

By: Senator(s) DeLano, Barnett, Barrett, Berry, Blackmon, Blackwell, Blount, Boyd, Brumfield, Bryan, Butler, Carter, Chassaniol, Chism, DeBar, DuPree, England, Fillingane, Frazier, Gillespie Isom, Harkins, Hartness, Hickman, Hill, Hopson, Jackson, Johnson, Kirby, Ladner, McCaughn, McLendon, McMahan, Michel, Mumford, Norwood, Parks, Pope, Rhodes, Seymour, Simmons (12th), Simmons (13th), Sparks, Suber, Tate, Taylor, Thomas, Thompson, Turner-Ford, Whaley, Wiggins, Williams, Younger

To: Government Structure

SENATE BILL NO. 2632  
(As Sent to Governor)

1 AN ACT TO ENACT THE LOCAL GOVERNMENTS DISASTER RECOVERY  
2 EMERGENCY LOAN PROGRAM ACT; TO DEFINE TERMS; TO ESTABLISH THE  
3 LOCAL GOVERNMENT DISASTER RECOVERY EMERGENCY LOAN PROGRAM TO BE  
4 ADMINISTERED BY THE MISSISSIPPI EMERGENCY MANAGEMENT AGENCY FOR  
5 THE PURPOSE OF ASSISTING LOCAL GOVERNMENTS IN RECOVERING FROM  
6 CERTAIN FEDERALLY DECLARED DISASTERS BY ISSUING LOANS TO LOCAL  
7 GOVERNMENTS; TO PROVIDE THAT NO LOAN SHALL BE ISSUED UNDER THE  
8 AUTHORITY OF THIS ACT AFTER A CERTAIN DATE; TO SET FORTH THE  
9 POWERS AND DUTIES OF THE MISSISSIPPI EMERGENCY MANAGEMENT AGENCY  
10 IN ADMINISTERING THIS ACT; TO ALLOW THE MISSISSIPPI EMERGENCY  
11 MANAGEMENT AGENCY TO AUTHORIZE AN ADMINISTRATOR TO CARRY OUT ANY  
12 OR ALL OF THE POWERS AND DUTIES ENUMERATED IN THIS ACT; TO EXEMPT  
13 THE MISSISSIPPI EMERGENCY MANAGEMENT AGENCY FROM ANY REQUIREMENT  
14 THAT THE PUBLIC PROCUREMENT REVIEW BOARD APPROVE ANY PERSONAL OR  
15 PROFESSIONAL SERVICES CONTRACTS OR PRE-APPROVE ANY SOLICITATION OF  
16 SUCH CONTRACTS FOR PURPOSES OF THIS ACT; TO CREATE A SPECIAL FUND  
17 IN THE STATE TREASURY TO BE DESIGNATED AS THE "LOCAL GOVERNMENTS  
18 DISASTER RECOVERY EMERGENCY LOAN FUND"; TO REQUIRE EACH RECIPIENT  
19 OF A LOAN UNDER THE PROGRAM TO ESTABLISH A DEDICATED SOURCE OF  
20 REVENUE FOR REPAYMENT OF THE LOAN IN THE EVENT THAT THE FEDERAL  
21 EMERGENCY MANAGEMENT AGENCY DECLINES TO REIMBURSE AN EXPENDITURE  
22 FOR WHICH LOAN PROCEEDS WERE USED; TO PROVIDE THAT THE EXECUTED  
23 LOAN AGREEMENT WILL OBLIGATE THE LOCAL GOVERNMENT TO REPAY THE  
24 PROCEEDS OF THE LOAN IMMEDIATELY UPON RECEIPT OF REIMBURSEMENTS  
25 FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY; TO PROVIDE THAT THE  
26 LOAN AGREEMENT SHALL PROVIDE FOR THE REPAYMENT OF ALL FUNDS  
27 RECEIVED FROM THE EMERGENCY FUND WITHIN NOT MORE THAN TWO YEARS  
28 FROM THE DATE THAT THE FEDERAL EMERGENCY MANAGEMENT AGENCY  
29 DECLINED TO REIMBURSE FOR AN EXPENDITURE FOR WHICH LOAN PROCEEDS  
30 WERE USED; TO REQUIRE A RECIPIENT LOCAL GOVERNMENT TO PLEDGE ITS  
31 SALES TAX REVENUE DISTRIBUTION OR ITS HOMESTEAD EXEMPTION ANNUAL  
32 TAX LOSS REIMBURSEMENT, AS THE CASE MAY BE, TO MEET THE REPAYMENT



33 SCHEDULE CONTAINED IN THE LOAN AGREEMENT IN THE EVENT THAT THE  
34 FEDERAL EMERGENCY MANAGEMENT AGENCY DECLINES TO REIMBURSE AN  
35 EXPENDITURE FOR WHICH LOAN PROCEEDS WERE USED; TO AMEND SECTION  
36 27-104-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT ANY PERSONAL  
37 OR PROFESSIONAL SERVICE CONTRACTS ENTERED INTO BY THE MISSISSIPPI  
38 EMERGENCY MANAGEMENT AGENCY UNDER THIS ACT ARE EXEMPT FROM  
39 APPROVAL BY THE PUBLIC PROCUREMENT REVIEW BOARD; AND FOR RELATED  
40 PURPOSES.

