



BUILDING ON
Mississippi Momentum

A Blueprint for Lasting Prosperity



MISSISSIPPI CENTER FOR
PUBLIC POLICY

Building on Mississippi's Momentum

A Blueprint for Lasting Prosperity

Mississippi is undergoing a historic turnaround.

For as long as anyone can remember, our state seemed to rank last by many economic measures. Growth was slow, and far too many young Mississippians left to pursue better opportunities elsewhere.

This is starting to change.

Over the past five years, Mississippi has experienced more economic growth than in the previous fifteen years combined. In 2024 alone, the state recorded the second-fastest GDP growth in the nation while also posting one of the most rapid increases in average household income.

What once was a trickle of new investment has become a steady stream. Since 2020, more than \$40 billion in investment projects have been announced. Robust economic momentum is now visible across the Gulf Coast, the Pine Belt, DeSoto County, Madison and Rankin counties, and the university corridors of Oxford and Starkville.

This progress has not happened by accident. It is the direct result of the free-market reforms implemented in recent years.

To sustain and accelerate this momentum, however, Mississippi must go further. This paper outlines the next set of targeted reforms needed to build on our state's emerging success.

What Got Us Here?

The Key Reforms That Have Laid the Foundation

- Historic Tax Cuts (2022–2025): Phasing the income tax to a flat 4% by 2026, cutting the grocery tax from 7% to 5%, and easing business inventory taxes. Corporate filings are up 8% since 2022; families have more take-home pay.
- Flexible labor laws: Right-to-Work & Occupational Licensing Reform (2021) made it easier to work in our state and has encouraged red tape repeal by authorizing boards.
- Affordable Energy: Electricity rates averaging 13.43¢/kWh continue to attract energy-intensive projects, including two major data centers in the Jackson metro area.
- School funding reform (2024): Giving each student in the public school system a personalized budget has helped improve outcomes and is an important step towards parent power.
- Fiscal Restraint: The FY 2026 general-fund budget of \$7.135 billion—the state-funded portion—reflects genuine discipline, preserving surpluses for further tax relief.

These policies help explain why Mississippi, so long a laggard, is now becoming a key part of the South's economic success story.

The Next Phase

Bold Reforms to Build on Mississippi's Momentum

I. Universal School Choice

Mississippi already assigns every public-school student a personalized education budget. Let families control it.

- Enact a phased-in universal Education Savings Account (ESA) program modeled on Arkansas's LEARNS Act.
- Phase 1 (2026–27): Target 10,000–15,000 students at ~\$6,800 each using existing K-12 funds.
- Phase 2: Expand to 60,000 students.
- Phase 3: Universal eligibility for all 438,000+ public-school students.
- Allow funds for public, private, charter, homeschool, tutoring, or therapy—driving competition and excellence the way phonics reform already lifted NAEP scores.

II. Repeal of Certificate-of-Need (CON) Laws

Mississippi's CON regime blocks competition, hampers investment in healthcare, and costs taxpayers millions.

- Partial repeal CON requirements over some of the 19 regulated services (hospital beds, MRIs, surgery centers, home health, etc.).
- Grant Advanced Practice Registered Nurses full practice authority by removing mandatory physician collaboration agreements that suppress workforce participation and inflate healthcare costs - without expanding scope of practice. More than half of U.S. states already allow APRNs to practice independently, with strong evidence of equal or better outcomes and improved rural access.
- Expected outcomes: lower healthcare costs by up to 15%, expanded rural access, \$2 million annual savings for the Department of Health.

As long as this red tape remains in place, Mississippi is at a competitive disadvantage in attracting healthcare professionals and investment.

The Next Phase (Cont.)

Bold Reforms to Build on Mississippi's Momentum

III. Conservative Spending

To protect tax cuts and eventually eliminate the income tax entirely (\$2.1 billion revenue impact), government growth must be capped.

- Limit annual general fund increases to inflation + population growth.
- Projected cap (starting from FY 2026 \$7.135 billion baseline at 2.5% inflation + 0% pop. growth):
 - FY 2027: \$7.313 billion
 - FY 2028: \$7.496 billion
 - FY 2031: \$8.072 billion
- Generates predictable surpluses of \$300 - \$800 million annually by 2031 for tax relief or infrastructure without deficits.

IV. Sweeping Regulatory Reduction

Mississippi ranks 38th in regulatory freedom with over 143,000 restrictions - more than Florida or Tennessee.

- Set a binding target: cut the regulatory code 25% by 2030.
- Immediate actions: universal occupational-license reciprocity for all out-of-state certificate holders (Arizona model) and wholesale permit streamlining.
- Mercatus Center estimates a 10% cut alone adds \$1.2 billion to GDP over five years.

The Next Phase (Cont.)

Bold Reforms to Build on Mississippi's Momentum

V. Transparent, Merit-Based Public Procurement

Taxpayers deserve maximum value, not favoritism.

- Amend Miss. Code § 31-7-13 to require competitive bidding or fully transparent RFPs/RFQs for all professional-service contracts over \$50,000.
- Tighten sole-source rules: mandatory PPRB approval, public justification, and 30-day challenge period.
- Explicitly prohibit contract awards based on race, ethnicity, gender identity, religious views, or national origin—awards must be based solely on price, quality, and expertise.

VI. Real Welfare-to-Work Requirements

Despite 56,000 open jobs and 3.2% unemployment, labor-force participation remains the nation's lowest at 53.9%.

- Require all able-bodied TANF and SNAP recipients ages 18–59 to engage in 30 hours/week of work, job search, or training (exemptions only for verified disability or infants under 6 months).
- Enforce meaningful sanctions for non-compliance—proven in Arkansas (+20% employment) and Georgia (+15%).

Conclusion: Finish What We Started

Mississippi's momentum is real, but there is nothing inevitable about our state's continued success. Every major reform we have achieved faced fierce opposition and required relentless advocacy. The same resolve is now required to cross the finish line.

With universal school choice, free-market healthcare, capped government, lighter regulation, honest procurement, and real welfare-to-work rules, Mississippi will not just catch up—we will lead the South and the nation.

What Happens Now?

Legislative and Executive Actions Needed in 2026

To turn this blueprint into law, the following specific bills and actions are required in the 2026 session:

1. Universal School Choice Act (House bill led by Speaker Jason White).
2. Mississippi Healthcare Freedom Act – full CON repeal + APRN full practice authority (build on 2025 House passage).
3. Mississippi Taxpayer Protection Act – constitutional spending cap (inflation + population growth).
4. Regulatory Relief Act of 2026 – 25% regulatory reduction target + universal licensing reciprocity.
5. Mississippi Professional Services Procurement Reform Act – merit-only, competitive bidding amendments to § 31-7-13.
6. Welfare-to-Work Enforcement Act – mandatory 30-hour requirements with sanctions for TANF & SNAP.
7. Executive support: Governor to include all six priorities in his 2026 Executive Budget and State of the State address; direct agencies to identify regulatory cuts and prepare for CON repeal implementation.

About the Mississippi Center for Public Policy

The Mississippi Center for Public Policy is an independent, non-partisan 501(c)(3) dedicated to limited government, free markets, and individual liberty. We have an unmatched track record of turning bold conservative ideas into Mississippi law.

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