing insurance reimbursement for pharmacists. The measure, HB
 1265, drew the immediate opposition of large segments of the business
 community that pay for private insurance.
- Medicaid Managed Care Contracts Move Forward: Nearly 18 months after awarding new contracts, the Mississippi Division of Medicaid can finally move forward with managed care vendors. The Public Procurement Review Board last week denied appeals by losing RFP vendors. The Division of Medicaid in August of 2022 awarded contracts to Managed Care Organizations Magnolia Health, Molina Healthcare and TruCare to manage the state's Medicaid population and program. Incumbent losing bidder United Healthcare and another losing bidder, Amerigroup, challenged the award process. Last week, the Public Procurement Review Board heard extensive arguments for and against the award process and ultimately voted to back the Division of Medicaid's award decisions. While appeals may continue in the courts, the agency can now begin the process of implementing the new contracts.
- Intoxicating Hemp: Senators amended <u>HB 1676</u>, an effort to move into medical cannabis stores hemp products that can over time become

intoxicating while sitting on store shelves. The Senate floor amendments, however, appear to add sections of the law that weren't in the House bill as it was adopted. The measure would appear to be headed for conference committee.

 Judicial Redistricting: Mississippi Senators voted 32-to-13 to redraw the boundaries of the state's circuit and chancery court districts. Senate Judiciary A Chairman Brice Wiggins said Senate amendments to HB 722 would more efficiently rebalancing the state's judicial workload based on data of court proceedings and filings. Here is a news article with a map of the new districts.

Here is the deadline for legislation in the 2024 session.

April 9, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-april-9-196135

Leadership Projects Steady Revenue

Budget Outline Set... General Bills Face Next Deadline on Wednesday

April 9, 2024

Work continues in the Mississippi Legislature after the Tuesday, April 2nd deadline for general bills from the other chamber to be reported out of Committee. Upcoming is tomorrow's April 10th deadline for floor action on the general bills originating from the other chamber.

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- 1. HB 1647 has passed the House and would authorize and implement a State Insurance Exchange and authorize income tax deductions and insurance premium credit. This Exchange would establish a structure for vendors to provide better options for Health Insurance for Mississippi REALTORS®, a 2024 Legislative Priority. The bill has passed the House Ways & Means Committee, the House of Representatives and Senate Finance Committee and awaits floor action.
- 2. SB 2130 passed the Senate and House Jud A Committees and awaits floor action in the House. The bill would prevent insurance companies from declining coverage on a roof that is less than 15 years old solely based on the age of the roof. The Legislative & Regulatory Affairs Committee voted to support the bill. The companion HB 1319 died in the Senate committee.
- 3. HB 888 addressed insurance availability and affordability, and would establish a mitigation program. The bill passed the House but died in the Senate.
- 4. SB 2519 passed out of the Senate and the House and has been sent to the Governor. This bill address foreign ownership of agricultural land. The

Legislative & Regulatory Affairs Committee took a position to support this bill.

- 5. SB 2788 revives the Home Inspector Regulatory Board and provides that the Mississippi Appraisal Board regulate Home Inspectors. The bill passed the Senate and the House and is in process of being enrolled. The Legislative & Regulatory Affairs Committee took a position to support this move.
- 6. HB 1271 has passed the House last week and was referred to the Business and Financial Institutions Committee in the Senate. The Legislative & Regulatory Affairs Committee took a position to support this bill, which revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor. Further, the bill was amended in the Senate Business and Financial Institutions Committee to include an amendment that would abrogate the MREC Rule 3.2(C) which allows a unilateral cancellation of a buyer agency agreement with a 15 day notice. The bill as amended awaits floor action in the Senate, and would need to be returned to the House to concur or invite conference.
- 7. HB 1303 would strengthen the Legislature's 2019 Fresh Start Act, which prevents occupational licensing boards from denying a license to an otherwise-qualified person because that person has been convicted of a felony at some point in their life that is unrelated to the occupation for which they seek to be licensed. The bill impacts numerous state agencies and boards, including MREC and MAB. The bill has passed the House and the Senate Economic and Workforce Development Committee and awaits floor action. MAR is working to address the safety and privacy issues potentially created by this bill.

A number of bills to monitor that were identified previously by Capitol Resources have died with previous deadlines for committee or floor action in their original chamber. An updated list of bills of concern/interest can be accessed through the link below.

In other important Legislative Action –

Lawmakers projected they will have 1% more revenue in the fiscal year beginning July 1, with the Joint Legislative Budget Committee forecasting \$7.6 billion in

available state dollars. That consensus estimate, reached Friday morning by a joint committee of House and Senate budget leaders, was the first step as lawmakers push to finalize state budgets by the end of the month.

House and Senate appropriators will begin work negotiating the details of the 100-plus bills that make up the state's budget. The estimate adopted Friday signaled some optimism the state had avoided a recession, particularly after March tax collections showed an uptick. The process suggests lawmakers could finalize the budget in the next two weeks.

However, to do so they will have to resolve major outstanding issues, key among them: whether and how to expand Medicaid, whether and how to rewrite the state's education funding formula and whether to shore up the state's public retirement system. All of those issues have price tags that could impact how much money is available for the rest of state agency budgets.

