AN ACT TO ESTABLISH THE "MISSISSIPPI MUNICIPALITY AND COUNTY WATER INFRASTRUCTURE GRANT PROGRAM ACT OF 2022" ADMINISTERED BY THE MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY UTILIZING CORONAVIRUS STATE FISCAL RECOVERY FUNDS MADE AVAILABLE UNDER THE FEDERAL AMERICAN RESCUE PLAN ACT (ARPA); TO PROVIDE THAT SUCH GRANTS SHALL BE MADE AVAILABLE TO MUNICIPALITIES, COUNTIES AND CERTAIN UTILITIES ON A ONE-TO-ONE MATCHING BASIS AND TO PROVIDE AN ADDITIONAL GRANT TO SMALLER MUNICIPALITIES BASED ON CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS; TO PRESCRIBE ELIGIBLE PROJECTS UNDER THE GRANT PROGRAM; TO AUTHORIZE MULTIPLE ROUNDS OF WATER, WASTEWATER, AND STORMWATER INFRASTRUCTURE GRANT PROJECTS; TO AUTHORIZE THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO PROMULGATE GRANT APPLICATION REGULATIONS AND ENGINEERING ASSISTANCE; TO AUTHORIZE THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO ADMINISTER THE MCWI GRANT PROGRAM AND RETAIN ADMINISTRATIVE COSTS; TO EXEMPT DEQ FROM THE ADMINISTRATIVE PROCEDURES LAW IN PROMULGATING REQUIREMENTS FOR GRANT APPLICATIONS AND FROM OVERSIGHT BY THE PUBLIC PROCUREMENT REVIEW BOARD WHEN ENTERING INTO NECESSARY CONTRACTS FOR PROFESSIONAL SERVICES; TO PROVIDE THAT A UTILITY MAY NOT DENY WATER SERVICE SOLELY ON THE BASIS THAT THE CUSTOMER IS A MEDICAL MARIJUANA LICENSEE; TO AMEND SECTION 27-104-7, MISSISSIPPI CODE OF 1972, IN CONFORMITY; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) This act shall be known and may be cited as the "Mississippi Municipality and County Water Infrastructure Grant Program Act of 2022."

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

(a) "MCWI Grant Program" means the Mississippi Municipality and County Water Infrastructure Grant Program.

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

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

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

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

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

(g) "Project" means the infrastructure improvements defined in an application that (i) complies with all requirements of ARPA, and (ii) is eligible for a grant award under this section.
(4) (a) On or before July 1, 2022, the Department of Environmental Quality shall promulgate rules and regulations necessary to administer the MCWI Grant Program prescribed under this act, including application procedures and deadlines. The department is exempt from compliance with the Mississippi Administrative Procedures Law in fulfilling the requirements of this section.

(b) The Department of Health shall advise the Mississippi Department of Environmental Quality regarding all such rules and regulations as related to the federal Safe Drinking Water Act.

(5) Funding under the MCWI Grant Program shall be allocated to projects certified by the Mississippi Department of Environmental Quality as eligible for federal funding, including, but not be limited to, the following:

(a) Construction of publicly owned treatment works;

(b) Projects pursuant to the implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA);

(c) Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;

(d) Management and treatment of stormwater or subsurface drainage water;

(e) Water conservation, efficiency, or reuse measures;
(f) Development and implementation of a conservation and management plan under the CWA;

(g) Watershed projects meeting the criteria set forth in the CWA;

(h) Energy consumption reduction for publicly owned treatment works;

(i) Reuse or recycling of wastewater, stormwater, or subsurface drainage water;

(j) Facilities to improve drinking water quality;

(k) Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements;

(l) New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage;

(m) Storage of drinking water, such as to prevent contaminants or equalize water demands;

(n) Purchase of water systems and interconnection of systems;

(o) New community water systems;

(p) Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure;
(q) Dam and reservoir rehabilitation, if the primary purpose of dam or reservoir is for drinking water supply and project is necessary for the provision of drinking water;

(r) Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act; and

(s) Any eligible drinking water, wastewater or stormwater project through ARPA guidelines, guidance, rules, regulations and other criteria, as may be amended from time to time, by the United States Department of the Treasury.

