

ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Mississippi

The Voice of Mississippi's Engineering Industry.

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TAX PANELS – SPECIAL STUDY COMMITTEES

House Speaker, Philip Gunn and Lt. Gov. Tate Reeves have appointed special study committees to see how “your tax dollars” are being spent. There have been several hearings and more to go. Democrats are blaming the Republicans for sinking revenues because of the corporate tax breaks. Republicans are saying it is from a flagging national and state economy.

Speaker Gunn wants comprehensive reform of tax policy. This will be most difficult on a bipartisan basis. An economist with the national Tax Foundation think tank, gave a lengthy presentation on how Mississippi ranks with other states.

“Overall, Mississippi is in a good place,” said Tax Foundation economist Nicole Kaeding. “There are a number of things you do well here”. She made some recommendations to lawmakers that the state needs to “broaden the base” of its sales tax by eliminating exemptions for things such as prescription drugs, lawyers and doctors and other service providers. She also recommended that lawmakers figure out how much money is needed to build and maintain roads, and set the state’s gasoline tax to cover it, preferably indexed for inflation as opposed to the current flat 18 cents a gallon.

Reeves and Gunn said they want Mississippian’s input on tax reform and are seeking comments via email at mstaxpolicy@ls.ms.gov.

Tax talk: (as reported by the Clarion Ledger)

The overall state and local tax burden on Mississippians as a percentage of personal income is 8.6% or 10th lowest in the nation. Mississippi’s individual income tax rate, with a 5% top bracket, is in line with surrounding states, with most either at or above that rate.

Mississippi’s Sales tax rate of 7% is the second highest in the country. But when the state’s relative lack of local sales taxes is factored in, that ranking drops to 20th.

Mississippi’s corporate income tax rate of 5% is lower than most surrounding states, such as Alabama 6.5 %, Arkansas 6.5%, Louisiana 8% and Tennessee 6.5%.

The Tax Foundation this year ranked Mississippi 20th overall in its “State Business Tax Climate Index” and 13th for corporate taxes.

Each State Agency is being drilled on how they spend their money. Your Executive Director is attending those hearings relevant to you and has reported on one of the MDOT hearings. Keep watch for upcoming Legislative Alerts.



NEW MEMBERS

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IMPORTANT DATES TO REMEMBER

October 24, 2016—EEA Intent to Enter Deadline

November 17-18, 2016—Fall Fling

December 21, 2016—EEA Projects Due

January 12-13, 2017—EEA Judging

ACEC/MS PRESIDENT'S MESSAGE

By Scott Burge



It is my honor and privilege to have the opportunity to serve as your ACEC/MS president. I sincerely appreciate our organization's previous presidents, board members, committee members, and executive staff for their dedication and excellent leadership. I wish to extend a special thanks to our immediate past president, David Bowman, for his outstanding service and support of ACEC/MS. I would also like for all of us to continue to remember Jimmy Nelson for his many years of exemplary leadership and dedication to the betterment of our organization and profession. Continue to keep Jimmy's family in your thoughts and prayers. With the continued enthusiastic leadership and guidance of our very own Executive Director, Judy Adams, and Administrative Assistant, Jessica Gosa, we look forward to a successful year as the primary voice for the engineering companies of Mississippi.

It is readily apparent that from the very "challenging" legislative session last year and the apparent direction of the legislative committee reviews of state agencies already currently underway prior to the upcoming session, that our **Strategic Goal #1: "Be recognized as the legislative advocate for engineering companies in the promotion and protection of their business interests"** will undoubtedly be our primary focus. An ACEC/MS Planning Day was recently held, which was well attended by executive committee members and various committee chairmen. In addition to our focus on current pressing legislative matters, other primary objectives for the year were reviewed. The primary items identified during this planning session could be summarized as being in the realm of **Membership and Participation**.

