

By: Senator(s) Jackson

To: Appropriations

SENATE BILL NO. 2491

1 AN ACT TO CREATE A SPECIAL FUND TO BE DESIGNATED AS THE
2 "INSTITUTIONS OF HIGHER LEARNING REPAIR AND RENOVATION FUND" TO BE
3 USED FOR THE REPAIR, RENOVATION AND IMPROVEMENT OF EXISTING
4 FACILITIES UNDER THE CONTROL OF THE STATE INSTITUTIONS OF HIGHER
5 LEARNING; TO CREATE A SPECIAL FUND TO BE DESIGNATED AS THE
6 "COMMUNITY COLLEGE REPAIR AND RENOVATION FUND" TO BE USED FOR THE
7 REPAIR, RENOVATION AND IMPROVEMENT OF EXISTING FACILITIES OWNED BY
8 THE COMMUNITY AND JUNIOR COLLEGES; TO CREATE A SPECIAL FUND TO BE
9 DESIGNATED AS THE "STATE AGENCY REPAIR AND RENOVATION FUND" TO BE
10 USED FOR THE REPAIR, RENOVATION AND IMPROVEMENT OF EXISTING
11 FACILITIES OWNED BY THE STATE OF MISSISSIPPI, EXCEPT FOR THOSE
12 FACILITIES UNDER THE CONTROL OF STATE INSTITUTIONS OF HIGHER
13 LEARNING AND THOSE FACILITIES OWNED BY COMMUNITY AND JUNIOR
14 COLLEGES; TO PROVIDE FOR THE TRANSFER OF A CERTAIN AMOUNT OF FUNDS
15 FROM THE WORKING CASH-STABILIZATION RESERVE FUND TO THE STATE
16 AGENCY REPAIR AND RENOVATION FUND, THE INSTITUTIONS OF HIGHER
17 LEARNING REPAIR AND RENOVATION FUND AND THE COMMUNITY COLLEGE
18 REPAIR AND RENOVATION FUND; TO AMEND SECTION 27-103-203,
19 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT UNDER CERTAIN
20 CIRCUMSTANCES A CERTAIN AMOUNT OF UNENCUMBERED CASH IN THE GENERAL
21 FUND SHALL BE TRANSFERRED TO THE REPAIR AND RENOVATION FUNDS; TO
22 AMEND SECTIONS 27-103-125 AND 27-103-139, MISSISSIPPI CODE OF
23 1972, TO PROVIDE THAT FOR THE PURPOSE OF THE FORMULATION OF A
24 BALANCED BUDGET FOR THE STATE, THE UNENCUMBERED BALANCES IN
25 GENERAL FUNDS THAT WILL BE AVAILABLE AT THE CLOSE OF THE FISCAL
26 YEAR SHALL NOT INCLUDE PROJECTED AMOUNTS REQUIRED TO BE DEPOSITED
27 INTO THE REPAIR AND RENOVATION FUND; AND FOR RELATED PURPOSES.

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

29 SECTION 1. There is hereby created in the State Treasury a
30 special fund to be designated as the "Institutions of Higher
31 Learning Repair and Renovation Fund" which shall consist of monies
32 appropriated or otherwise made available therefor by the
33 Legislature. Interest earned on monies in the special fund shall
34 be deposited to the credit of such fund and money shall not lapse
35 at the end of the fiscal year into the State General Fund. Money
36 in the special fund shall be appropriated by the Legislature and
37 allocated by the Bureau of Building, Grounds and Real Property
38 Management, Department of Finance and Administration, for the

39 repair, renovation and improvement of existing facilities under
40 the control of the state institutions of higher learning,
41 including utility infrastructure projects; heating, ventilation
42 and air conditioning systems; and the replacement of furniture and
43 equipment. However, the cost of such repair, renovation and
44 improvement for any one project shall not exceed One Million
45 Dollars (\$1,000,000.00). For the purposes of this section, the
46 term "furniture and equipment" shall be limited to the types of
47 furniture and equipment items previously recorded in the
48 institution's inventory.