41 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

42 **SECTION 1.** This act shall be known and may be cited as the  
43 "Local Governments Disaster Recovery Emergency Loan Program Act."

44 **SECTION 2.** As used in this section, the following terms  
45 shall have the meaning ascribed herein unless the context clearly  
46 requires otherwise:

47 (a) "Agency" means the Mississippi Emergency Management  
48 Agency.

49 (b) "Disaster" means the federally declared disaster  
50 Number EM-3640/DR-4899-MS, for the winter storm on January 23  
51 through 27, 2026.

52 (c) "Eligible expenditure(s)" means seventy-five  
53 percent (75%) of expenses incurred by a local government that are  
54 reimbursable from the Federal Emergency Management Agency under  
55 the public assistance category A through F for that local  
56 government within the federally declared disaster area. For  
57 expenses of a local government under the public assistance  
58 category F, any expenditures for utility co-operatives shall only  
59 be incurred for government utility co-operatives. The term does  
60 not include expenses incurred for losses that are otherwise  
61 covered as insured losses or covered by donations.



62 (d) "Emergency fund" means the "2026 Local Governments  
63 Disaster Recovery Emergency Loan Fund" created in Section 4 of  
64 this act.

65 (e) "Federal disaster declaration" means the  
66 presidential declaration, EM-3640/DR-4899-MS, providing assistance  
67 in response and recovery to the disaster.

68 (f) "Federally declared disaster area" means those  
69 counties designated in the federal disaster declaration or added  
70 to the federal disaster declaration by amendment of the Federal  
71 Emergency Management Agency.

72 (g) "Loan" means a disbursement of public funds to a  
73 principal borrower under this act that is required to be repaid to  
74 the emergency fund by the borrower in accordance with the terms of  
75 an executed loan agreement.

76 (h) "Local government" means a county, municipality or  
77 political subdivision thereof, within the bounds of the federally  
78 declared disaster area.

79 (i) "Eligible borrower" means a county, municipality or  
80 political subdivision thereof, within the bounds of the federally  
81 declared disaster area that has applied for assistance through  
82 FEMA.

83 (j) "Program" means the 2026 Local Government Disaster  
84 Recovery Emergency Loan Program established in Section 3 of this  
85 act.



86           SECTION 3. (1) (a) There is established the 2026 Local  
87 Government Disaster Recovery Emergency Loan Program to be  
88 administered by the Mississippi Emergency Management Agency for  
89 the purpose of assisting local governments in recovering from the  
90 disaster by issuing loans to local governments.

91           (b) The agency shall act as quickly as is practicable  
92 and prudent in deciding on any loan request that it receives.  
93 Loans from the emergency fund may be made to eligible local  
94 governments, as set forth in an executed loan agreement for  
95 payment or reimbursement of the eligible expenditure(s) of the  
96 local government as determined by the agency. The agency may  
97 establish a maximum amount for any loan from the emergency fund in  
98 order to provide for broad and equitable participation in the  
99 program.

100           (c) Eligible borrowers may apply for a loan pursuant to  
101 the policies and processes established by the agency.

102           (d) No loan shall be issued under this act after July  
103 1, 2027. The term of any loan issued under this act shall not  
104 exceed a period of five (5) years.

105           (2) (a) Loan proceeds may be used by the recipient local  
106 government for eligible expenditure(s).

107           (b) Loans issued under this act shall be at a zero  
108 percent (0%) interest rate until all federal emergency management  
109 agency reimbursements have been processed and applied to the loan



110 balance. After such time, a one percent (1%) fixed interest rate  
111 to cover the administrative costs to service the loan.

112 (3) In administering this act, the agency shall have the  
113 following powers and duties:

114 (a) To supervise the use of all funds and loan proceeds  
115 made available under this act for local governments to recover  
116 from the disaster;

117 (b) To promulgate rules and regulations, to make  
118 variances and exceptions thereto, and to establish procedures in  
119 accordance with this act for the implementation of the program;

120 (c) To ensure the funds made available under this act  
121 to a local government provide for a distribution of funds that  
122 ensures broad and equitable participation among the local  
123 governments affected by the disaster;

124 (d) To maintain in accordance with generally accepted  
125 government accounting standards an accurate record of all monies  
126 in the emergency fund made available to local governments under  
127 this act and the expenditures incurred by each recipient;

128 (e) To establish policies, procedures and requirements  
129 concerning viability and financial capability to repay loans that  
130 may be used in approving loans available under this section;

131 (f) To contract for those facilities and staff needed  
132 to administer and provide routine management for the funds and  
133 loan program;



134 (g) To require recipient local governments to consult  
135 with the county's emergency management agency and/or an authorized  
136 representative of the Mississippi Emergency Management Agency;

