Analysis: Miss. lawmakers jockey for BP money

JACKSON - Generally, there's nothing better for a politician than spending "free" money — cash that arrived in the treasury without lawmakers having to vote to raise taxes on their constituents.

But there's already jockeying as lawmakers consider spending $750 million in economic damages that oil giant BP has pledged to pay Mississippi over 12 years.

The money is part of nearly $2.2 billion from BP that's supposed to be spent on Mississippi projects. But the state will have less control over the $1.42 billion that's allotted for environmental restoration and cleanup. State government could spend the economic damages, meant to make up for decreased tax collections following lost economic activity, on pretty much anything.

"This is the Legislature's money," said Andrew Whitehurst of the Gulf Restoration Network. His group says it hopes Mississippi will spend on infrastructure projects that improve water quality.

Lawmakers held to the pledge to spend money for coast-centered projects when they allotted the first $38.5 million of BP money earlier this year. Higher education was the big winner in the first funding round, with $22.5 million going to building projects, scholarships and research funds at the University of Southern Mississippi, Mississippi Gulf Coast Community College and Pearl River Community College. The Mississippi Development Authority got nearly $13 million for various projects, including $5 million to be spent on improvements at Keesler Air Force Base. Finally, the Department of Archives and History was allotted a little more than $3 million, mainly for Mississippi's bicentennial of statehood next year.

Last year, a commission appointed by Gov. Phil Bryant called Go Coast 2020 issued a report with a number of suggestions about how to spend BP money in general. They included ultra-high-speed internet service; creating industrial development sites, including a technology park at Stennis Space Center; more worker training; a fund to invest in new and expanding businesses; and expanding the Gulfport airport and subsidizing more airline service there.

Last week, Lt. Gov. Tate Reeves held a meeting in Long Beach to say that he wants to spend the money on ways that will grow the economy. This is a consistent Reeves theme: that what is maybe state government's biggest job is to encourage private investment in Mississippi.

But that report may not be the final word on the subject. Bryant spokesman Clay Chandler said last week that "the Go Coast 2020 report is a good starting point, and Gov. Bryant hopes the group stays involved in the process moving forward."

Reeves told the Sun Herald the report "at worst is a good beginning." But he now plans additional meetings in Hancock, Harrison and Jackson counties to ask people how the money should be spent, duplicating the Go Coast 2020 process.
What's important to remember is that money is fungible — one dollar can substitute for another. Mississippi could spend all the BP money on the coast but devote less bond money to the region, either spending more on projects elsewhere, or borrowing less.

Read or Share this story: http://on.thec-l.com/2bKIPxa