49 SECTION 2. (1) There is hereby created in the State
50 Treasury a special fund to be designated as the "Community College
51 Repair and Renovation Fund" which shall consist of monies
52 appropriated or otherwise made available therefor by the
53 Legislature. Within the special fund, the State Treasury shall
54 establish a subaccount for each community and junior college.
55 Interest earned on monies in the special fund shall be deposited
56 to the credit of such fund and money shall not lapse at the end of
57 the fiscal year into the State General Fund. Money in the special
58 fund shall be appropriated by the Legislature and allocated by the
59 Bureau of Building, Grounds and Real Property Management,
60 Department of Finance and Administration, for the repair,
61 renovation and improvement of existing facilities owned by the
62 community and junior colleges, including utility infrastructure
63 projects; heating, ventilation and air conditioning systems; and
64 the replacement of furniture and equipment. However, the cost of
65 such repair, renovation and improvement for any one project shall
66 not exceed One Million Dollars (\$1,000,000.00).

67 (2) Monies in the special fund shall be allocated to each
68 community college's subaccount as follows:

69 (a) One-half (1/2) divided equally among the fifteen
70 (15) public community and junior colleges; and

71 (b) One-half (1/2) divided upon the basis of the number
72 of full-time academic, technical and vocational public community
73 and junior college students actually enrolled and in attendance on
74 the last day of the sixth week of the Fall semester of the
75 preceding year counting only those students who reside within the

76 State of Mississippi. On or before December 1 of each year, the
77 State Board for Community and Junior Colleges shall furnish the
78 Bureau of Building, Grounds and Real Property Management, the
79 Department of Finance and Administration, the enrollment
80 information required in this paragraph (b), including the
81 percentage of statewide enrollment attributed to each community
82 and junior college.

83 (3) For the purposes of this section, the term "furniture
84 and equipment" shall be limited to the types of furniture and
85 equipment items previously recorded in the community college's
86 inventory.

87 SECTION 3. There is hereby created in the State Treasury a
88 special fund to be designated as the "State Agency Repair and
89 Renovation Fund" which shall consist of monies appropriated or
90 otherwise made available therefor by the Legislature. Interest
91 earned on monies in the special fund shall be deposited to the
92 credit of such fund and money shall not lapse at the end of the
93 fiscal year into the State General Fund. Money in the special
94 fund shall be appropriated by the Legislature and allocated by the
95 Bureau of Building, Grounds and Real Property Management,
96 Department of Finance and Administration, for the repair,
97 renovation and improvement of existing facilities owned by the
98 State of Mississippi, except for those facilities under the
99 control of the institutions of higher learning and those
100 facilities owned by the community and junior colleges. Such
101 repair, renovation and improvements shall include utility
102 infrastructure projects; heating, ventilation and air conditioning
103 systems; and the replacement of furniture and equipment owned by
104 the State of Mississippi. However, the cost of such repair,
105 renovation and improvement for any one project shall not exceed
106 One Million Dollars (\$1,000,000.00). For the purposes of this
107 section, the term "furniture and equipment" shall be limited to
108 the types of furniture and equipment items previously recorded in

109 the agency's inventory.

110 SECTION 4. On October 15, 1999, any balances in excess of
111 Two Hundred Million Dollars (\$200,000,000.00) in the Working
112 Cash-Stabilization Reserve Fund created pursuant to Section
113 27-103-203, Mississippi Code of 1972, shall be transferred by the
114 State Treasurer as follows:

115 (a) Fifty percent (50%) to the State Agency Repair and
116 Renovation Fund created pursuant to Section 3 of this act;

117 (b) Twenty-five percent (25%) to the Institutions of
118 Higher Learning Repair and Renovation Fund created pursuant to
119 Section 1 of this act; and

120 (c) Twenty-five percent (25%) to the Community College
121 Repair and Renovation Fund created pursuant to Section 2 of this
122 act.

123 SECTION 5. Section 27-103-203, Mississippi Code of 1972, is
124 amended as follows:

125 27-103-203. (1) (a) There is created in the State Treasury
126 a special fund, separate and apart from any other fund, to be
127 designated the Working Cash-Stabilization Reserve Fund * * *.

