

Southern District Reports

2015



2015 State Legislative/Regulatory Profile

STATE: Mississippi
CAPITOL CITY: Jackson
GOVERNOR: Phil Bryant (R)
GENERAL ELECTIONS: 1st Tuesday after 1st Monday in November (Nov. 3, 2015)
LEGISLATURE CONVENES: 1st Tuesday after 1st Monday in January (Jan. 5, 2016)
FLOOR PERIODS: 125 days with new administration; 90 days for next 3 years

SENATE: 52 Members 33 Standing Committees
REPUBLICANS: 32
DEMOCRATS: 20
TERM: 4 years
PRESIDING OFFICER(S): Tate Reeves (R) (Lt. Governor);
Giles Ward (R) (President Pro-Tem)
MAJOR UTILITY COMMITTEE: Senate Energy Committee (15 members)
Chairman: Terry Burton (R)
Vice-Chairman: Sean Tindell (R)
CURRENT ISSUES: Budget, Income Tax Reductions, Transportation/Highways,
Economic Development, Workforce Training, Education

HOUSE: 122 Members 37 Standing Committees
REPUBLICANS: 67
DEMOCRATS: 55
TERM: 4 years
PRESIDING OFFICER(S): Phillip Gunn (R) (Speaker)
Greg Snowden (R) (Speaker Pro Tem)
MAJOR UTILITY COMMITTEE: House Public Utilities Committee (17) members
Chairman: Jim Beckett (R)
Vice-Chairman: Hank Lott (R)
CURRENT ISSUES: Budget, Income Tax Reductions, Transportation/Highways,
Economic Development, Workforce Training, Education

REGULATORY BODY: Public Service Commission
MEMBERS: Brandon Presley (D); Commissioner, Northern District
Lynn Posey (R); Commissioner, Central District
(Not seeking re-election)
Steve Renfro (R); Commissioner, Southern District
(Not seeking re-election)
APPOINTMENT/ELECTION: Election - 4-year term
CURRENT ISSUES: Net Metering, Utility-scale Solar Generation, Baseload
Recovery, Energy Efficiency

Key Utility-Related Legislative Items of the 2015 Legislative Session

Authorize Electric Utilities to conduct economic development activities (SB 2093)

ISSUE: Authorizes (in new MS Code 77-3-44) investor-owned electric utilities and electric generation co-ops to invest in infrastructure at economic development sites. If utilities make such investments after having obtained a certificate of public convenience and necessity (CCN) from the MS Public Service Commission (PSC), then the facility costs can be included in rates whether or not any end-use customer is taking service from the facilities. SB 2093 also provides that any capital investment in natural gas reserves made directly or indirectly by an electric public utility to foster long-term stability in the cost of fuel may also be deemed used and useful and recoverable in rates.

OUTCOME: This legislation was signed into law effective July 1, 2015.

Enhanced criminal penalties for threatening or attacking a utility worker (HB 172)

ISSUE: Adds "utility workers" to the list of individuals protected under MS Code 97-3-7 that would warrant enhanced aggravated assault charges if assaulted (includes elected officials, judges, police officers, Firefighters, etc.).

OUTCOME: This legislation was signed into law effective July 1, 2015.

Facilitating Business Rapid Response to State Declared Disasters Act of 2015 (SB 2762)

ISSUE: Provides a grace period of up to 120 days for out-of-state workers (such as utility crew workers) who come to Mississippi to aid in restoration efforts after a declared natural disaster so they would not have to pay MS income tax for the work done in MS.

OUTCOME: This legislation was signed into law effective March 29, 2015.

Urge U.S. EPA to withdraw & reconsider the proposed Clean Power Act (SCR 637)

ISSUE: Urges the U.S. Environmental Protection Agency (EPA) to withdraw its Clean Power Plan under Section 111(d) of the federal Clean Air Act. While this resolution is not legally binding, it puts the legislature on record as opposing the proposed rule and offers potential legal and administrative recourse if the plan is not withdrawn.

OUTCOME: This resolution was adopted by the Mississippi State Legislature.

Clarify PSC regulatory jurisdiction over Electric Power Associations (HB 425)

ISSUE: Amends MS Code 77-3-5 to clarify that the MS Public Service Commission does not have jurisdiction over the governance, management or other internal affairs of Electric Power Associations (co-ops).

OUTCOME: This legislation was signed into law effective March 13, 2015.

Revisions to 811/Call Before You Dig - Excavation Laws (HB 881)

ISSUE: Clarifies that cemeteries are exempt from the 811 requirements. Changes some language about when an order is received ("working day") and changes the life of a request from "10 working days" to "14 calendar days".

OUTCOME: This legislation was signed into law effective July 1, 2015.

Utility-Related Legislation that Failed to Pass

Workforce Training Funds (HB 911/SB 2457)

ISSUE: Creates the Mississippi Works Fund to finance strategic workforce training needs by diverting excess funds from the state's unemployment compensation reserve fund. A total of \$50 million would go into this account to be used to step-up the state's efforts to train workers for advanced manufacturing jobs and to support workforce development training needs around the state.