Legislators return today facing a host of general bills they must adopt by close of business on Wednesday. They will be in floor sessions most of Tuesday and Wednesday. Here's a snapshot of what's facing them this week:

- The House Calendar
- The Senate Calendar

Drug Pricing

The Senate adopted the House-passed <u>HB 728</u> that seeks to protect Federally Qualified Community Health Centers and hospitals utilizing discounted drugs prices obtained through the federal 340B program. About two-dozen states adopted similar bills that limits actions by drug manufacturers. The measure will be enrolled and in coming days sent to the Governor.

Gaming

Bills remain alive that would allow mobile sports betting and that would further define where casinos can be sited and how local governments navigate tidelands leases, but the measures are far from final. Senate Gaming Committee Chairman David Blount kept alive a HB 774, that could be used to legalize mobile sports betting; and House Gaming Chair Casey Eure kept alive SB 2780, that could settle the siting issues on the Gulf Coast. Negotiations on mobile sports bettering continue. A measure to require casinos to collect owed child support from some gaming winnings died in the House committee.

Education Chief

Nearly two years after Dr. Carey Wright retired as state superintendent of education, leaving a legacy of notable gains in national reading and math scores, the Mississippi Senate confirmed a permanent replacement to the top job. The Senate confirmed Dr. Lance Evans, head of the New Albany, MS school district, as the new state superintendent. Evans was chosen by the state Board of Education. (The Board had previously chosen a candidate who failed to win confirmation in the 2023 legislative session, and the board had to restart their search process). Evans has worked in a variety of educational roles across Mississippi.

Here is the deadline for legislation in the 2024 session.

Capitol Resources Bill Monitoring for 4.9.24

March 26, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-march-26-196123

Tax Measures Likely to Emerge This Week

Wednesday is the deadline for first floor action on tax/bond bills

March 26, 2024

Work continues in the Mississippi Legislature with appropriations and revenue bills getting a lot of attention due to the March 27th deadline for those bills to report out of their original chamber. Tuesday, April 2nd is the deadline for general bills from the other chamber to be reported out of Committee, so we'll see activity on a number of general bills this week.

The following are updates from the past week on Bills the MAR Legislative & Regulatory Affairs Committee discussed at their February 21st meeting, Bills the MAR Board of Directors voted on at their February 22nd meeting, or Bills identified for action by the Legislative Advocacy Team following our Winter Meetings:

- 1. HB 1647 has passed the House and would authorize and implement a State Insurance Exchange and authorize income tax deductions and insurance premium credit. This Exchange would establish a structure for vendors to provide better options for Health Insurance for Mississippi REALTORS®, a 2024 Legislative Priority. The bill has passed the House Ways & Means Committee and the House of Representatives and has been transmitted to the Senate where it has been assigned to the Senate Finance Committee.
- 2. SB 2130 and HB 1319 have passed the Senate and House Committees and await floor action. The bills would prevent insurance companies from declining coverage on a roof that is less than 15 years old solely based on the age of the roof. The Legislative & Regulatory Affairs Committee voted to support the bill while continuing to work on suggestions for needed improvements. SB 2130 has been referred to the House Judiciary A Committee and HB 1319 has been referred to the Senate Judiciary A Committee.

- 3. HB 888 addresses insurance availability and affordability, and would establish a mitigation program. The bill has passed the House and has been referred to the Senate Appropriations and Insurance Committees.
- 4. HB 1284 has passed out the House and has been referred to the Judiciary A Committee in the Senate. It's companion bill SB 2519 passed out of the Senate and has been referred to the House Agriculture Committee. These bills address foreign ownership of agricultural land. The Legislative & Regulatory Affairs Committee took a position to support these bills.
- 5. HB 1324 would revive the Home Inspector Regulatory Board and provide that the Mississippi Appraisal Board would regulate Home Inspectors. The bill has passed out of the House last week and has been referred to the Business and Financial Institutions Committee. SB 2788, a similar bill, has passed the Senate last week and has been referred in the House to the Business and Commerce Committee. The Legislative & Regulatory Affairs Committee took a position to support this move.
- 6. HB 1271 has passed the House last week and was referred to the Business and Financial Institutions Committee in the Senate. The Legislative & Regulatory Affairs Committee took a position to support this bill, which revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor.
- 7. HB 1303 would strengthen the Legislature's 2019 Fresh Start Act, which prevents occupational licensing boards from denying a license to an otherwise-qualified person because that person has been convicted of a felony at some point in their life that is unrelated to the occupation for which they seek to be licensed. The bill impacts numerous state agencies and boards, including MREC and MAB. The bill has passed the House and has been transmitted to the Senate and referred to the Economic and Workforce Development Committee. MAR is working to address the safety and privacy issues potentially created by this bill.

A number of bills to monitor that were identified previously by Capitol Resources have died with previous deadlines for floor action in their original chamber. An updated list of bills of concern/interest can be accessed through the link below.

The House Ways and Means and Senate Finance committees, which in recent years have traded significant tax cut proposals, will unveil their priorities this week. Wednesday is the deadline for tax-and-bond-related legislation to be approved on the House or Senate floor.

So far, there has been far less discussion of sweeping tax reductions than recent years and more focus on tax credits and tweaks. Tax collections that fund state government appear to be slowing somewhat, and both the House and Senate are focused on rewriting the state's education funding formula and increasing access to the state's Medicaid program – both are measures that could demand more revenue. Wednesday's deadline focusing on tax bills comes after the House and Senate Appropriations Committees last week began the budgeting process for the fiscal year beginning July 1, 2024, sending to each other the 100-plus bills it will take to finalize a budget. The measures largely reflected stand-still budgets, with most anticipating the real budget to be hammered out in the final "conference committee" process in mid- to late-April.