128 (b) There shall be deposited into the Working
129 Cash-Stabilization Reserve Fund one hundred percent (100%) of the
130 unencumbered General Fund cash balance at the close of each fiscal
131 year until such time as the balance in the fund reaches Forty
132 Million Dollars (\$40,000,000.00).

133 (c) Except as otherwise provided in paragraph (d) of
134 this subsection (1), after the balance in the fund reaches Forty
135 Million Dollars (\$40,000,000.00), fifty percent (50%) of the
136 unencumbered General Fund cash balance at the close of each fiscal
137 year, not to exceed Two Hundred Million Dollars
138 (\$200,000,000.00) * * *, shall be deposited into the fund. The
139 remainder of the year-end unencumbered cash after transfer to the
140 Working Cash-Stabilization Reserve Fund shall remain in the
141 General Fund * * *. In the event that the balance of the Working

142 Cash-Stabilization Reserve Fund reaches Two Hundred Million
143 Dollars (\$200,000,000.00) * * *, fifty percent (50%) of the
144 unencumbered General Fund cash balance shall be transferred into
145 the Education Enhancement Fund and the remainder shall remain in
146 the General Fund; provided, however, that if the remainder is in
147 excess of Thirty Million Dollars (\$30,000,000.00), fifty percent
148 (50%) of such remainder, not to exceed Twenty Million Dollars
149 (\$20,000,000.00), shall remain in the General Fund, and the rest
150 of such remainder, not to exceed Twenty Million Dollars
151 (\$20,000,000.00), shall be transferred as follows:

152 (i) Fifty percent (50%) to the State Agency Repair
153 and Renovation Fund created pursuant to Section 3 of Senate Bill
154 No. 2491, 1999 Regular Session;

155 (ii) Twenty-five percent (25%) to the Institutions
156 of Higher Learning Repair and Renovation Fund created pursuant to
157 Section 1 of Senate Bill No. 2491, 1999 Regular Session; and

158 (iii) Twenty-five percent (25%) to the Community
159 College Repair and Renovation Fund created pursuant to Section 2
160 of Senate Bill No. 2491, 1999 Regular Session.

161 Any remaining General Fund cash balance shall remain in the
162 General Fund. Unencumbered cash in the General Fund may be used
163 for new year cash flow needs and may also be used for deficit
164 appropriations or regular appropriations.

165 (2) The Working Cash-Stabilization Reserve Fund shall not be
166 considered as a surplus or available funds when adopting a
167 balanced budget as required by law. The State Treasurer shall
168 invest all sums in the Working Cash-Stabilization Reserve Fund not
169 needed for the purposes provided for in this section in
170 certificates of deposit, repurchase agreements and other
171 securities as authorized in Section 27-105-33(d) or 7-9-103, as
172 the State Treasurer may determine to yield the highest market rate
173 available. The interest earned on such sums shall be deposited in
174 the fund until the balance of principal and interest therein

175 reaches Two Hundred Million Dollars (\$200,000,000.00) * * * for
176 the current fiscal year, and all interest earned in excess of
177 amounts necessary to maintain the Two Hundred Million Dollars
178 (\$200,000,000.00) fund balance requirement shall be deposited by
179 the State Treasurer into the State General Fund.