Our goal on **Membership** is to continue with efforts of our Strategic Goal #2 - to increase member firms and affiliate memberships. Increase in attendance and **Participation** at ACEC/MS events is an area where improvement is needed. Our Roosevelt Day continues to be a very successfully attended program and I wish to express our thanks to those that support this event so very well. We wish to address a common concern about **Participation** that is typically expressed by some members about time and travel to ACEC/MS events. Efforts are now being initiated to organize programs to be held routinely in the southern area of the state to provide more readily available opportunities for participation and if successful, similar efforts can be extended to other areas of the state.

Our current Bylaws are in need of updating to reflect more current, up to date type practices, as well as some general revisions. The Bylaws, with proposed revisions, will be sent to the membership for review and comment. The revised Bylaws will then be presented to the General Membership at the November meeting for action. We encourage your review and comment on this document.

THANK YOU PAC CONTRIBUTORS 2016

A special thank you to the PAC contributors, thus far, for 2016. This year is a special year since it is election year!

Judy Adams, ACEC/MS; **Dax Alexander**, Brown, Mitchell & Alexander, Inc.; **Jeff Allen**, Allen Engineering & Science; **Hunter Arnold**, Waggoner Engineering; **David Bowman**, Neel-Schaffer, Inc.; **Scott Burge**, A. Garner Russell & Associates, Inc.; **Bill Burle**, W.L. Burle Engineers; **Ronald Cassada**, Gardner Engineering, P.A.; **Michael Corkern**, ACE Consulting & Design, LLC; **Ed Dedeaux**, Allen & Hoshall; **David Dennis**, Burns Cooley Dennis, Inc.; **Bob Diamond**, Batson & Brown, Inc.; **Jeff Dungan**, Dungan Engineering P.A.; **Robert Eley**, Eley-Barkley, P.A.; **Greg Gearhart**, WGK, Inc.; **Kenneth Geno**, Cook Coggin Engineers, Inc.; **Jeff Graves**, Chas. N. Clark Associates; **Carey Hardin**, Clearwater Consultants, Inc.; **Jonathan Henry**, Volkert, Inc.; **Hayden Kaiser III**, Jordan, Kaiser & Sessions, LLC; **Paul King**, Waggoner Engineering, Inc.; **David Leard**, The Johnson-McAdams Firm, Inc.; **Darrell Martinek**, W.L. Burle Engineers; **Elmore Moody**, CivilTech; **Wayne Morrison**, Williams, Clark & Morrison; **Jon D. Rice**, Jon D. Rice & Associates, LLC; **Ricky Simon**, Terracon; **Stanley Spradling**, Calvert-Spradling Engineers; **John Szabo**, Covington Civil & Environmental, LLC; **Kyle Wallace**, Shows, Dearman & Waits, Inc.; **Charles Williford**, Thompson Engineering; and **Buddy Wolverton**, Wolverton Engineering, Inc.

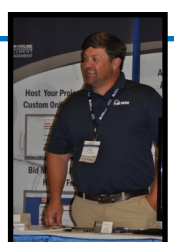
The PAC Goal for this year is \$12,164.00. To meet our goal we still lack another \$6,314.00 to go. There will be another chance to donate at our Fall Fling, November 17-18, 2016.

FFA Releases Final Rules on Commercial Use of Drones

The FAA has released the final rule governing the commercial use of small unmanned aircraft systems (UAS). It will take effect 60 days after publication in the Federal Register. Here is the summary of the rule from FAA: www.faa.gov/uas/media/Part_107_Summary.pdf. More information, including the full text, can be found here: www.faa.gov/uas. The final rule is very similar to the initial proposed rule in many respects:

- vehicle weight limit of 55 pounds, including everything on board the aircraft at takeoff;
- only line-of-sight operations, which can be aided by a visual observer;
- daylight operations only, except 30 minutes before sunrise and 30 minutes after sunset with appropriate vehicle lighting;
- no operation over people on the ground not participating in the operation or not under a covered structure or in a stationary vehicle;
- maximum altitude of 400 feet above ground level, and maximum ground speed of 100 mph; and,
- pilot must have a remote UAS certificate, which requires an aeronautical knowledge test.