Lawmakers last week were able to take somewhat of a breath with fewer debatable bills before them. Here are a few highlights from last week:

Biomass Energy Bill: Gov. Tate Reeves signed into law <u>SB 2059</u> to recognize energy produced by wood pellet power stations and other biomass sources as carbonneutral; and when combined with carbon sequestration to recognize them as carbon-negative. The measure supported by the forestry industry is aimed at luring wood-pellet power stations to the forest-rich U.S. Southeast. Similar bills have been adopted in Louisiana and Arkansas. Former Gov. Haley Barbour writes here that <u>carbon sequestration is key to future industrial expansion</u> in Mississippi.

Gaming Bills: The Senate Gaming Committee called up and killed House-passed legislation that would better define exactly where on the Mississippi Gulf Coast casinos may site their facilities and how local jurisdictions enforce state Tidelands

regulation. The measure the committee defeated, <u>HB 1659</u>, also had code sections that could be amended to legalize mobile sports betting and make other changes to the gaming statutes. However, a Senate-passed bill, <u>SB 2780</u>, addressing those legal-sites and Tidelands issue remains alive in House Gaming Committee. And, House-passed legislation to legalize mobile sports betting, <u>HB 774</u>, is still pending in the Senate Gaming Committee. Senate-passed <u>SB 2132</u> to allow child-support collections be deducted from casino winnings is pending in the House.

Other news

- Medicaid expansion discussion continues as the House and Senate leaders differ over details. The House has adopted a plan. The Senate leadership has previewed the framework of theirs, but the full Senate has not yet debated a bill. Here is a comparison.
- Marine Corps Leadership Once Again Turns to Ingalls Shipbuilding: Lt. General Tours Jackson County Shipyard.
- Voter Referendums to change state law <u>appear stalled for now.</u>

Here is the deadline for legislation in the 2024 session.

Here is a list of bills not dead that we are continuing to track for you. Please let us know if you have any questions.

Capitol Resources Bill Monitoring for 3.26.24

March 19, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-march-19-196107

Draft Budget Emerges as General Bills Cross Between House and Senate

Spending and Tax bills are the focus this week ... Work of the Session nears halfway point

March 19, 2024

Thursday, March 14th was the deadline for floor action on bills in their original chamber. With this deadline, several bills that we have been watching in the Legislature have moved on to the next chamber for consideration and several died on the calendar. It was a busy week for our Capitol Resources lobbyists, Camp Murphy and Matthew Majure, as they continued to represent MAR's interests at the Capitol.

The following are updates on Bills the MAR Legislative & Regulatory Affairs Committee discussed at their February 21st meeting, Bills the MAR Board of Directors voted on at their February 22nd meeting, or Bills identified for action by the Legislative Advocacy Team following our Winter Meetings:

- 1. HB 1647 has passed the House and would authorize and implement a State Insurance Exchange and authorize income tax deductions and insurance premium credit. This Exchange would establish a structure for vendors to provide better options for Health Insurance for Mississippi REALTORS®, a 2024 Legislative Priority. The bill has passed the House Ways & Means Committee and the House of Representatives and has been transmitted to the Senate where it awaits assignment to a committee.
- 2. SB 2130 and HB 1319 have passed the Senate and House, respectively. The bills would prevent insurance companies from declining coverage on a roof that is less than 15 years old solely based on the age of the roof. The Legislative & Regulatory Affairs Committee voted to support the bill while continuing to work on suggestions for needed improvements. SB 2130 has been referred to the House Judiciary A Committee and HB 1319 is waiting for a committee assignment in the Senate.

- 3. HB 888 addresses insurance availability and affordability, and would establish a mitigation program. The bill has passed the House and is heading to the Senate.
- 4. Opposition to SB 2791 was added to MAR's Legislative Priority list by a vote of the Board of Directors on February 22nd. The bill, which would have allowed MREC to issue real estate transaction forms, died in the Senate Business and Financial Institutions Committee.
- 5. SB 2128 passed the Senate Business and Financial Institutions Committee and died on the Senate calendar last week. Companion bills in the House died in committee. In brief, these bills would have granted discretion to MREC to issue a license 5 years after felony conviction of a crime of moral turpitude. The Legislative and Regulatory Affairs Committee took a position of opposition to these bills.
- 6. SB 2546 passed the Senate Business and Financial Institutions Committee but died on the Senate calendar. A companion bill in the House died in committee. The bills sought to update definitions of the Notarial Act to allow Remote Online Notary.
- 7. HB 1284 has passed out the House and has been referred to the Judiciary A Committee in the Senate. It's companion bill SB 2519 passed out of the Senate and has been referred to the House Agriculture Committee. These bills address foreign ownership of agricultural land. The Legislative & Regulatory Affairs Committee took a position to support these bills.
- 8. HB 1324 would revive the Home Inspector Regulatory Board and provide that the Mississippi Appraisal Board would regulate Home Inspectors. The bill passed out of the House last week and awaits committee referral in the Senate. SB 2788, a similar bill, has passed the Senate last week and has been referred in the House to the Business and Commerce Committee. The Legislative & Regulatory Affairs Committee took a position to support these bills.
- 9. HB 1271 has passed the House last week and awaits committee referral in the Senate. The Legislative & Regulatory Affairs Committee took a position to support this bill, which revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor.

