

STATE OF MISSISSIPPI



JIM HOOD
ATTORNEY GENERAL

April 14, 2016

Honorable Phil Bryant
Governor, State of Mississippi
Post Office Box 139
Jackson, Mississippi 39205

Honorable Tate Reeves
Lieutenant Governor
Post Office Box 1018
Jackson, Mississippi 39215

Honorable Philip Gunn
Speaker of the House
Mississippi House of Representatives
Post Office Box 1018
Jackson, Mississippi 39215

Honorable Terry C. Burton
President Pro Tempore
Mississippi Senate
Post Office Box 1018
Jackson, Mississippi 39215

Honorable Greg Snowden
Speaker Pro Tempore
Mississippi House of Representatives
Post Office Box 1018
Jackson, Mississippi 39215

Honorable Eugene S. (Buck) Clarke
Chairman, Senate Appropriations
Post Office Box 1018
Jackson, Mississippi 39215

Honorable Herb Frierson
Chairman, House Appropriations
Post Office Box 1018
Jackson, Mississippi 39215

Re: Senate Bill 2362

Gentlemen:

The conference committee report of Senate Bill 2362 was just released. Our preliminary research shows us that we will lose over \$20 million dollars in federal funds by eliminating the ability for state agencies to charge other state agencies a fee for services (see attached schedule). The business model of state agencies charging for services has worked well for decades and a major benefit of interagency transactions is that the state is able to draw down these federal dollars which reduces the cost to the General Fund.

I am also attaching my letter dated March 3, 2016, which addresses some of our concerns and request that Senate Bill 2362 be recommitted and studied for further consideration during next year's session to determine the full impact this legislation may have on the operations of state government.

Sincerely,


Jim Hood
Attorney General