137 (h) To ensure the dedicated source of revenue as  
138 collateral by a borrower is sufficient to repay the loan within  
139 the loan period;

140 (i) Require a rigorous documentation process to ensure  
141 that state funds are utilized in a manner that maximizes eventual  
142 federal reimbursement;

143 (j) To file with the Legislature reports, no later than  
144 October 1 of each year and no later than February 1 of each year,  
145 detailing how monies in the emergency fund were expended during  
146 the preceding year by each participating local government by  
147 period, the number of loans approved and disbursed, the amount of  
148 expenditures incurred by each loan recipient, the current balance  
149 of any outstanding loans, the specific projects of each loan  
150 recipient with a description of the project and the recipient  
151 entities, the amounts deposited into the emergency fund under  
152 Section 5(4) of this act by loan, and the number of loans repaid  
153 under this act.

154 (4) For efficient and effective administration of the  
155 program and emergency fund, the agency may authorize an  
156 administrator to carry out any or all of the powers and duties  
157 enumerated above.



158 (5) In carrying out its responsibilities under this act, for  
159 any contract under the purview of the Public Procurement Review  
160 Board, the agency shall be exempt from any requirement that the  
161 Public Procurement Review Board approve any personal or  
162 professional services contracts or pre-approve any solicitation of  
163 such contracts.

164 (6) In carrying out its responsibilities under this act, for  
165 any policy, procedure, and/or regulation produced by the agency,  
166 the agency shall be exempt from all requirements under the  
167 Mississippi Administrative Procedures Law.

168 **SECTION 4.** (1) There is created a special fund in the State  
169 Treasury to be designated as the "2026 Local Governments Disaster  
170 Recovery Emergency Loan Fund." The emergency fund shall consist  
171 of any monies deposited to the credit of the emergency fund. The  
172 emergency fund may receive deposits by the State Treasurer, bond  
173 proceeds, grants, gifts, donations or funds from any source,  
174 public or private. Except as otherwise provided in this section,  
175 the emergency fund shall be credited with all repayments of  
176 principal and interest derived from loans made from the emergency  
177 fund. Unexpended amounts remaining in the emergency fund at the  
178 end of a fiscal year shall not lapse into the State General Fund.  
179 Any interest earned on amounts in the emergency fund shall be  
180 deposited to the credit of the fund.

181 (2) The monies in the emergency fund may only be expended  
182 subject to appropriation by the Legislature. Monies in the



183 emergency fund may only be disbursed for purposes authorized under  
184 this act. Except as otherwise provided in this act, all monies  
185 deposited in the emergency fund, including loan repayments and  
186 interest earned on those repayments, shall be used only for  
187 providing loans to local governments as the agency deems  
188 appropriate. Subject to the availability of funds and the  
189 disbursement limit provided in Section 3(1)(b) of this act, loan  
190 proceeds under this act may be disbursed to local governments in  
191 one or more installments or on a rolling basis, in the discretion  
192 of the agency.

193 (3) In addition to any other purpose authorized under this  
194 act, subject to appropriation by the Legislature, any amounts in  
195 the emergency fund may be used to defray the reasonable costs of  
196 administering the emergency fund and conducting activities under  
197 this act in an amount not to exceed one-half of one percent (0.5%)  
198 of loan proceeds.

199 **SECTION 5.** (1) (a) Each recipient of a loan under the  
200 program shall establish a dedicated source of revenue for  
201 repayment of the loan in the event that the Federal Emergency  
202 Management Agency disallows a reimbursement request for an  
203 expenditure for which loan proceeds were used. Before any local  
204 government shall receive any loan, it shall have executed with the  
205 Department of Revenue and the agency a loan agreement evidencing  
206 that loan and the dedicated source of revenue.



207 (b) All borrowers must agree to pay an amount not  
208 greater than twelve and one-half percent (12.5%) of the matching  
209 funds required by the Federal Emergency Management Agency for the  
210 receipt of federal grant funds.

211 (c) The executed loan agreement will obligate the local  
212 government to repay the proceeds of the loan to the agency receipt  
213 of any reimbursements from the Federal Emergency Management  
214 Agency.

215 (d) In the event that the Federal Emergency Management  
216 Agency disallows a reimbursement request for an expenditure for  
217 which loan proceeds were used, the repayment schedule in each loan  
218 agreement shall provide for (i) monthly payments, (ii) semiannual  
219 payments, or (iii) other periodic payments. The loan agreement  
220 shall provide for the repayment of all funds received from the  
221 emergency fund to the agency within not more than two (2) years  
222 from the date that the Federal Emergency Management Agency  
223 disallowed a reimbursement request for an expenditure for which  
224 loan proceeds were used. The Department of Revenue shall withhold  
225 semiannually from counties and monthly from municipalities from  
226 the amount to be remitted to the county or municipality, a sum  
227 equal to the next repayment as provided in the loan agreement in  
228 the event that the Federal Emergency Management Agency disallows a  
229 reimbursement request for an expenditure for which loan proceeds  
230 were used and the county or municipality has pledged such revenue.