10. HB 1303 would strengthen the Legislature's 2019 Fresh Start Act, which prevents occupational licensing boards from denying a license to an otherwise-qualified person because that person has been convicted of a felony at some point in their life that is unrelated to the occupation for which they seek to be licensed. The bill impacts numerous state agencies and boards, including MREC and MAB. The bill has passed the House and has been transmitted to the Senate, where it awaits committee referral. MAR is working to address the safety and privacy issues potentially created by this bill.

A number of bills to monitor that were identified previously by Capitol Resources have died with last week's deadline for floor action in their original chamber. An updated list of bills of concern/interest that survived the deadline last week can be accessed through the link below.

In other important Legislative Action –

Mississippi lawmakers get a moment to catch their breath after nearly four weeks of non-stop committee and floor debate. The House and Senate on Thursday completed discussion on issues ranging from local water systems to medical cannabis. Attention now turns to the budget and tax-related legislation.

The deadline to pass tax- or spending-related bills out of at least one chamber is **March 27th**, and committees then have until **April 2nd** to look at the narrowed list of general bills sent over by the other chamber. Lawmakers appear to be on a track that would put adjournment in late April or perhaps early May, depending on the outcome of a few major issues:

Medicaid Access: The Senate leadership continues to work on legislation to
increase access to Medicaid, trying to craft a bill they think will have enough
votes to pass and potentially survive any gubernatorial veto. The House early
in the Session adopted a general Medicaid expansion bill; Senate leaders
have publicly declared their intentions to craft an alternative, potentially
relying more on federally subsidized health insurance exchanges. Senate

Medicaid Chairman Kevin Blackwell announced last week he would let the Senate Medicaid bill die on the deadline-to-pass day, focusing on crafting a plan that can be amended to the House bill now pending in the Senate. Gov. Tate Reeves tweeted that "I ... appreciate the Senate leadership for not rushing head first into expansion. Recognizing the need for a true work requirement is a good first step!"

• Education funding: Each chamber has adopted legislation to change the formula that distributes state education dollars to local school districts. The currently formula – the MS Adequate Education Plan – uses both a perstudent calculation and a measurement or local property values. A greater per-student state share goes to districts in lower-income areas whose local property values can't produce local property taxes at a rate to keep up with higher-wealth areas. Both chambers would tweak the formula and increase spending year-over-year, but the House wants to replace a built-in formula that seeks to determine "adequate" spending based on an average of spending in mid-level districts, saying that is a political decision for lawmakers.

With those two major issues outstanding, and dozens of less impactful ones also pending, lawmakers now begin moving legislation to craft a spending plan. For the most part, they are starting from the current year's budget, as the House and Senate entered the session without a Joint Legislative Budget Recommendation. (Lawmakers and the governor couldn't agree this Fall on an estimated amount of revenue on which to base the budget).

Also last week:

Prescription Drugs: The House passed <u>HB 728</u> and the Senate passed <u>SB 2145</u>, legislation passed in about two dozen states aimed at ensuring eligible not-for-profit hospitals and health clinics have clear authority to use the federal 340B prescription drug program. Legislation died in both chambers that would have limited the ability of insurers to use pharmacy benefit managers (PBMs) to hold down drug costs.

Cannabis/CBD: After a debate, the House voted 77-38 to adopt <u>HB 1676</u> aimed at pulling some CBD products off the shelves of gas stations and CBD shops and putting them in a category similar to medical marijuana. Rep. Lee Yancey, who two years ago crafted legislation to legalize medical marijuana, said a category of CBD products are packaged and stocked with lower amounts of THC, but as they sit on shelves and/or are heated ,the THC level rises to intoxicating levels and have been measured to be 30 times the allowable amount.

Public Retirement System: The House approved legislation, <u>HB 1590</u>, that would change the leadership of Mississippi Public Employees Retirement System. Currently, board members are mostly elected by classes – municipal, county, city, teachers and state employees each elect a representative. This legislation would give governor lieutenant governor power to appoint seven of 11 members.

Workforce Development: Capitol Resources' own Clifton Carrol authored <u>this</u> <u>article touting workforce development policies</u> that have brought measurable results to Mississippi's economy.

Homeowners Insurance: Insurance Commissioner Mike Chaney is <u>championing a program to require discounts</u> for homeowners who take steps to mitigate hurricane wind damage.

Here is the deadline for legislation in the 2024 session.

March 11, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-march-11-196040

Crossover Deadline: Thursday for General Bills

March 11, 2024

Mississippi lawmakers return to Jackson Monday facing floor debate on about 300 bills before adjournment on Thursday, with about half of those in the Senate and half in the House. Differences in the details appear to be emerging over broader shared legislative goals of increasing access to the state's Medicaid program and changes to distribution formula for state education dollars. House and Senate members will convene Monday to continue working through their calendars, spending most of the week in floor session as they move from issue to issue.

Click here to read the Senate Calendar

Click here to read the House Calendar

Thank you to Camp Murphy and Matthew Majure of Capitol Resources, who have been very busy at the Capitol identifying and monitoring legislation of concern to the Mississippi REALTORS® and representing MAR's interests.

