

By: Representative Compretta (By Request)

To: Transportation;  
Appropriations

HOUSE BILL NO. 735

1 AN ACT TO AMEND SECTION 27-103-127, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE REQUIREMENT THAT THE ANNUAL BUDGET OF THE DEPARTMENT  
3 OF TRANSPORTATION SHALL BE SEPARATED INTO SPECIFIED PROGRAM BUDGET  
4 AREAS; AND FOR RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 SECTION 1. Section 27-103-127, Mississippi Code of 1972, is  
7 amended as follows:

8 27-103-127. To the end that the overall budget shall present  
9 in comparable terms a complete summary of all financial operations  
10 of all state agencies, Part 2 of the overall budget shall include  
11 therein the requested budget and the recommended budget for each  
12 special fund agency. The overall budget shall show for each  
13 special fund agency, in addition to such other information as may  
14 be prescribed by the Legislative Budget Office, the following:

15 (a) The amount by source of all special fund receipts  
16 collected or otherwise available in the current fiscal year and an  
17 estimate by source of all special funds which will be collected or  
18 become available by the end of the then current fiscal year;

19 (b) The estimated amount of all expenditures to be made  
20 or obligations to be incurred payable from such special funds  
21 during the then current fiscal year;

22 (c) The estimated aggregate amount of special funds  
23 which will be needed by the agency for the succeeding fiscal year;  
24 beginning with the 1995 fiscal year and, in the event that any  
25 services proposed to be provided by the agency in the succeeding  
26 fiscal year are Medicaid reimbursable, any state general matching  
27 funds necessary for such reimbursement shall be included in the

28 agency's proposed budget, and the appropriation to the Division of  
29 Medicaid in the 1995 fiscal year shall be adjusted accordingly;

30 (d) The estimated amount by source of special funds  
31 which will be available under existing laws during the succeeding  
32 fiscal year, including any balances which will be on hand at the  
33 close of the then current fiscal year;

34 (e) The estimated amount which will be needed and which  
35 will require change in existing law or laws;

36 (f) If any new item of expense is included in the  
37 proposed budget of any special fund agency, the reason therefor  
38 shall be given; and in any case where the Legislative Budget  
39 Office shall eliminate or reduce any item or items in the proposed  
40 budget of any special fund agency, it shall note briefly the  
41 reasons therefor, together with the reasons advanced by the agency  
42 in support of the item or items eliminated or reduced;

43 (g) The proposed budget of each special fund agency  
44 shall show the amounts required for operating expenses separately  
45 from the amounts required for permanent improvements.

46 Proposed expenditures for any agency in Part 2 of the overall  
47 budget shall not exceed the amount of estimated revenues which  
48 will be available to it. Provided, that the Legislative Budget  
49 Office may recommend changes in existing law so as to decrease or  
50 increase the revenues available to any agency if in its judgment  
51 such changes are necessary or desirable.

52 Provided further, that expenditures approved or authorized by  
53 the Legislature for any special fund agency or special funds  
54 approved for general fund agency shall constitute a maximum to be  
55 expended or encumbered by such agency, and shall not constitute  
56 authority to expend or encumber more than the amount of revenue  
57 actually collected or otherwise received.

58 No special fund agency or general fund agency shall make  
59 expenditures from special funds available to such agency unless  
60 such expenditures are set forth in a budget approved by the  
61 Legislature. Such legislative approval shall be set forth in an  
62 appropriation act. Provided, however, that special funds derived  
63 from the collection of taxes for any political subdivision of the  
64 state shall be excepted from the foregoing provisions. The

65 executive head of the state agency shall be liable on his official  
66 bond for expenditures or encumbrances which exceed the total  
67 amount of the budget or the amount received if receipts are less  
68 than the approved budget.

69         Provided, however, that each university and college shall  
70 submit through the Board of Trustees of State Institutions of  
71 Higher Learning an annual budget to the Legislative Budget Office  
72 prior to the beginning of each fiscal year with such information  
73 and in such form, and in such detail, as may be required by the  
74 Legislative Budget Office. If the Legislative Budget Office  
75 determines that sufficient funds will be available during the  
76 fiscal year to fund the proposed budget as submitted, then and in  
77 that event the proposed budget shall be approved. However, if the  
78 Legislative Budget Office determines that, in its judgment,  
79 sufficient funds will not be available to fund the proposed  
80 budget, the affected institution or institutions and the Board of  
81 Trustees of State Institutions of Higher Learning shall be  
82 promptly notified and given an opportunity to either justify the  
83 proposed budget or proposed amendments which can be mutually  
84 agreed upon. The Legislative Budget Office shall then approve the  
85 proposed budget or budgets of the several universities and  
86 colleges. The total amount approved for each institution shall  
87 constitute the maximum funds which may be expended during the  
88 fiscal year.

89         The municipal, county or combined municipal and county port  
90 and harbor commissions, authorities or other port or harbor  
91 agencies not owned or operated by the state, shall submit annual  
92 or amended budgets of their estimated receipts and expenditures to  
93 the governing bodies of such municipality, county or municipality  
94 and county, for their approval, and a copy of such budget as  
95 approved by such governing body or bodies shall be filed with the  
96 Legislative Budget Office. Such budget shall itemize all  
97 estimated receipts and expenditures, and the Legislative Budget

98 Office may require particularization, explanation or audit  
99 thereof, and shall report such information to the Legislature.

100 To the end that the overall budget shall present in  
101 comparable terms a complete summary of all financial operations of  
102 all state agencies, Part 3 of such overall budget shall consist of  
103 an estimated preliminary annual budget of the Department of  
104 Transportation and the Office of State Aid Road Construction of  
105 the Department of Transportation and such information for the  
106 current fiscal year as is necessary to make presentation  
107 comparable to that specified for Part 2 special fund agencies.

108 The annual budget request of the Department of Transportation  
109 shall be divided into the following program budgets: (a)  
110 administration and other expenses, (b) construction, (c)  
111 maintenance, and (d) debt service. \* \* \* For the purposes of this  
112 paragraph, "administration and other expenses" shall \* \* \* mean  
113 those expenses incurred due to departmental support activities  
114 which cannot be assigned to a specific construction or maintenance  
115 project and shall \* \* \* include expenses incurred for office  
116 machines, furniture, fixtures, automobiles, station wagons, trucks  
117 and other vehicles, road machinery, farm equipment and other  
118 working equipment, data processing and computer equipment, all  
119 other equipment, and replacements for equipment. "Construction"  
120 shall \* \* \* mean those expenses associated with the creation and  
121 development of the state highway system and its related  
122 facilities; "maintenance" shall \* \* \* mean those expenses incurred  
123 due to activities associated with preservation of safe and  
124 aesthetically acceptable highways in an attempt to maintain them  
125 in as close to the original condition as possible; and "debt  
126 service" shall \* \* \* mean amounts needed to pay bonds and interest  
127 coming due, bank service charges, and bond debt service.

128 SECTION 2. This act shall take effect and be in force from  
129 and after its passage.