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

(7) An application for a grant under this act shall be submitted at such time, be in such form, and contain such information as the department prescribes. Each application for
grant funds shall include the following at a minimum: (a) applicant contact information; (b) project description and type of project; (c) project map; (d) estimate of population affected by the project; (e) disadvantaged community criteria (population, median household income, unemployment, current water/sewer rates); (f) estimated project cost; (g) list of match funds of direct Coronavirus Local Fiscal Recovery Funds received and to be received from the federal government, a certification that such funds have been or will be used for the project detailed in the application, and documentation of commitment; (h) estimated project schedule and readiness to proceed; (i) engineering services agreement; (j) engineering reports; and (k) information about status of obtaining any required permits.

(8) The department must apply a system for use in ranking the grant applications received. When applying the ranking system, the department shall apply a greater weight to projects that have approved engineering/design, plans and permits if the department has deemed the project is ready to begin construction within six (6) months. Projects that are included on the municipal or county engineer's approved list and provide applicable supporting documentation shall receive additional consideration awarded to the application. The ranking system shall include the following factors, at a minimum: (a) the environmental impact of the proposed project; (b) the proposed project's ability to address noncompliance with state/federal
requirements; (c) the extent to which the project promotes economic development; (d) the number of people served by the project and the number of communities the project serves; (e) impacts of the proposed project on disadvantaged/overburdened communities; (f) the grant applicant's prior efforts to secure funding to address the proposed project's objectives; (g) the grant applicant's proposed contribution of other funds or in-kind cost-sharing to the proposed project; (h) the grant applicant's long-term plans for the financial and physical operation and maintenance of the project; (i) the grant applicant's capacity to initiate construction in a timely manner and complete the proposed project by the deadline specified by the United States Department of Treasury rules for ARPA funds; (j) the extent to which the project benefits multiple political subdivisions in a regional manner; (k) the project's ability to enhance public service infrastructure, including transportation and emergency access; and (l) any other factors as determined by the department.

(9) The grant program shall include a specific emphasis on addressing the needs of an economically disadvantaged community, including providing safe, reliable drinking water in areas that lack infrastructure, providing sewage treatment capacity in unsewered areas and providing regional development of infrastructure to serve multiple communities.

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

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

(12) (a) Monies must be disbursed under this section in compliance with the guidelines, guidance, rules, regulations or other criteria, as may be amended from time to time, of the United States Department of the Treasury regarding the use of monies from the Coronavirus State Fiscal Recovery Fund, established by the American Rescue Plan of 2021.

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

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

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

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

(16) The department shall be exempt from provisions of the
Public Procurement Review Board for any requirements of personal
or professional service contracts or the pre-approval of the
solicitation for such contracts used in the execution of its
responsibilities under this act. This subsection shall stand
repealed on January 1, 2026.
(17) The provisions of this section shall stand repealed on January 1, 2027.

SECTION 2. A public utility as defined in Section 77-3-3(d)(iv) shall not deny or refuse services to any business entity solely on the basis that the entity is a licensee under the Mississippi Medical Cannabis Act.

SECTION 3. Section 27-104-7, Mississippi Code of 1972, as amended by Senate Bill No. 2818, 2022 Regular Session, and House Bill No. 1421, 2022 Regular Session, is amended as follows:

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

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

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

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

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

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

(ii) One (1) member appointed by the Governor to serve for a term ending on June 30, 2020;
(iii) One (1) member appointed by the Governor to serve for a term ending on June 30, 2021;
(iv) One (1) member appointed by the Lieutenant Governor to serve for a term ending on June 30, 2019; and
(v) One (1) member appointed by the Lieutenant Governor to serve for a term ending on June 30, 2020.

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

(c) When appointing members to the Public Procurement Review Board, the Governor and Lieutenant Governor shall take into consideration persons who possess at least five (5) years of management experience in general business, health care or finance for an organization, corporation or other public or private entity. Any person, or any employee or owner of a company, who receives any grants, procurements or contracts that are subject to approval under this section shall not be appointed to the Public Procurement Review Board. Any person, or any employee or owner of a company, who is a principal of the source providing a personal or professional service shall not be appointed to the Public Procurement Review Board if the principal owns or controls a greater than five percent (5%) interest or has an ownership value of One Million Dollars ($1,000,000.00) in the source's business, whichever is smaller. No member shall be an officer or employee
of the State of Mississippi while serving as a voting member on
the Public Procurement Review Board.

