



Mississippi House of Representatives Weekly Summary

Week of February 18, 2013

This week, members of the House turned their focus toward budget matters, with both the Appropriations and Ways and Means committees very active. The Appropriations committee deals with spending the state's money and is charged with designing the FY 2014 State Budget, which begins July 1. The Ways and Means committee focuses on sources of state revenue. This committee crafts bills used as vehicles to fund the government. Early projections suggest the budget for FY2014 will be close to \$5.6 billion.

On Tuesday morning, members of State Treasurer Lynn Fitch's office delivered a presentation to Ways and Means committee members on bond issuances and indebtedness. Bonds and notes are issued in four primary categories: capital improvement, economic development, highways and bridges, and refunding issues. The first step in the process begins with the Legislature authorizing the bonds. The State Bond Commission (the Governor, Attorney General and Treasurer) issues the bonds on an as-needed basis once a project is ready to move forward. The reason for this is to avoid arbitrage rebate penalties that occur when you earn more interest on unspent proceeds than the bond yield. As of February 1, 2013, Mississippi's total bond indebtedness is approximately \$4 billion, down 1.6 percent from FY12. Earlier this session, the House passed House Bill 1049 (HB1049), which retired almost \$200 million in bonds that have been authorized through the years but not used.

On the House floor this week, the Ways and Means committee brought forward and passed several bills. [House Bill 1618](#) (HB1618) provides bonds to fund \$360 million over three years in capital improvements (building renovations and repairs) for colleges and universities. Approximately \$7.2 million each will be given to Delta State University, Mississippi University for Women, Alcorn State University and Mississippi Valley State University. Jackson State University will receive \$12 million; the University of Southern Mississippi will receive \$16 million; Mississippi State University will receive \$20 million; the University of Mississippi will receive \$18 million; and the University of Mississippi Medical Center will receive \$14 million.

On the House floor Wednesday, House members first addressed Special Funds Appropriations bills and then moved to tackle General Funds Appropriations bills. The amounts appropriated to each agency were determined based on agency needs, not what the agency already had in its coffers. Members approved 54 of the bills brought forward by the Appropriations Committee. In the next few weeks, members will be faced with addressing the 54 budget bills originating in the Senate.