231 (2) A county that receives a loan from the emergency fund  
232 shall pledge for repayment of the loan any part of the use tax to  
233 which it may be entitled under Chapter 67, Title 27, Mississippi  
234 Code of 1972, or any other revenue source to which it is entitled  
235 by law, as may be required to meet the repayment schedule  
236 contained in the loan agreement in the event that the Federal  
237 Emergency Management Agency disallows a reimbursement request for  
238 an expenditure for which loan proceeds were used.

239 (3) A municipality that received a loan from the emergency  
240 fund shall pledge for repayment of the loan any part of the sales  
241 tax revenue distribution to which it may be entitled under Section  
242 27-65-75 or any other revenue source to which it is entitled by  
243 law, as may be required to meet the repayment schedule contained  
244 in the loan agreement in the event that the Federal Emergency  
245 Management Agency disallows a reimbursement request for an  
246 expenditure for which loan proceeds were used.

247 (4) Upon receipt of any funds in repayment from the borrower  
248 and the Department of Revenue to the credit of a borrower for loan  
249 obligations under this act, the agency shall immediately deposit  
250 such funds into the emergency fund.

251 (5) The State Auditor, upon request of the agency, shall  
252 audit the receipts and expenditures of a local government whose  
253 loan repayments appear to be in arrears, and if the Auditor finds  
254 the local government is in arrears in those repayments, the  
255 Auditor shall immediately notify the executive director of the



256 agency and the State Fiscal Officer, who may take any action as  
257 may be necessary to enforce the terms of the loan agreement,  
258 including liquidation and enforcement of the dedicated source of  
259 revenue given as security for repayment of the loan and the  
260 withholding of all future payments to the county of homestead  
261 exemption annual tax loss reimbursements under Section 27-33-77  
262 and all sums allocated to the county or the municipality under  
263 Section 27-65-75 until such time as the county or the municipality  
264 is again current in its loan repayments as certified by the  
265 agency.

266       **SECTION 6.** Section 27-104-7, Mississippi Code of 1972, is  
267 amended as follows:

268       27-104-7. (1) (a) There is created the Public Procurement  
269 Review Board, which shall be reconstituted on January 1, 2018, and  
270 shall be composed of the following members:

271               (i) Three (3) individuals appointed by the  
272 Governor with the advice and consent of the Senate;

273               (ii) Two (2) individuals appointed by the  
274 Lieutenant Governor with the advice and consent of the Senate; and

275               (iii) The Executive Director of the Department of  
276 Finance and Administration, serving as an ex officio and nonvoting  
277 member.

278       (b) The initial terms of each appointee shall be as  
279 follows:



280 (i) One (1) member appointed by the Governor to  
281 serve for a term ending on June 30, 2019;

282 (ii) One (1) member appointed by the Governor to  
283 serve for a term ending on June 30, 2020;

284 (iii) One (1) member appointed by the Governor to  
285 serve for a term ending on June 30, 2021;

286 (iv) One (1) member appointed by the Lieutenant  
287 Governor to serve for a term ending on June 30, 2019; and

288 (v) One (1) member appointed by the Lieutenant  
289 Governor to serve for a term ending on June 30, 2020.

290 After the expiration of the initial terms, all appointed  
291 members' terms shall be for a period of four (4) years from the  
292 expiration date of the previous term, and until such time as the  
293 member's successor is duly appointed and qualified.

294 (c) When appointing members to the Public Procurement  
295 Review Board, the Governor and Lieutenant Governor shall take into  
296 consideration persons who possess at least five (5) years of  
297 management experience in general business, health care or finance  
298 for an organization, corporation or other public or private  
299 entity. Any person, or any employee or owner of a company, who  
300 receives any grants, procurements or contracts that are subject to  
301 approval under this section shall not be appointed to the Public  
302 Procurement Review Board. Any person, or any employee or owner of  
303 a company, who is a principal of the source providing a personal  
304 or professional service shall not be appointed to the Public



305 Procurement Review Board if the principal owns or controls a  
306 greater than five percent (5%) interest or has an ownership value  
307 of One Million Dollars (\$1,000,000.00) in the source's business,  
308 whichever is smaller. No member shall be an officer or employee  
309 of the State of Mississippi while serving as a voting member on  
310 the Public Procurement Review Board.

311 (d) Members of the Public Procurement Review Board  
312 shall be entitled to per diem as authorized by Section 25-3-69 and  
313 travel reimbursement as authorized by Section 25-3-41.