180 (3) The Working Cash-Stabilization Reserve Fund, except for
181 Nineteen Million Dollars (\$19,000,000.00) and the amount of the
182 interest and income earned on the principal of the Ayers Endowment
183 Trust created by Section 37-101-27, shall be used by the State
184 Treasurer for cash flow needs throughout the year when the
185 Executive Director of the Department of Finance and Administration
186 certifies that in his opinion there will be cash flow deficiencies
187 in the State General Fund. No borrowing of monies from other
188 special funds for such purposes as authorized by Section 31-17-101
189 et seq. shall be made as long as an unencumbered balance in excess
190 of Nineteen Million Dollars (\$19,000,000.00) and the interest and
191 income earned on the principal of the Ayers Endowment Trust
192 created by Section 37-101-27 remains in the fund. The State
193 Treasurer shall reimburse the fund for all sums borrowed for such
194 purposes from General Fund revenues collected during the fiscal
195 year in which such funds are used. The State Treasurer shall
196 immediately notify the Legislative Budget Office and the State
197 Department of Finance and Administration of each transfer into and
198 out of such fund. Four Million Dollars (\$4,000,000.00) in the
199 Working Cash-Stabilization Reserve Fund shall remain available for
200 use pursuant to Section 27-103-81. Fifteen Million Dollars
201 (\$15,000,000.00) in the Working Cash-Stabilization Reserve Fund
202 shall remain available for exclusive use of the Ayers Endowment
203 Trust created by Section 37-101-27.

204 (4) The Working Cash-Stabilization Reserve Fund, except for
205 Forty Million Dollars (\$40,000,000.00), shall also be used for the
206 purpose of covering any projected deficits that may occur in the
207 General Fund at the end of a fiscal year as a result of revenue

208 shortfalls. In the event the Governor determines that a deficit
209 in revenues from all sources may occur, it shall be the duty of
210 the Executive Director of the Department of Finance and
211 Administration to transfer such funds as necessary to the General
212 Fund to alleviate the deficit in accordance with Sections
213 27-104-13 and 31-17-123; however, not more than Fifty Million
214 Dollars (\$50,000,000.00) may be transferred from the fund for such
215 purpose in any one (1) fiscal year. In the event it becomes
216 necessary to apply a part of the fund to this purpose, the amount
217 so applied shall be restored to the Working Cash-Stabilization
218 Reserve Fund out of future annual surpluses, as provided in
219 subsection (1) of this section, until the Two Hundred Million
220 Dollars (\$200,000,000.00) fund balance is again attained.

221 (5) The Working Cash-Stabilization Reserve Fund also shall
222 be used to provide funds for the Disaster Assistance Trust Fund
223 when such funds are immediately needed to provide for disaster
224 assistance under Sections 33-15-103 through 33-15-317. Any
225 transfer of funds from the Working Cash-Stabilization Reserve Fund
226 to the Disaster Assistance Trust Fund shall be made in accordance
227 with the provisions of subsection (5) of Section 33-15-307.

228 (6) The Department of Finance and Administration shall
229 immediately send notice of any transfers made, or other action
230 taken under authority of this section, to the Legislative Budget
231 Office.

232 (7) Funds deposited in the Working Cash-Stabilization
233 Reserve Fund shall be used only for the purposes specified in this
234 section and as long as the provisions of this section remain in
235 effect, no other expenditure, appropriation or transfer of funds
236 in the Working Cash-Stabilization Reserve Fund shall be made
237 except by act of the Legislature making specific reference to the
238 Working Cash-Stabilization Reserve Fund as the source of such
239 funds.

240 SECTION 6. Section 27-103-125, Mississippi Code of 1972, is

241 amended as follows:

242 27-103-125. The proposed budget of each state agency shall
243 show the amounts required for operating expenses separately from
244 the amounts required for permanent improvements. The overall
245 budget shall show, separately by each source, the estimated amount
246 of general fund revenue and of special fund revenues of general
247 fund agencies. The total proposed expenditures in Part 1 of the
248 overall budget shall not exceed the amount of estimated revenues
249 which will be available in the general and special funds for
250 appropriation or use during the succeeding fiscal year, including
251 any balances which will be on hand in the general and special
252 funds at the close of the then current fiscal year. Beginning
253 with the budget for Fiscal Year 1994, the total proposed
254 expenditures from the General Fund in Part 1 of the overall budget
255 shall not exceed ninety-eight percent (98%) of the amount of
256 General Fund revenue estimate for the succeeding fiscal year, plus
257 any unencumbered balances in general funds that will be available
258 and on hand at the close of the then current fiscal year. The
259 General Fund revenue estimate shall be the estimate jointly
260 adopted by the Governor and the Joint Legislative Budget
261 Committee. Unencumbered balances in general funds that will be
262 available and on hand at the close of the current fiscal year
263 shall not include projected amounts required to be deposited into
264 the Working Cash-Stabilization Reserve Fund, the Institutions of
265 Higher Learning Repair and Renovation Fund, the Community College
266 Repair and Renovation Fund, the State Agency Repair and Renovation
267 Fund and the Education Enhancement Fund pursuant to Section
268 27-103-203. The Legislative Budget Office may recommend
269 additional taxes or sources of revenue if in its judgment such
270 additional funds are necessary to adequately support the functions
271 of the state government.