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

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

(2) The Public Procurement Review Board shall have the
following powers and responsibilities:
(a) Approve all purchasing regulations governing the purchase or lease by any agency, as defined in Section 31-7-1, of commodities and equipment, except computer equipment acquired pursuant to Sections 25-53-1 through 25-53-29;

(b) Adopt regulations governing the approval of contracts let for the construction and maintenance of state buildings and other state facilities as well as related contracts for architectural and engineering services. The provisions of this paragraph (b) shall not apply to such contracts involving buildings and other facilities of state institutions of higher learning which are self-administered as provided under this paragraph (b) or Section 37-101-15(m);

(c) Adopt regulations governing any lease or rental agreement by any state agency or department, including any state agency financed entirely by federal funds, for space outside the buildings under the jurisdiction of the Department of Finance and Administration. These regulations shall require each agency requesting to lease such space to provide the following information that shall be published by the Department of Finance and Administration on its website: the agency to lease the space; the terms of the lease; the approximate square feet to be leased; the use for the space; a description of a suitable space; the general location desired for the leased space; the contact information for a person from the agency; the deadline date for the agency to have received a lease proposal; any other specific
terms or conditions of the agency; and any other information deemed appropriate by the Division of Real Property Management of the Department of Finance and Administration or the Public Procurement Review Board. The information shall be provided sufficiently in advance of the time the space is needed to allow the Division of Real Property Management of the Department of Finance and Administration to review and preapprove the lease before the time for advertisement begins;

(d) Adopt, in its discretion, regulations to set aside at least five percent (5%) of anticipated annual expenditures for the purchase of commodities from minority businesses; however, all such set-aside purchases shall comply with all purchasing regulations promulgated by the department and shall be subject to all bid requirements. Set-aside purchases for which competitive bids are required shall be made from the lowest and best minority business bidder; however, if no minority bid is available or if the minority bid is more than two percent (2%) higher than the lowest bid, then bids shall be accepted and awarded to the lowest and best bidder. However, the provisions in this paragraph shall not be construed to prohibit the rejection of a bid when only one (1) bid is received. Such rejection shall be placed in the minutes. For the purposes of this paragraph, the term "minority business" means a business which is owned by a person who is a citizen or lawful permanent resident of the United States and who is:
(i) Black: having origins in any of the black racial groups of Africa;

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

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

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

(v) Female;

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

(f) Promulgate rules and regulations governing the solicitation and selection of contractual services personnel, including personal and professional services contracts for any form of consulting, policy analysis, public relations, marketing, public affairs, legislative advocacy services or any other contract that the board deems appropriate for oversight, with the exception of any personal service contracts entered into by any agency that employs only nonstate service employees as defined in
Section 25-9-107(c), any personal service contracts entered into for computer or information technology-related services governed by the Mississippi Department of Information Technology Services, any personal service contracts entered into by the individual state institutions of higher learning, any personal service contracts entered into by the Mississippi Department of Transportation, any personal service contracts entered into by the Department of Human Services through June 30, 2019, which the Executive Director of the Department of Human Services determines would be useful in establishing and operating the Department of Child Protection Services, any personal service contracts entered into by the Department of Child Protection Services through June 30, 2019, any contracts for entertainers and/or performers at the Mississippi State Fairgrounds entered into by the Mississippi Fair Commission, any contracts entered into by the Department of Finance and Administration when procuring aircraft maintenance, parts, equipment and/or services, any contract entered into by the Department of Public Safety for service on specialized equipment and/or software required for the operation at such specialized equipment for use by the Office of Forensics Laboratories, * * *
any personal or professional service contract entered into by the Mississippi Department of Health and/or the Department of Revenue solely in connection with their respective responsibilities under the Mississippi Medical Cannabis Act from February 2, 2022, through June 30, 2023, any contract for attorney, accountant,
actuary auditor, architect, engineer, anatomical pathologist, utility rate expert services, ... any personal service contracts approved by the Executive Director of the Department of Finance and Administration and entered into by the Coordinator of Mental Health Accessibility through June 30, 2022, any personal or professional services contract entered into by the State Department of Health in carrying out its responsibilities under the ARPA Rural Water Associations Infrastructure Grant Program through June 30, 2026, and any personal or professional services contract entered into by the Mississippi Department of Environmental Quality in carrying out its responsibilities under the Mississippi Municipality and County Water Infrastructure Grant Program Act of 2022, through June 30, 2026. Any such rules and regulations shall provide for maintaining continuous internal audit covering the activities of such agency affecting its revenue and expenditures as required under Section 7-7-3(6)(d). Any rules and regulation changes related to personal and professional services contracts that the Public Procurement Review Board may propose shall be submitted to the Chairs of the Accountability, Efficiency and Transparency Committees of the Senate and House of Representatives and the Chairs of the Appropriation Committees of the Senate and House of Representatives at least fifteen (15) days before the board votes on the proposed changes, and those rules and regulation changes, if adopted, shall be promulgated in accordance with the Mississippi Administrative Procedures Act.
(g) Approve all personal and professional services contracts involving the expenditures of funds in excess of Seventy-five Thousand Dollars ($75,000.00), except as provided in paragraph (f) of this subsection (2) and in subsection (8);