The following are updates on Bills the MAR Legislative & Regulatory Affairs Committee discussed at their February 21st meeting, Bills the MAR Board of Directors voted on at their February 22nd meeting, or Bills identified for action by the Legislative Advocacy Team following our Winter Meetings:

1. HB 1647 has passed the House and would authorize and implement a State Insurance Exchange and authorize income tax deductions and insurance premium credit. This Exchange would establish a structure for vendors to provide better options for Health Insurance for Mississippi REALTORS®, a 2024 Legislative Priority. The bill has passed the House Ways & Means Committee and the House of Representatives and has been transmitted to the Senate.

- 2. SB 2130 and HB 1319 have passed the Senate and House Committees and await floor action. The bills would prevent insurance companies from declining coverage on a roof that is less than 15 years old solely based on the age of the roof. The Legislative & Regulatory Affairs Committee voted to support the bill while continuing to work on suggestions for needed improvements. There are additional bills still alive in the House and the Senate that address property insurance issues (a 2024 Legislative Priority) and those bills are being monitored as well.
- 3. HB 888 addresses insurance availability and affordability, and would establish a mitigation program. The bill has passed the House and is heading to the Senate.
- 4. Opposition to SB 2791 was added to MAR's Legislative Priority list by a vote of the Board of Directors on February 22nd. The bill, which would have allowed MREC to issue real estate transaction forms, died in the Senate Business and Financial Institutions Committee.
- 5. SB 2128 passed the Senate Business and Financial Institutions Committee and will be placed on the Senate calendar for floor action. Companion bills in the House died in committee. These bills would grant discretion to MREC to issue a license 5 years after felony conviction of a crime of moral turpitude. The Legislative and Regulatory Affairs Committee took a position of opposition to these bills.
- 6. SB 2546 passed the Senate Business and Financial Institutions Committee and will be placed on the Senate calendar for floor action. A companion bill in the House died in committee. This bill updates definitions of the Notarial Act to allow Remote Online Notary. The Legislative and Regulatory Affairs Committee took a position to support these bills pending addition of code sections related to real estate transactions.
- 7. HB 1284 has passed the House and companion bill SB 2519 has passed out of the Senate Judiciary A Committee and awaits floor action. These bills address foreign ownership of agricultural land. The Legislative & Regulatory Affairs Committee took a position to support these bills.
- 8. HB 1324 would revive the Home Inspector Regulatory Board and provide that the Mississippi Appraisal Board would regulate Home Inspectors. The bill has passed out of the House Business and Commerce Committee and awaits floor action. SB 2788, a similar bill, has passed the Senate Business and

- Financial Institutions Committee and the Senate Government Structure Committee and awaits floor action. The Legislative & Regulatory Affairs Committee took a position to support this move.
- 9. HB 1271 has passed the House Judiciary A Committee and awaits floor action. The Legislative & Regulatory Affairs Committee took a position to support this bill, which revises last year's PCDS Liability bill to correct a technical error that was in the version of the bill that was sent to the Governor.
- 10. HB 1303 would strengthen the Legislature's 2019 Fresh Start Act, which prevents occupational licensing boards from denying a license to an otherwise-qualified person because that person has been convicted of a felony at some point in their life that is unrelated to the occupation for which they seek to be licensed. The bill impacts numerous state agencies and boards, including MREC and MAB. The bill has passed out of the House Business and Commerce Committee and the House Judiciary B Committee and awaits floor action. MAR is working to address the safety and privacy issues potentially created by this bill.

A number of bills to monitor that were identified previously by Capitol Resources have died with last week's Committee deadline. An updated list of bills of concern/interest that survived the deadline from committees last week can be accessed through the link below.

In other important Legislative Action –

Even as lawmakers delve into issues ranging from gaming to prescription drugs to insurance to criminal statutes, budget leaders are preparing to move to the floor of each chamber the starting versions of hundred-plus bills that make up the state's \$7.5 billion budget for the fiscal year beginning July 1, 2024. Monthly tax collections appear to be slowing, missing projections for the second consecutive month and down (about -1.34%) from the same period last year. Read the FY 24 Revenue Collections report for February here.

Medicaid

Increased Access: A push to increase access to the state-federal funded Medicaid insurance program for indigent Mississippians remains far from complete. The House of Representatives led by Speaker Jason White pushed through a measure expanding access to individuals at 138% of the federal poverty level. Senate leaders have yet to unveil details of their plan, though Lt. Gov. Delbert Hosemann has announced his intention to put a bill in front of the Senate. So far, Senate Medicaid Chair Kevin Blackwell has kept alive and are moving a legislative vehicle – a bill with the appropriate state code sections. Both chambers say they will require participants to be working, though federal officials have previously declined such provisions. Meanwhile, Gov. Tate Reeves has warned he will likely oppose an expansion, raising the prospect of a veto and potential fight to override that veto. It would take a two-thirds majority in each chamber to override a veto.

Technical Amendments: Lawmakers are also working on the typical range of "technical" amendments to the state's Medicaid program, adjusting reimbursements and programs dealing with specific healthcare providers. To prevent the larger debate over expanding Medicaid, lawmakers have already sent to Gov. Tate Reeves' desk HB 970 that keeps in place the current Medicaid benefits section 43-13-117 until 2028. That way, if the expansion measure stalls, the program remains intact. Both chambers now have before legislation that actually makes tweaks and changes to 43-13-117. If passed, one of these would replace HB 970.