314 (e) The members of the Public Procurement Review Board  
315 shall elect a chair from among the membership, and he or she shall  
316 preside over the meetings of the board. The board shall annually  
317 elect a vice chair, who shall serve in the absence of the chair.  
318 No business shall be transacted, including adoption of rules of  
319 procedure, without the presence of a quorum of the board. Three  
320 (3) members shall be a quorum. No action shall be valid unless  
321 approved by a majority of the members present and voting, entered  
322 upon the minutes of the board and signed by the chair. Necessary  
323 clerical and administrative support for the board shall be  
324 provided by the Department of Finance and Administration. Minutes  
325 shall be kept of the proceedings of each meeting, copies of which  
326 shall be filed on a monthly basis with the chairs of the  
327 Accountability, Efficiency and Transparency Committees of the  
328 Senate and House of Representatives and the chairs of the



329 Appropriations Committees of the Senate and House of  
330 Representatives.

331 (2) The Public Procurement Review Board shall have the  
332 following powers and responsibilities:

333 (a) Approve all purchasing regulations governing the  
334 purchase or lease by any agency, as defined in Section 31-7-1, of  
335 commodities and equipment, except computer equipment acquired  
336 pursuant to Sections 25-53-1 through 25-53-29;

337 (b) Adopt regulations governing the approval of  
338 contracts let for the construction and maintenance of state  
339 buildings and other state facilities as well as related contracts  
340 for architectural and engineering services.

341 The provisions of this paragraph (b) shall not apply to such  
342 contracts involving buildings and other facilities of state  
343 institutions of higher learning which are self-administered as  
344 provided under this paragraph (b) or Section 37-101-15(m);

345 (c) Adopt regulations governing any lease or rental  
346 agreement by any state agency or department, including any state  
347 agency financed entirely by federal funds, for space outside the  
348 buildings under the jurisdiction of the Department of Finance and  
349 Administration. These regulations shall require each agency  
350 requesting to lease such space to provide the following  
351 information that shall be published by the Department of Finance  
352 and Administration on its website: the agency to lease the space;  
353 the terms of the lease; the approximate square feet to be leased;



354 the use for the space; a description of a suitable space; the  
355 general location desired for the leased space; the contact  
356 information for a person from the agency; the deadline date for  
357 the agency to have received a lease proposal; any other specific  
358 terms or conditions of the agency; and any other information  
359 deemed appropriate by the Division of Real Property Management of  
360 the Department of Finance and Administration or the Public  
361 Procurement Review Board. The information shall be provided  
362 sufficiently in advance of the time the space is needed to allow  
363 the Division of Real Property Management of the Department of  
364 Finance and Administration to review and preapprove the lease  
365 before the time for advertisement begins;

366 (d) Adopt, in its discretion, regulations to set aside  
367 at least five percent (5%) of anticipated annual expenditures for  
368 the purchase of commodities from minority businesses; however, all  
369 such set-aside purchases shall comply with all purchasing  
370 regulations promulgated by the department and shall be subject to  
371 all bid requirements. Set-aside purchases for which competitive  
372 bids are required shall be made from the lowest and best minority  
373 business bidder; however, if no minority bid is available or if  
374 the minority bid is more than two percent (2%) higher than the  
375 lowest bid, then bids shall be accepted and awarded to the lowest  
376 and best bidder. However, the provisions in this paragraph shall  
377 not be construed to prohibit the rejection of a bid when only one  
378 (1) bid is received. Such rejection shall be placed in the



379 minutes. For the purposes of this paragraph, the term "minority  
380 business" means a business which is owned by a person who is a  
381 citizen or lawful permanent resident of the United States and who  
382 is:

383 (i) Black: having origins in any of the black  
384 racial groups of Africa;

385 (ii) Hispanic: of Mexican, Puerto Rican, Cuban,  
386 Central or South American, or other Spanish or Portuguese culture  
387 or origin regardless of race;

388 (iii) Asian-American: having origins in any of  
389 the original people of the Far East, Southeast Asia, the Indian  
390 subcontinent, or the Pacific Islands;

391 (iv) American Indian or Alaskan Native: having  
392 origins in any of the original people of North America; or

393 (v) Female;

394 (e) In consultation with and approval by the Chairs of  
395 the Senate and House Public Property Committees, approve leases,  
396 for a term not to exceed eighteen (18) months, entered into by  
397 state agencies for the purpose of providing parking arrangements  
398 for state employees who work in the Woolfolk Building, the Carroll  
399 Gartin Justice Building or the Walter Sillers Office Building;

400 (f) (i) Except as otherwise provided in subparagraph  
401 (ii) of this paragraph, promulgate rules and regulations governing  
402 the solicitation and selection of contractual services personnel,  
403 including personal and professional services contracts for any



404 form of consulting, policy analysis, public relations, marketing,  
405 public affairs, legislative advocacy services or any other  
406 contract that the board deems appropriate for oversight, with the  
407 exception of:

408                   1. Any personal service contracts entered  
409 into by any agency that employs only nonstate service employees as  
410 defined in Section 25-9-107(c);

411                   2. Any personal service contracts entered  
412 into for computer or information technology-related services  
413 governed by the Mississippi Department of Information Technology  
414 Services;

415                   3. Any personal service contracts entered  
416 into by the individual state institutions of higher learning;

417                   4. Any personal service contracts entered  
418 into by the Mississippi Department of Transportation;

