

LEGISLATIVE UPDATE

JANUARY 9, 2026

The Mississippi Legislature convened the 2026 Regular Session at noon on Tuesday, and both chambers moved quickly to begin committee and floor activity. As expected, education policy, particularly school choice, emerged immediately as a central focus.

SENATE ACTIVITY

The Senate moved swiftly on education-related legislation during the opening days of the session. On Tuesday, the Senate Education Committee introduced and passed three bills:

- SB 2002 – Revises public school transfer law to allow students to attend another public school district that has accepted them without approval from their home district. Receiving districts may charge reasonable tuition to offset funding impacts.
- SB 2001 – Provides a \$2,000 across-the-board pay raise for teachers, assistant teachers, community college instructors, and CTE coaches.
- SB 2003 – Allows retired teachers to return to the classroom while continuing to draw PERS benefits and provides an opportunity for other PERS retirees to become teachers through the alternative licensure path, responding to a reported statewide teacher shortage of approximately 3,800 educators.

All three measures passed the full Senate on Wednesday morning following floor debate. SB 2002 generated the most discussion and passed with 19 votes in opposition.

The Senate also advanced a significant state retirement funding proposal. The Senate Appropriations Committee passed SB 2004, which allocates \$500 million from the Capital Expense Fund and an additional \$500 million over ten years (\$50 million annually) to PERS. The full Senate passed the bill unanimously on Wednesday, making it the first piece of legislation to clear a chamber this session.

HOUSE ACTIVITY

House leadership rolled out its long-anticipated school choice proposal this week. On Tuesday afternoon, Speaker Jason White convened a House GOP caucus meeting to preview the legislation.

On Wednesday, Speaker White and Rep. Jansen Owen introduced House Bill 2, the Mississippi Educational Freedom Act of 2026. The bill is a broad education reform package focused primarily on school choice and educator support. Key provisions include:

- Creation of Magnolia Student Accounts, a statewide education savings account program for approved educational expenses.
- Establishment of an Education Freedom Fund to support student accounts and mitigate funding impacts from student transfers.
- Changes to public school transfer policies, removing home-district approval requirements.
- Expands high quality charter schools to apply anywhere in the state, not just limited areas.
- Expansion of homeschool access to extracurricular activities.
- Educator and system reforms, including assistant teacher pay increases, flexibility in rehiring retired teachers, and PERS Tier 5 adjustments.
- Additional provisions addressing literacy, school safety, workforce programs, and accountability.

The House Education Committee held a public hearing on HB 2 Wednesday afternoon, with testimony from both supporters and opponents. No vote was taken, and further consideration is expected next week.

Separately, the House introduced [HB 3](#), a Certificate of Need (CON) reform bill modeled after HB 569 from the 2025 session, which was vetoed by Governor Reeves. The revised bill removes provisions that previously raised concerns. Chairman Sam Creekmore passed the bill out of House Public Health on Wednesday, and it now awaits action in the House State Affairs committee. We expect additional CON-related legislation to be considered this session as well.

ECONOMIC DEVELOPMENT NEWS

Outside the Capitol, Governor Tate Reeves joined xAI founder Elon Musk on Thursday to announce a major economic development project in Southaven. xAI will locate a new data center in DeSoto County, representing an investment exceeding \$20 billion and creating hundreds of permanent jobs.

The data center, known as MACROHARDR, will be housed in a retrofitted building near xAI's power plant site and an existing Tennessee data center. Once operational, the facility will increase xAI's computing capacity to nearly 2 gigawatts. Operations are expected to begin in February 2026.

The project is expected to generate significant tax revenue supporting public safety, education, and other local services. xAI has been approved for the Mississippi Development Authority's Data Center Incentive program, which provides sales and use tax exemptions on qualifying equipment, with additional local support through fee-in-lieu agreements.

LEGISLATIVE DEADLINES

Though early committee activity has been limited, several key deadlines are quickly approaching:

- Wednesday, January 14 – Deadline to request drafting of general bills and constitutional amendments
- Monday, January 19 – Deadline for introduction of general bills and constitutional amendments
- Tuesday, February 3 – Deadline for committees to report bills originating in their own chamber
- Tuesday, February 12 – Deadline for original floor action on own-house bills