272 SECTION 7. Section 27-103-139, Mississippi Code of 1972, is
273 amended as follows:

274 27-103-139. On or before November 15 preceding each regular
275 session of the Legislature, except the first regular session of a
276 new term of office, the Governor shall submit to the members of
277 the Legislature, the Legislative Budget Office or the
278 members-elect, as the case may be, and to the executive head of
279 each state agency a balanced budget for the succeeding fiscal
280 year. Beginning with the 1996 fiscal year, the budget submitted
281 shall be prepared in a format which will include performance
282 measurement data associated with the various programs operated by
283 each agency. The total proposed expenditures in the balanced
284 budget shall not exceed the amount of estimated revenues that will
285 be available for appropriation or use during the succeeding fiscal
286 year, including any balances that will be on hand at the close of
287 the then current fiscal year, as determined by the revenue
288 estimate jointly adopted by the Governor and the Legislative
289 Budget Committee. Beginning with the budget for Fiscal Year 1994,
290 the total proposed expenditures from the General Fund in the
291 balanced budget shall not exceed ninety-eight percent (98%) of the
292 amount of General Fund revenue estimate for the succeeding fiscal
293 year, plus any unencumbered balances in general funds that will be
294 available and on hand at the close of the then current fiscal
295 year. The General Fund revenue estimate shall be the estimate
296 jointly adopted by the Governor and the Joint Legislative Budget
297 Committee. Unencumbered balances in general funds that will be
298 available and on hand at the close of the fiscal year shall not
299 include projected amounts required to be deposited into the
300 Working Cash-Stabilization Reserve Fund, the Institutions of
301 Higher Learning Repair and Renovation Fund, the Community College
302 Repair and Renovation Fund, the State Agency Repair and Renovation
303 Fund and the Education Enhancement Fund pursuant to Section
304 27-103-203.

305 The revenues used in preparing the balanced budget shall be
306 only those revenues that will be available under the general laws

307 of the state as they exist when the balanced budget is prepared,
308 and shall not include any proposed revenues that would become
309 available only after the enactment of new legislation. If the
310 Governor has any recommendations for additional proposed
311 expenditures or proposed revenues that are not included in his
312 balanced budget, he shall submit those recommendations in a
313 supplement that is separate from his balanced budget, and whenever
314 the Governor recommends any such additional proposed expenditures,
315 he also shall recommend proposed revenues that are sufficient to
316 fund the additional proposed expenditures, providing specific
317 details regarding the sources and the total amount of those
318 proposed revenues.

319 The Governor may employ a budget officer for the purpose of
320 receiving information from the State Fiscal Officer and preparing
321 his recommendations on the budget. In the event the Governor
322 determines that information received from the State Fiscal Officer
323 is not sufficient to enable him to prepare his budget
324 recommendations, he may request an appropriation from the
325 Legislature to provide additional staff within the Governor's
326 Office for such purpose. At the first regular session after his
327 election for Governor, the Governor shall submit any budget
328 recommendations plus the required revenue source recommendations
329 no later than January 31 of such year. The Governor shall work
330 with the Legislative Budget Office to design a format whereby the
331 legislative and executive budget recommendations can be published
332 as one (1) report. The recommendations shall be published
333 together in one (1) report beginning with the recommendations for
334 the fiscal year beginning July 1, 1987.

335 SECTION 8. This act shall take effect and be in force from
336 and after October 15, 1999.