The 2017 Regular Session of the Mississippi Legislature convenes at 12:00 Noon on Tuesday, January 3, 2017. As in years past, MPE will provide regular updates via our weekly emails and social media to keep our members informed as to the status of legislation being considered. Our members may then contact their respective legislators with their thoughts and support or concerns on particular issues or pieces of legislation.

**HOT TOPICS**

Many of the decisions in the upcoming session will be influenced by Mississippi’s budget challenges as described below. Specifically related to education, the funding formula and consolidation are also likely to be hot topics in 2017.

**Mississippi’s Budget Challenge:** Not only will legislators develop and adopt the FY 2018 (July 2017 – June 2018) budget during the upcoming session, but they will also most likely have to take action regarding revenue shortfalls for the current FY 2017 (July 2016 – June 2017) budget. Late last spring, legislative leaders attributed having $56 million less revenue than was budgeted for this current fiscal year to a staff member’s error. An additional $80 million in anticipated revenue was taken off of the table when Attorney General Jim Hood concluded that legislators could not transfer special funds into the general fund as was planned. The combination of these two situations meant the state started this Fiscal Year 2017 on July 1 in the hole by approximately $130 million.

July and August revenue collections did not meet projections, so in early September, Governor Bryant announced budget cuts averaging about 1.6% to most state agencies. A few budgets, including the MAEP, Student Financial Aid, and Veterans Affairs, were spared from this first round of cuts. The Republican leadership cited growth in state government spending and a sluggish economy as causes for revenue shortfalls, while Democratic leaders cited the more than forty tax cuts passed in recent years as the cause.

In October, state economists reported that state revenues for the first quarter of this fiscal year (July – September) were down 2.27% below projections, resulting in the worst first-quarter performance since Fiscal Year 2010, during the Great Recession. Following this announcement, Governor Bryant stated he will work with the legislative leadership in January to make any adjustments needed to be made in the second half of the budget year. Of course, cuts in the second half of a fiscal year present more challenges for agencies to absorb, as there is only half of the year left in which to absorb such cuts. FY 2017 cuts and reductions must also be incorporated into the FY 2018 budget.

**Redesign of the K-12 Education Funding Formula:** Lt. Governor Tate Reeves and Speaker Philip Gunn announced in October that they had hired EdBuild, a New Jersey nonprofit, to examine the Mississippi Adequate Education Program (MAEP) funding formula in an effort to “modernize the outdated school funding formula and direct more tax dollars into the classroom.” Having been in business for two years, EdBuild has conducted similar work in Connecticut and Georgia.

Mississippi’s current funding formula was adopted in 1997 after two years of study and development by consultants and legislators. In her first public meeting with legislators on October 27, Rebecca Sibilia, CEO of EdBuild, touted a student-based funding formula that provides a base student cost for each student and then adds multipliers (i.e., additional funding) for students based on need (i.e., SPED, gifted, ELL, students of poverty). With regards to equity, EdBuild believes vertical equity to be more supportive of individual students, as it presumes that students from lower-income communities require more funding due to increased needs. Sibilia believes it is the state’s responsibility to equalize funding between high and low wealth districts.

Sibilia reported in October that EdBuild plans to have preliminary recommendations to legislators by the end
of this calendar year, which means legislators could consider changes during the upcoming legislative session. Although Sibilia emphasized that these will be preliminary recommendations, educators should anticipate some action by legislators on the funding formula during the 2017 session.

**Consolidation:** Legislative leaders continue to cite the need for school district consolidation in Mississippi, with some setting a goal of 100 school districts. The number of districts in Mississippi has already decreased from 152 in 2010 to 144 today. With consolidation legislation first introduced and passed in 2012, fourteen districts throughout the state have been consolidated into six since that time. Legislation was passed during the 2016 Legislative Session that provides for another six districts to be consolidated into three in 2018 and 2019. In addition, a study commission is developing its plans for the consolidation of three districts into one consolidated district, while another commission develops its recommendations for the abolition of another district with its students and resources distributed to two other districts.

Legislators have cited various reasons for these consolidations: low student enrollment; poor student performance/lack of student growth; redistribution of funds from administrative salaries to the classroom; and/or, greater access to academic offerings for students. The Legislature has sought local community input with each of the above and has modified legislative provisions in some cases based on such input.

MPE has developed a white paper on consolidation that reviews the research on the subject and the history of consolidation in our state. The paper also presents six issues for legislators to consider in any future consolidations. We have shared this paper with the legislative leadership. It is available via the “Quick Links” section of our website (www.mpe.org).

**Hold Elected Officials Accountable**

It is imperative that legislators hear from their constituents, as they are elected to represent their constituents. Legislators need to know that their local constituents are watching their votes at the capitol and will hold them accountable for those votes. Exercise your right to contact your representative and senator, as well as other statewide elected officials, to share your thoughts or concerns on bills being considered at the capitol. Be sure to use your personal computer and email for communications, as school resources (i.e., computer, email) should not be used for such communications.

In addition to contacting your respective representative and senator, you should also feel free to contact the legislative leadership, as well as the respective chairman of the committee considering a bill. More than 200 bills are traditionally referred to education committees, while higher education committees generally consider 20-30 bills each year. The appropriations committees will make critical funding decisions that will impact state services, including education, in their development of the budget. Key contacts and committee chairmen include the following:

- **Lt. Governor**
  - Tate Reeves
  - ltgov@senate.ms.gov
  - 601-359-3200

- **Speaker of the House**
  - Philip Gunn
  - info@philipgunn.com
  - 601-359-3300

- **Senate Education Committee**
  - Senator Gray Tollison
  - gtollison@senate.ms.gov
  - 601-359-2395

- **House Education Committee**
  - Rep. John Moore
  - jmoore@house.ms.gov
  - 601-359-3330

- **Senate Universities & Colleges Committee**
  - Senator Josh Harkins
  - jharkins@senate.ms.gov
  - 601-359-3246

- **House Universities & Colleges Committee**
  - Rep. Nolan Mettetal
  - nmnettetal@house.ms.gov
  - 601-359-3331

- **Senate Appropriations Committee**
  - Senator Buck Clarke
  - bclarke@senate.ms.gov
  - 601-359-3250

- **House Appropriations Committee**
  - Rep. John Read
  - jread@house.ms.gov
  - 601-359-3340

You may find contact information for all legislators via the legislature's homepage (www.legislature.ms.gov). During the session, the public may leave phone messages for legislators with the capitol switchboard at 601-359-3770. You may also find contact information for legislators via the “Quick Links” menu on the left side of MPE’s homepage (www.mpe.org).

**Conclusion**

Our state’s current budget situation will pose a formidable challenge during the upcoming session. Many issues, including education, will be considered and discussed. MPE’s Executive Director and Deputy Director will be present at the capitol throughout the session. Be sure to look for the latest updates from the capitol via our weekly email updates, as well as Facebook and Twitter (@KRileyMPE).