- HB 1026 is pending on the House floor.
- SB 2823 is pending on the Senate floor.

Education Funding

The House and Senate both voted to rewrite parts of the funding formula used to distribute state dollars among local school districts. Both House and Senate plans would take the original concept of the MS Adequate Education Formula to weight more school dollars toward low-income school districts (based on the concept that public school funding should be less reliant on wide disparities in local taxable wealth and property taxes). Both versions would increase the share of state funding for some low-income districts and increase overall funding for all. The House plan, though, removes, a central and controversial feature of the MAEP formula – one that

recalculates each year the targeted, per-student cost for the next year based on the average current cost of mid-level performing schools. Some education advocacy groups argue that provision provides an objective standard and accountability to provide adequate funding; others though argue it is an arbitrary number with no nexus to performance and that by design constantly drives to a higher and higher targeted number.

- The House plan is HB 1453.
- The Senate plan is SB2332.

Your Bill List

Please review your live bill list. We continue to add new bills to it, even as dozens of bills have been removed because they died when they failed to advance by the first committee deadline, March 5th. We realize we may put more on your list than you need, but we constantly watch and tag bills for you that may have even a minor impact, as well as those that could potentially be amended and take on entirely new ramifications.

MS Top 50: Clare Hester

Join us in congratulating Capitol Resources Founding Partner Clare Hester for recognition as one of Mississippi's Top 50 most influential Mississippians and our own Matthew Majure for recognition as an Emerging Leader. Check out the full list of 2024 honorees here.

Vote Tuesday (March 12): Mississippi on Tuesday conducts party primary elections for President and the U.S. Congress. Polls are open 7 am to 7 pm.

Here is the deadline for legislation in the 2024 session.

Capitol Resources Bill Monitoring for 3.11.24

March 6, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-march-6-196036

Tuesday, March 5th - A Major Legislative Deadline

MS House adopts Major Medicaid Bill... Hundreds of Bills headed for floor votes... Deadline was Tuesday for Bills to clear first committee(s)

March 6, 2024

Activity at the Mississippi Capitol so far this week has focused on an important deadline – the deadline for committees to report General Bills originating in their own chamber. This is one of the early steps in the process of a bill becoming law, and work continues on these bills as they move through the legislative process. Thank you to Camp Murphy and Matthew Majure of Capitol Resources, who have been very busy at the Capitol identifying and monitoring legislation of concern to the Mississippi REALTORS® and representing MAR's interests.

The following are updates on Bills the MAR Legislative & Regulatory Affairs Committee discussed at their February 21st meeting, Bills the MAR Board of Directors voted on at their February 22nd meeting, or Bills identified for action by the Legislative Advocacy Team following our Winter Meetings:

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A number of bills to monitor that were identified previously by Capitol Resources have died with yesterday's Committee deadline. An updated list of bills of concern/interest that survived the deadline this week will be available in the next few days.

In other important Legislative Action this week –

Governor Calls for Investment in Energy and Infrastructure

Gov. Tate Reeves, in his 5th annual state-of-the-state address to a joint session of lawmakers last week, called on lawmakers to continue to support investments in an "all-of-the-above" energy production strategy, including petroleum, biomass and solar. And he called for support for rails and ports as well as other infrastructure, calling them all crucial to continuing the state's economic development momentum. Here is a link to the text of his address.

Legislative Action

Here is a quick rundown of key bills that were adopted in committee and now headed to or already pending on the House or Senate floor:

Health Care

Besides Medicaid expansion, other healthcare priorities are emerging. Among them:

- **Prior Authorization** Gov. Reeves allowed to become law <u>SB 2140</u> which is aimed at streamlining insurance prior authorization for medical procedures.
- **340B** The House Drug Policy Committee approved HB 728 and the Senate Public Health Committee approved SB 2145, both of which are sought by hospitals and clinics wanting to obtain and use federally negotiated pricing discounts on drugs.
- IVF The House Medicaid Committee adopted <u>HB 1688</u> aimed at making clear in state law that invitro fertilization practices are not infringed upon by statutes restricting abortion access. It is now pending on the House floor.
- Medical Cannabis The Senate Public Health and Welfare Committee debated in depth SB 2922, a proposed technical amendments bill, to the state's cannabis statute, but held off on passing it out of committee after debate over a provision to let physicians decide which conditions qualify. SB 2888, already on the Senate calendar for debate, creates a medical cannabis advisory committee for policy makers. Meanwhile, the House Public Health Committee approved HB 1676, which would put all intoxicating THC products in licensed medical cannabis stores. Some of those products are currently unregulated and sold at gas stations and CBD stores.
- Mental Health The House Public Health Committee adopted <u>HB 1640</u> that is aimed at prohibiting the use of jails to house individuals in mental health crisis unless they are determined to be violent to themselves or others. The legislation increases reporting by community mental health centers and counties regarding the use of and local funding of crisis stabilizations units. It also establishes more specific procedures for committing individuals and limiting transfer of patients from acute psychiatric beds in non-government hospitals into the state-fun mental health facilities. A similar bill, <u>SB 2744</u>, has passed out of Senate Judiciary A.