419                   5. Any personal service contracts entered  
420 into by the Department of Human Services through June 30, 2019,  
421 which the Executive Director of the Department of Human Services  
422 determines would be useful in establishing and operating the  
423 Department of Child Protection Services;

424                   6. Any personal service contracts entered  
425 into by the Department of Child Protection Services through June  
426 30, 2019;



427                   7. Any contracts for entertainers and/or  
428 performers at the Mississippi State Fairgrounds entered into by  
429 the Mississippi Fair Commission;

430                   8. Any contracts entered into by the  
431 Department of Finance and Administration when procuring aircraft  
432 maintenance, parts, equipment and/or services;

433                   9. Any contract entered into by the  
434 Department of Public Safety for service on specialized equipment  
435 and/or software required for the operation of such specialized  
436 equipment for use by the Office of Forensics Laboratories;

437                   10. Any personal or professional service  
438 contract entered into by the Mississippi Department of Health or  
439 the Department of Revenue solely in connection with their  
440 respective responsibilities under the Mississippi Medical Cannabis  
441 Act from February 2, 2022, through June 30, 2026;

442                   11. Any contract for attorney, accountant,  
443 actuary auditor, architect, engineer, anatomical pathologist, or  
444 utility rate expert services;

445                   12. Any personal service contracts approved  
446 by the Executive Director of the Department of Finance and  
447 Administration and entered into by the Coordinator of Mental  
448 Health Accessibility through June 30, 2022;

449                   13. Any personal or professional services  
450 contract entered into by the State Department of Health in



451 carrying out its responsibilities under the ARPA Rural Water  
452 Associations Infrastructure Grant Program through June 30, 2026;

453 14. And any personal or professional services  
454 contract entered into by the Mississippi Department of  
455 Environmental Quality in carrying out its responsibilities under  
456 the Mississippi Municipality and County Water Infrastructure Grant  
457 Program Act of 2022, through June 30, 2026;

458 15. Any personal or professional services  
459 contract entered into by an agency for the design, operation or  
460 maintenance of museum exhibits. An agency making a purchase under  
461 this exemption shall publicly advertise a Request for  
462 Qualifications but shall be otherwise exempt. Any contracts  
463 arising from the use of this exemption must be approved by the  
464 Public Procurement Review Board prior to execution by the agency;

465 16. Any personal or professional services  
466 contract entered into by the Mississippi Department of  
467 Environmental Quality in carrying out its responsibilities under  
468 Section 49-2-13(1). This item 16 shall stand repealed on July 1,  
469 2028; \* \* \*

470 17. Any contract entered into by the State  
471 Department of Health for service on specialized equipment and/or  
472 software required for the operation of such specialized equipment  
473 for the use by the Public Health Laboratory \* \* \*; and

474 18. Any contract entered into by the  
475 Mississippi Emergency Management Agency for personal or



476 professional services under Section 3(5) of this act, as well as  
477 the fair value or financial value of any contract entered into  
478 under this paragraph (f).

479 Any such rules and regulations shall provide for maintaining  
480 continuous internal audit covering the activities of such agency  
481 affecting its revenue and expenditures as required under Section  
482 7-7-3(6) (d). Any rules and regulation changes related to personal  
483 and professional services contracts that the Public Procurement  
484 Review Board may propose shall be submitted to the Chairs of the  
485 Accountability, Efficiency and Transparency Committees of the  
486 Senate and House of Representatives and the Chairs of the  
487 Appropriation Committees of the Senate and House of  
488 Representatives at least fifteen (15) days before the board votes  
489 on the proposed changes, and those rules and regulation changes,  
490 if adopted, shall be promulgated in accordance with the  
491 Mississippi Administrative Procedures Act.

492 (ii) From and after July 1, 2024, the Public  
493 Procurement Review Board shall promulgate rules and regulations  
494 that require the Department of Finance and Administration to  
495 conduct personal and professional services solicitations as  
496 provided in subparagraph (i) of this paragraph for those services  
497 in excess of Seventy-five Thousand Dollars (\$75,000.00) for the  
498 Department of Marine Resources, the Department of Wildlife,  
499 Fisheries and Parks, the Mississippi Emergency Management Agency  
500 and the Mississippi Development Authority, with assistance to be



501 provided from these entities. Any powers that have been conferred  
502 upon agencies in order to comply with the provisions of this  
503 section for personal and professional services solicitations shall  
504 be conferred upon the Department of Finance and Administration to  
505 conduct personal and professional services solicitations for the  
506 Department of Marine Resources, the Department of Wildlife,  
507 Fisheries and Parks, the Mississippi Emergency Management Agency  
508 and the Mississippi Development Authority for those services in  
509 excess of Seventy-five Thousand Dollars (\$75,000.00). The  
510 Department of Finance and Administration shall make any  
511 submissions that are required to be made by other agencies to the  
512 Public Procurement Review Board for the Department of Marine  
513 Resources, the Department of Wildlife, Fisheries and Parks, the  
514 Mississippi Emergency Management Agency and the Mississippi  
515 Development Authority.