(h) Develop mandatory standards with respect to contractual services personnel that require invitations for public bid, requests for proposals, record keeping and financial responsibility of contractors. The Public Procurement Review Board shall, unless exempted under this paragraph (h) or under paragraph (i) or (o) of this subsection (2), require the agency involved to submit the procurement to a competitive procurement process, and may reserve the right to reject any or all resulting procurements;

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

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

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

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

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

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

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

(o) Develop and implement the following standards and procedures for the approval of any sole source contract for personal and professional services regardless of the value of the procurement:

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

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

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

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

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

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

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

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

(iv) If any person or entity objects and proposes that the personal or professional service published under subparagraph (iii) of this paragraph (o) is not a sole source service and can be provided by another person or entity, then the objecting person or entity shall notify the Public Procurement Review Board and the agency that published the proposed sole source contract with a detailed explanation of why the personal or professional service is not a sole source service.
(v) 1. If the agency determines after review that the personal or professional service in the proposed sole source contract can be provided by another person or entity, then the agency must withdraw the sole source contract publication from the procurement portal website and submit the procurement of the personal or professional service to an advertised competitive bid or selection process.

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

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

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

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

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

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

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

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

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

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

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

(6) No member of the Public Procurement Review Board shall use his or her official authority or influence to coerce, by threat of discharge from employment, or otherwise, the purchase of commodities, the contracting for personal or professional services, or the contracting for public construction under this chapter.

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

(8) Nothing in this section shall impair or limit the authority of the Board of Trustees of the Public Employees’ Retirement System to enter into any personal or professional services contracts directly related to their constitutional obligation to manage the trust funds, including, but not limited to, actuarial, custodial banks, cash management, investment consultant and investment management contracts.

(9) Notwithstanding the exemption of personal and professional services contracts entered into by the Department of Human Services and personal and professional services contracts entered into by the Department of Child Protection Services from the provisions of this section under subsection (2)(f), before the
Department of Human Services or the Department of Child Protection Services may enter into a personal or professional service contract, the department(s) shall give notice of the proposed personal or professional service contract to the Public Procurement Review Board for any recommendations by the board. Upon receipt of the notice, the board shall post the notice on its website and on the procurement portal website established by Sections 25-53-151 and 27-104-165. If the board does not respond to the department(s) within seven (7) calendar days after receiving the notice, the department(s) may enter the proposed personal or professional service contract. If the board responds to the department(s) within seven (7) calendar days, then the board has seven (7) calendar days from the date of its initial response to provide any additional recommendations. After the end of the second seven-day period, the department(s) may enter the proposed personal or professional service contract. The board is not authorized to disapprove any proposed personal or professional services contracts. This subsection shall stand repealed on July 1, 2022.

SECTION 4. This act shall take effect and be in force from and after its passage.