Environmental Permitting

The Senate Environmental Protection Committee approved <u>SB 2649</u> to allow permit seekers to pay a higher fees to expedite permit processing and authorize the agency

to contract out work associated with permitting. The measure also passed out of the Accountability, Efficiency and Transparency Committee and awaits action by the full House.

Alcohol

House members launched a number of changes to the state-controlled alcohol beverage control system, all of which still require Senate review and approval as well. The newly created House State Affairs Committee sent three measures to the floor for debate:

- <u>HB 328</u> increases from one to three the number of retail liquor stores a person may own or in which they may have a controlling interest;
- <u>HB 329 would allow</u> liquor sales between 1-6 pm on Sundays in cities and counties that allow alcohol to be served and sold;
- HB 430 would allow direct shipment from wineries and distilleries to adult customers in Mississippi.
- The full House last week voted to expedite an on-going effort to build a new state liquor and wine warehouse. <u>HB 1354</u> requires a contract to be let by this Fall to build the new warehouse facility and directs it to an industrial park in Holmes County, north of Jackson in the center of the state.

Workforce Development

Gov. Tate Reeves named Courtney Taylor to head the state's chief workforce development agency, Accelerate Mississippi. Taylor replaces Ryan Miller. Here is a link to media coverage of Taylor's appointment.

February 26, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-february-26-196028

Major Bill Deadline Looms

Lawmakers Enter Hectic 8-Day Stretch as Leaders Ponder Medicaid and Other Major Issues

February 26, 2024

The fate of more than 2,000 bills is in play this week as lawmakers return to one of the most challenging weeks of the legislative session. General bills must by Tuesday, March 5th be approved by committees in the chamber in which they were introduced. That puts the bulk of the committee review workload squarely in front of lawmakers this week, rushing from back-to-back-to-back committee hearings Tuesday-Thursday.

Even as they weed through 2,632 filled and referred bills so far, more bills could emerge in coming days; and legislative leadership in both chambers also appeared intently focused on crafting some significant change in big picture areas such as: 1) rewriting the state's education funding formula and 2) allow additional low-income Mississippians to apply for Medicaid Coverage. The latter was drawing public opposition from Gov. Tate Reeves, who delivers his state-of-the-state address this evening. Final plans for either of those major initiatives – Medicaid and education funding formula – may not be revealed this week, but legislative vehicles of some kind will need to advance out of committee. Already, some bills and issue are getting traction:

Legislation

Insurance Prior Authorization: Lawmakers sent to Gov. Tate Reeves a revised prior-authorization reform bill, <u>SB 2140</u>, aimed at the speeding the process for insurers to approve or deny coverage for specialty medical procedures. The Legislature adopted a similar bill last year, but Gov. Reeves blocked the measure, noting several

features could drive up costs to employers who pay for health insurance. This legislation takes into account some of his concerns.

Biomass Energy: The Senate sent to the House legislation, <u>SB 2059</u>, that would declare as state policy that the use of biomass is carbon neutral, and when combined with sequestration, carbon negative. The legislation, which has been adopted in Louisiana and Arkansas and is pending in other states, is aimed at encouraging the development of biomass power stations that run on renewable fuels such as wood pellets, as is done in Europe and Asia. Mississippi and the Southeast have an abundance of forestry product that far exceeds demand.

Foreign Ownership of Farm Land: A House-passed measure, <u>HB 1284</u>, is now in the Senate that would ramp up fines on foreign governments named by the US State Department as adversaries, that buy or have a controlling interest in agriculture land in Mississippi. The state law already prohibited the ownership, but the legislation did not have an enforcement mechanism. This measure gives the Secretary of State to pursue fines of up to \$250,000 for a first offense and up to \$5 million for a third offense. The bill includes liability protection for real estate agents and brokers.

Cannabis Testing: After the MS Dept. of Health ordered cannabis products to be pulled from shelves last year and earlier this year, the agency this week <u>revoked the license</u> of a laboratory that was charged with testing for quality and purity of medical cannabis products. Lawmakers are expected to tweak the state's medical cannabis statute, potentially including strengthening a third-party testing provision to ensure licensed product testers are meeting standards.

Youth Courts: Gov. Tate Reeves, as part of his on-going push to reform the state's Foster Care system, unveiled a plan to create a statewide system of Youth Courts within the state's Chancery Court Districts.

https://www.clarionledger.com/story/news/politics/2024/02/14/mississippi-youth-courts-could-be-expanded-statewide-this-year/72595400007/

<u>Here is a link to the revised deadlines for legislation</u> that includes expedited action on appropriations and revenue bills.

Please review each week the titles to the bills we have tagged and included specifically for you. Links in the <u>online version</u> will take you to the text of the bill. A printer-friendly version is linked <u>here</u> as well.

Online Version of Capitol Resources Bill Monitoring for MAR 2.26.24

Print-Friendly Version of Capitol Resources Bill Monitoring for MAR 2.26.24

February 29, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-february-19-196020

Lieutenant Governor Hosemann Calls for Medicaid Coverage Increase

House Speaker has also said more coverage is needed

February 19, 2024

Lt. Gov. Delbert Hosemann is expected to unveil as early as this week details of a plan to grow the state's Medicaid program to include working Mississippians who aren't currently covered by the federal-state health insurance program for the indigent. His press conference last week announcing this comes after House Speaker Jason White (R-West) discussed in media appearances a need to grow coverage.