516 The provisions of this subparagraph (ii) shall stand repealed  
517 on June 30, 2027;

518 (g) Approve all personal and professional services  
519 contracts involving the expenditures of funds in excess of  
520 Seventy-five Thousand Dollars (\$75,000.00), except as provided in  
521 paragraph (f) of this subsection (2) and in subsection (8);

522 (h) Develop mandatory standards with respect to  
523 contractual services personnel that require invitations for public  
524 bid, requests for proposals, record keeping and financial  
525 responsibility of contractors. The Public Procurement Review



526 Board shall, unless exempted under this paragraph (h) or under  
527 paragraph (i) or (o) of this subsection (2), require the agency  
528 involved to submit the procurement to a competitive procurement  
529 process, and may reserve the right to reject any or all resulting  
530 procurements;

531 (i) Prescribe certain circumstances by which agency  
532 heads may enter into contracts for personal and professional  
533 services without receiving prior approval from the Public  
534 Procurement Review Board. The Public Procurement Review Board may  
535 establish a preapproved list of providers of various personal and  
536 professional services for set prices with which state agencies may  
537 contract without bidding or prior approval from the board;

538 (i) Agency requirements may be fulfilled by  
539 procuring services performed incident to the state's own programs.  
540 The agency head shall determine in writing whether the price  
541 represents a fair market value for the services. When the  
542 procurements are made from other governmental entities, the  
543 private sector need not be solicited; however, these contracts  
544 shall still be submitted for approval to the Public Procurement  
545 Review Board \* \* \*;

546 (ii) Contracts between two (2) state agencies,  
547 both under Public Procurement Review Board purview, shall not  
548 require Public Procurement Review Board approval. However, the  
549 contracts shall still be entered into the enterprise resource  
550 planning system;



551 (j) Provide standards for the issuance of requests for  
552 proposals, the evaluation of proposals received, consideration of  
553 costs and quality of services proposed, contract negotiations, the  
554 administrative monitoring of contract performance by the agency  
555 and successful steps in terminating a contract;

556 (k) Present recommendations for governmental  
557 privatization and to evaluate privatization proposals submitted by  
558 any state agency;

559 (l) Authorize personal and professional service  
560 contracts to be effective for more than one (1) year provided a  
561 funding condition is included in any such multiple year contract,  
562 except the State Board of Education, which shall have the  
563 authority to enter into contractual agreements for student  
564 assessment for a period up to ten (10) years. The State Board of  
565 Education shall procure these services in accordance with the  
566 Public Procurement Review Board procurement regulations;

567 (m) Request the State Auditor to conduct a performance  
568 audit on any personal or professional service contract;

569 (n) Prepare an annual report to the Legislature  
570 concerning the issuance of personal and professional services  
571 contracts during the previous year, collecting any necessary  
572 information from state agencies in making such report;

573 (o) Develop and implement the following standards and  
574 procedures for the approval of any sole source contract for



575 personal and professional services regardless of the value of the  
576 procurement:

577 (i) For the purposes of this paragraph (o), the  
578 term "sole source" means only one (1) source is available that can  
579 provide the required personal or professional service.

580 (ii) An agency that has been issued a binding,  
581 valid court order mandating that a particular source or provider  
582 must be used for the required service must include a copy of the  
583 applicable court order in all future sole source contract reviews  
584 for the particular personal or professional service referenced in  
585 the court order.

586 (iii) Any agency alleging to have a sole source  
587 for any personal or professional service, other than those  
588 exempted under paragraph (f) of this subsection (2) and subsection  
589 (8), shall publish on the procurement portal website established  
590 by Sections 25-53-151 and 27-104-165, for at least fourteen (14)  
591 days, the terms of the proposed contract for those services. In  
592 addition, the publication shall include, but is not limited to,  
593 the following information:

594 1. The personal or professional service  
595 offered in the contract;

596 2. An explanation of why the personal or  
597 professional service is the only one that can meet the needs of  
598 the agency;



599                   3. An explanation of why the source is the  
600 only person or entity that can provide the required personal or  
601 professional service;

602                   4. An explanation of why the amount to be  
603 expended for the personal or professional service is reasonable;  
604 and

605                   5. The efforts that the agency went through  
606 to obtain the best possible price for the personal or professional  
607 service.

608                   (iv) If any person or entity objects and proposes  
609 that the personal or professional service published under  
610 subparagraph (iii) of this paragraph (o) is not a sole source  
611 service and can be provided by another person or entity, then the  
612 objecting person or entity shall notify the Public Procurement  
613 Review Board and the agency that published the proposed sole  
614 source contract with a detailed explanation of why the personal or  
615 professional service is not a sole source service.

616                   (v) 1. If the agency determines after review that  
617 the personal or professional service in the proposed sole source  
618 contract can be provided by another person or entity, then the  
619 agency must withdraw the sole source contract publication from the  
620 procurement portal website and submit the procurement of the  
621 personal or professional service to an advertised competitive bid  
622 or selection process.