The rule includes a broad waiver mechanism to allow individual operations to deviate from many of the operational restrictions if the FAA decides that the proposed operation can safely be conducted under the terms of a certificate of waiver. This may facilitate some beyond-line-of-sight operations - which ACEC advocated in our comments - if the FAA finds that technology has improved to address their safety concerns. Existing Section 333 exemption holders will be grandfathered under the new rules and may continue to operate under the terms and conditions of their exemption until it expires. They may also choose to conduct operations under the new framework. With respect to the height limit, the rule allows unmanned aircraft to fly higher than 400 feet if it is within a 400-foot radius of a structure, up to an altitude of 400 feet above the structure's immediate uppermost limit. This will allow the inspection of towers, buildings, tall bridges and other structures. Lastly, on state and local preemption, the rule does not contain an explicit preemption provision. In its explanation, the agency states that many privacy and property protections are left to the purview of state and local governments and outside the scope of the rule. The FAA has put out a guidance memo on state and local UAS regulation that makes a strong case for leaving most operational restrictions to the federal framework. That document can be found here:



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ACEC PRESIDENT'S UPDATE

By Dave Raymond

General

- The ACEC Board of Directors voted unanimously to accept the Rhode Island Consulting Engineers (RICE) as the Council's 52nd Member Organization; the new ACEC/Rhode Island delegation will be formally welcomed at the board meeting at the Fall Conference in Colorado Springs.
- ACEC's outside auditors for our FY 2016 annual audit reported that the Council's "sound financial practices and procedures are exemplary."
- ACEC/PAC passed the \$600,000 mark in total receipts for the calendar year, with Connecticut and Idaho joining Indiana, Hawaii, Wisconsin, South Carolina, Tennessee, Montana, and Delaware in meeting their annual PAC goals. ACEC/Louisiana has contributed \$2,000 to help the more than 350 employees of the Louisiana DOT hit hard by the recent catastrophic flooding in the southern part of the state; ACEC members throughout the country are encouraged to contribute to the DOT Employee Assistance Fund – [click here](#) for the donation form and please refer to ACEC in the comments section.

Government Advocacy

- Urged the Speaker of the House and the leadership of the House Appropriations Committee to support a provision in the 2017 State and Foreign Operations Appropriations bill that would restore the ability of the Export-Import Bank to make loans, bypassing Sen. Richard Shelby's (R-AL) hold-up of President Obama's new nominees for the Ex-Im Board as a means of thwarting the Bank.
- Senator Ben Cardin (D-MD) wrote a strong letter to the Secretaries of Treasury and Housing and Urban Development addressing concerns raised by ACEC that public building owners are demanding a refund from firms claiming a tax deduction under Section 179D to promote energy efficient buildings.
- The Federal Aviation Administration (FAA) announced that it will develop a regulatory framework to allow some commercial use of unmanned aircraft systems (UAS) over people on the ground, a move supported by ACEC.
- Joined with 22 other stakeholder organizations in objecting to the inclusion of greenhouse gas emissions in proposed FHWA performance management requirements for State DOTs and metropolitan planning organizations.
- Backed the nomination of two member firm executives to represent the industry on a North American Electric Reliability Corporation (NERC) committee that will develop standards to implement the FERC supply chain cybersecurity rule.
- The Environment and Energy Committee summer meeting featured briefings on congressional consideration of the Water Resources Development Act (WRDA), comprehensive energy legislation, NEPA reform, the water utility of the future, and the FERC/NERC supply chain cyber security rule and standards development.
- ACEC/PAC co-hosted fundraising events for Senator Roy Blunt (R-MO) and House Members Don Beyer (D-VA), Cheri Bustos (D-IL), Emanuel Cleaver (D-MO), Peter DeFazio (D-OR), Dan Lipinski (D-IL), Mark Pocan (D-WI), Mike Quigley (D-IL), Kurt Schrader (D-OR), and Juan Vargas (D-CA).
- ACEC/PAC also coordinated in-state PAC check presentations for Reps. Susan Brooks (R-IN), Larry Bucshon (R-IN), and Ryan Zinke (R-MT).



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