OUTCOME: The bill died in Conference Committee when House and Senate conferees could not reach an agreement.

Repeal the Baseload Act (HB 206)

ISSUE: This bill would repeal the Baseload Act of 2008 which allows, among other things, for pre-construction and construction costs to be included in base rates prior to a baseload facility coming online.

OUTCOME: The bill died in committee.

Tax credits for purchase or lease and installation of solar energy systems (HB 201)

ISSUE: Would have provided tax credits – up to 50% of the first \$50,000 - for installing solar energy systems and for making energy efficiency upgrades to property.

OUTCOME: The bill died on the House Calendar

Create a Mississippi Distributed Energy Resource Program (HB 784)

ISSUE: This bill included a net metering policy based largely on a recently enacted South Carolina law. The bill contained, among other things, consumer credits at retail rate and renewable portfolio standards.

OUTCOME: The bill died in committee.

Create the Public Facility Alternative Energy Task Force (HB 758)

ISSUE: This bill, authored by Rep. Cecil Brown (2015 candidate for Central PSC), would have created a task force to conduct a comprehensive study of the opportunities to use alternative energy, primarily wind and solar, to reduce the cost of utilities for state buildings, state institutions of higher learning facilities and community and junior college facilities. The task force was directed to gather information from "experts" in the area of alternative energy and report its recommendations for possible changes in state law to the Legislature by December 1, 2015.

OUTCOME: This proposal passed the House in 3 separate measures. All 3 died in the Senate.

811/Call Before You Dig – Trespassing (SB 2143)

ISSUE: Would have required 811 responders to obtain a property owner’s permission prior to marking facilities or face trespassing charges.

OUTCOME: Died in committee.

Prohibit the private use of Drones (HB 347/HB1260)

ISSUE: This legislation would have made it unlawful to capture an image using a drone.

OUTCOME: The bill died in committee.

Local Government initiated tax appeals (HB 1168)

ISSUE: This bill would have allowed cities and counties to initiate an appeal with the State Board of Tax Appeals, of ad valorem assessments made by the MS Department of Revenue. If passed, this could have been problematic for companies whose assets cover multiple city and county jurisdictions. This could open those companies up to multiple, simultaneous, complicated and time consuming tax appeals.

OUTCOME: The bill passed the House but died in the Senate.

Other New Laws to Note

Ban on texting while driving (HB 389)

Prohibits "manual entry, sending, or retrieval" of a text message, email or social networking site using a hand-held mobile telephone while driving a moving motor vehicle.

\$25 fine begins July 1, 2015 and increases to \$100 on July 1, 2016.

Elimination of inspection stickers (HB 982)

Eliminates the requirement for annual vehicle safety inspections and adds a one-time (not annual) tint inspection fee of \$5 for cars that have aftermarket tint applied to their windows.

This law went into effect on July 1, 2015.

Concealed weapons permits (2394)

Allows a person to legally carry, without a permit, a firearm in a "purse, handbag, satchel, other similar bag or briefcase or fully enclosed case." This law also reduced the fees for obtaining or renewing a concealed carry permit.

This law went into effect on July 1, 2015.

Tax credit for employing honorably discharged veterans (HB 33)

Authorizes a credit for taxpayers who employ honorably discharged veterans who served on active duty in the armed forces of the U S on or after September 11, 2001 and who have been unemployed for six consecutive months prior to being employed.

This law will go into effect on January 1, 2016

Transportation / Highway Infrastructure (HB 1630)

This bill authorizes the issuance of state revenue bonds in the amount of \$162 million for the repair, rehabilitation, replacement, construction and/or reconstruction of bridges on state maintained highways that are on a list of deficient bridges compiled by the Mississippi Department of Transportation as of July 1, 2015. Recent federal studies estimate that Mississippi needs about \$550 million in bridge work alone and hundreds of millions of dollars more a year for road maintenance. Transportation infrastructure will be a key issue for the 2016-2019 legislative term.

Special Needs Education (SB 2695)

This new law will create state-funded accounts of \$6,500 that families of special needs students can use to pay for educational therapies, tutoring, online curriculum and even private school tuition. Five hundred students per year will be allowed to sign up for an Education Scholarship Account.

Education Funding (HCR 9)

Petitioners were successful in 2015 in obtaining the necessary number of signatures to place a constitutional amendment on the 2015 statewide ballot to require the legislature to “fund” the state education system. Initiative 42 would amend Section 201 of the Mississippi Constitution to require that the legislature must “fund an adequate and efficient system of free public schools.” This initiative would also authorize the chancery courts to enforce this section with appropriate injunctive relief. Legislative leaders in the House and Senate argue that this language is vague, will result in lawsuits for years to come, and will hinder the legislature’s ability to appropriate funds for the operation of state government. The legislature voted to offer an alternative proposal (initiative 42A) that states that “the Legislature shall, by general law, provide for the establishment, maintenance and support of an effective system of free public schools.” Both versions of the constitutional amendment will appear on the 2015 ballot.