623                   2. If the agency determines after review that  
624 there is only one (1) source for the required personal or  
625 professional service, then the agency may appeal to the Public  
626 Procurement Review Board. The agency has the burden of proving  
627 that the personal or professional service is only provided by one  
628 (1) source.

629                   3. If the Public Procurement Review Board has  
630 any reasonable doubt as to whether the personal or professional  
631 service can only be provided by one (1) source, then the agency  
632 must submit the procurement of the personal or professional  
633 service to an advertised competitive bid or selection process. No  
634 action taken by the Public Procurement Review Board in this appeal  
635 process shall be valid unless approved by a majority of the  
636 members of the Public Procurement Review Board present and voting.

637                   (vi) The Public Procurement Review Board shall  
638 prepare and submit a quarterly report to the House of  
639 Representatives and Senate Accountability, Efficiency and  
640 Transparency Committees that details the sole source contracts  
641 presented to the Public Procurement Review Board and the reasons  
642 that the Public Procurement Review Board approved or rejected each  
643 contract. These quarterly reports shall also include the  
644 documentation and memoranda required in subsection (4) of this  
645 section. An agency that submitted a sole source contract shall be  
646 prepared to explain the sole source contract to each committee by  
647 December 15 of each year upon request by the committee;



648 (p) Assess any fines and administrative penalties  
649 provided for in Sections 31-7-401 through 31-7-423.

650 (3) All submissions shall be made sufficiently in advance of  
651 each monthly meeting of the Public Procurement Review Board as  
652 prescribed by the Public Procurement Review Board. If the Public  
653 Procurement Review Board rejects any contract submitted for review  
654 or approval, the Public Procurement Review Board shall clearly set  
655 out the reasons for its action, including, but not limited to, the  
656 policy that the agency has violated in its submitted contract and  
657 any corrective actions that the agency may take to amend the  
658 contract to comply with the rules and regulations of the Public  
659 Procurement Review Board.

660 (4) All sole source contracts for personal and professional  
661 services awarded by state agencies, other than those exempted  
662 under Section 27-104-7(2)(f) and (8), whether approved by an  
663 agency head or the Public Procurement Review Board, shall contain  
664 in the procurement file a written determination for the approval,  
665 using a request form furnished by the Public Procurement Review  
666 Board. The written determination shall document the basis for the  
667 determination, including any market analysis conducted in order to  
668 ensure that the service required was practicably available from  
669 only one (1) source. A memorandum shall accompany the request  
670 form and address the following four (4) points:

671 (a) Explanation of why this service is the only service  
672 that can meet the needs of the purchasing agency;



673 (b) Explanation of why this vendor is the only  
674 practicably available source from which to obtain this service;

675 (c) Explanation of why the price is considered  
676 reasonable; and

677 (d) Description of the efforts that were made to  
678 conduct a noncompetitive negotiation to get the best possible  
679 price for the taxpayers.

680 (5) In conjunction with the State Personnel Board, the  
681 Public Procurement Review Board shall develop and promulgate rules  
682 and regulations to define the allowable legal relationship between  
683 contract employees and the contracting departments, agencies and  
684 institutions of state government under the jurisdiction of the  
685 State Personnel Board, in compliance with the applicable rules and  
686 regulations of the federal Internal Revenue Service (IRS) for  
687 federal employment tax purposes. Under these regulations, the  
688 usual common law rules are applicable to determine and require  
689 that such worker is an independent contractor and not an employee,  
690 requiring evidence of lawful behavioral control, lawful financial  
691 control and lawful relationship of the parties. Any state  
692 department, agency or institution shall only be authorized to  
693 contract for personnel services in compliance with those  
694 regulations.

695 (6) No member of the Public Procurement Review Board shall  
696 use his or her official authority or influence to coerce, by  
697 threat of discharge from employment, or otherwise, the purchase of



698 commodities, the contracting for personal or professional  
699 services, or the contracting for public construction under this  
700 chapter.

701 (7) Notwithstanding any other laws or rules to the contrary,  
702 the provisions of subsection (2) of this section shall not be  
703 applicable to the Mississippi State Port Authority at Gulfport.

704 (8) Nothing in this section shall impair or limit the  
705 authority of the Board of Trustees of the Public Employees'  
706 Retirement System to enter into any personal or professional  
707 services contracts directly related to their constitutional  
708 obligation to manage the trust funds, including, but not limited  
709 to, actuarial, custodial banks, cash management, investment  
710 consultant and investment management contracts. Nothing in this  
711 section shall impair or limit the authority of the State Treasurer  
712 to enter into any personal or professional services contracts  
713 involving the management of trust funds, including, but not  
714 limited to, actuarial, custodial banks, cash management,  
715 investment consultant and investment management contracts.

716 (9) Through December 31, 2026, the provisions of this  
717 section related to rental agreements or leasing of real property  
718 for the purpose of conducting agency business shall not apply to  
719 the Office of Workforce Development created in Section 37-153-7.

720 **SECTION 7.** This act shall take effect and be in force from  
721 and after its passage.