Lawmakers return to Jackson Monday afternoon, facing a deadline to file general legislation by the end of the day. That Medicaid bill is expected to be in the 2,500-plus bills that will be introduced. Capitol Resources is monitoring all bill introductions and will update you as appropriate. Please note that while the deadline is Monday to drop a bill into the hopper, some bills may not appear in public for a week or more.

Hosemann's announcement last week of his intention to provide more health coverage for working Mississippians comes as the new House leadership also begins pushing for a range of healthcare changes. Both chambers have adopted an insurance prior authorization reform bill; they are expected to take up state legislation dealing with the federal 340B discounted drug pricing program. And the House, on Thursday, February 22nd, plans to hold hearings over the state's Certificate-of-Need laws that limit things like hospitals and imaging machines based on population.

Committee Action: Committees in both chambers are likely to begin taking up full agendas of legislation. Just last week, the House Transportation Committee took up HB 940 to expedite procuring highway construction, and the Senate Technology Committee began discussing artificial intelligence and privacy issues. Sen. Chris

Johnson <u>penned this op/ed on Artificial Intelligence</u> in the Magnolia Tribute. And here is a <u>link to view the technology hearing</u>.

Judicial Redistricting: Lawmakers are beginning the process of redrawing boundaries of judicial districts for the circuit, chancery, appellate, and Supreme Court districts to reflect population shifts documented in the 2020 census. You can look at <u>case-load data here</u>. And here is a <u>link to the judicial redistricting hearing</u>.

Here is a link to the revised deadlines for legislation that includes expedited action on appropriations and revenue bills. Please review each week the titles to the bills we have tagged and included specifically for you. Links will take you to the text of the bill.

<u> Capitol Resources Bill Monitoring for MAR 2.19.24</u>

January 30, 2024: https://mailchi.mp/msrealtors/marcapitol-resources-legislative-update-january-30-2024

Economic Development Projects Continue

Initiative legislation moves as Gov/Lawmakers land Amazon Web Services Data Center ...

January 30, 2024

Amazon Web Services will build a \$10 billion hyperscale data center here after Mississippi lawmakers for the second week in a row approved a major incentive package to land what officials are calling a watershed economic development project.

The House and Senate approved a \$259 million incentive package to land what is touted as a transformational Amazon Web Services (AWS) hyperscale data center at two campuses in Madison County, just north of Jackson. The sites are near the intersection of east-west- and north-south-running fiber trunks and will attract highend direct tech jobs. Officials said salaries for the 1,000 direct jobs would average \$70,000, including benefits and bonuses.

The Governor's office, who led the team that has courted the company for more than five years, noted that the project's tremendous energy needs – while a challenge – also help Mississippi plant a flag for this and other industry as a state for "clean affordable energy." The centers are expected to be at least partially open in 2027. Below are links to the incentive legislation, which includes expedited Public Service Commission review and approval of new power facilities, as well as significant public investment in public wastewater systems for the cooling needs, and other infrastructure:

• https://billstatus.ls.state.ms.us/documents/20242E/dt/SB/2001-2099/SB2001PS.pdf

- https://billstatus.ls.state.ms.us/documents/20242E/pdf/HB/0001-0099/HB0001SG.pdf
- https://billstatus.ls.state.ms.us/documents/20242E/pdf/HB/0001-0099/HB0002SG.pdf

The incentive package – for a major tech center rather than a traditional manufacturing site – was touted as particularly transformational to the state, one likely to lure other tech facilities and jobs. Under the deal, AWS will receive a standard 10-year corporate income tax exemption, pay a fee-in-lieu of franchise taxes not to exceed \$25,000, will not pay sales and use tax for construction and capital expenditures made 12-months post construction; and a construction rebate of up to 3.15% of their capital investment, and will not pay sales and use taxes on equipment in perpetuity (to allow for frequent hardware updates).

Madison County will borrow state backed bonds to invest \$171 million in a water sewer system, \$15.8 million in roads, \$14 million in a water system and \$13 million in a new fire station. They will use a fee-in-lieu payment from the company to cover the debt service required to repay the bonds.

Workforce Training support from the state includes:

- \$16 million for a match to company expenditures on a customizable job training program
- \$10 million to develop curricula at state universities and community colleges in fields like engineering, data science, industrial tech, and artificial intelligence
- \$4 million on program in k-12 public schools
- \$2 million on workforce training certification programs at the state's universities and community colleges

Initiative Process

Mississippi's initiative process that allowed citizens to put state Constitutional Amendments on the ballot was struck down by the state Supreme Court over a technicality regarding geographic distribution of signatures required to put an issue on the ballot. The House on Wednesday approved a revised version that would allow citizens to amend state law, versus the Constitution, if 8% of the citizens who voted in the last gubernatorial election sign a petition.

The resolution, which faces significant scrutiny and an uphill climb in the state Senate, would prohibit addressing the issue of abortion, the state's retirement system or appropriating any funding.

https://billstatus.ls.state.ms.us/documents/2024/pdf/HC/HC0011PS.pdf

Legislation

Bills continue to drop into hopper at a slow pace as committees hold their organizational meetings. Capitol Resources continues to monitor legislation as it is referred to the House and Senate committees. Please review legislation we've tagged for you by clicking the button below.

Capitol Resources Bill Monitoring 1.29.24