MISSISSIPPI LEGISLATURE

REGULAR SESSION 2000

By: Horne

To: Ways and Means

HOUSE BILL NO. 170

AN ACT TO AMEND SECTIONS 43-33-702, 43-33-704, 7-7-1, 1 25-9-107, 25-53-5, 27-103-103, 27-103-127, 27-103-129, 27-104-1, 2 27-104-11 AND 31-7-1, MISSISSIPPI CODE OF 1972, TO REQUIRE THE 3 4 MISSISSIPPI HOME CORPORATION TO COMPLY WITH ALL STATE FISCAL, PURCHASING, BUDGETING AND PERSONNEL LAWS AND RULES AND REGULATIONS 5 PROMULGATED PURSUANT TO SUCH LAWS; AND FOR RELATED PURPOSES. 6 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 8 SECTION 1. Section 43-33-702, Mississippi Code of 1972, is 9 amended as follows: 43-33-702. The Legislature hereby finds and declares: 10 (a) That there exists in the State of Mississippi a 11 severe shortage of adequate, safe and sanitary residential and 12 rental housing available at prices or rentals within the financial 13 14 means of persons of low or moderate income; that this shortage has contributed to and will contribute to the creation and persistence 15 16 of substandard living conditions and is damaging to the health, welfare and prosperity of the residents of this state; 17 (b) That private enterprise and investment have been 18 unable, without assistance, to produce the needed construction or 19 rehabilitation of adequate, safe and sanitary housing at prices or 20 rentals which persons of low or moderate income can afford and to 21 22 provide sufficient long-term mortgage financing for residential or rental housing for occupancy by such persons; 23

That the shortage of adequate and affordable (C) 24 housing can best be addressed through a strong, unified 25 organization which can develop creative approaches to housing 26 production and assistance through active cooperation of public and 27 private entities, including federal, state and local government, 28 29 private nonprofit and for profit entities, community and citizens groups, charitable organizations, and private citizens; that this 30 organization should stimulate private development, construction 31 and rehabilitation, develop a wide range of state housing 32 assistance programs, engage in comprehensive planning, study, 33 research and statewide coordination with respect to low and 34 moderate housing, provide technical, educational and consultative 35 36 services, and promote governmental and community interest in the 37 provision of housing for low and moderate income persons in the state; that this organization should receive appropriations of 38 39 public funds, should be authorized to obtain funding for its programs by issuing its bonds and notes; and that this 40 organization should be authorized to administer available federal, 41 state or local programs and monies and to retain for its corporate 42 purposes all such fees and income generated thereby; 43

44 (d) To aid in remedying these conditions and to accomplish these public purposes, effective September 1, 1989, 45 46 there is created a public body corporate and politic, separate and apart from the state, constituting a governmental instrumentality, 47 to be known as the Mississippi Home Corporation, for the 48 performance of essential public functions. The corporation shall 49 50 be constituted and shall have such powers as provided in this article, but also shall operate in compliance with all state 51 fiscal, purchasing, budgeting and personnel laws and rules and 52 regulations promulgated pursuant to such laws. 53

54 SECTION 2. Section 43-33-704, Mississippi Code of 1972, is

55 amended as follows:

56 43 - 33 - 704. (1) There is created by this article the 57 Mississippi Home Corporation, which shall be a continuation of the 58 corporate existence of the Mississippi Housing Finance Corporation and (a) all property, rights and powers of the Mississippi Housing 59 Finance Corporation are vested in, and shall be exercised by, the 60 corporation, subject, however, to all pledges, covenants, 61 agreements, undertakings and trusts made or created by the 62 Mississippi Housing Finance Corporation; (b) all references to the 63 64 Mississippi Housing Finance Corporation in any other law or regulation shall be deemed to refer to and apply to the 65 66 corporation; and (c) all regulations of the Mississippi Housing Finance Corporation shall continue to be in effect as the 67 regulations of the corporation until amended, supplemented or 68 rescinded by the corporation in accordance with law. 69

70 The corporation is created with power to: raise funds (2) 71 from private investors in order to make such private funds available to finance the acquisition, construction, rehabilitation 72 and improvement of residential and rental housing for persons of 73 low or moderate income within the state; provide financing to 74 qualified sponsors or individuals for a wide range of loans 75 76 including, but not limited to, housing development, mortgage, 77 rehabilitation or energy conservation loans; make loans to private 78 lenders to finance any of these loans; purchase any of these loans from private lenders; refinance, insure or guarantee any of these 79 80 loans; provide for temporary or partial financing for any of these purposes; develop, operate and administer housing programs which 81 82 further its stated goals of improving the availability,

affordability and quality of low and moderate income housing in the state; and make grants or loans to private nonprofit developers, local governments or private persons in furtherance of these goals.

The corporation shall be composed of thirteen (13) 87 (3) The Governor, with the advice and consent of the Senate, 88 members. shall appoint the members of the corporation, who shall be 89 residents of the state and shall not hold other public office. 90 There shall be at least one (1) member and not more than three (3) 91 members appointed from each of the five (5) congressional 92 93 districts in existence on January 1, 1989, and, in addition, (a) from and after September 1, 1980, (i) at least one (1) member 94 shall have at least three (3) years' experience and background in 95 the savings and loan association business, the commercial banking 96 business or the mortgage banking business, (ii) at least one (1) 97 member shall have at least three (3) years' experience and 98 99 background in the residential housing construction industry, (iii) at least one (1) member shall have at least three (3) years' 100 experience and background in the licensed residential housing 101 brokerage business, and (iv) at least one (1) member shall be a 102 member of the general public not engaged in any business, industry 103 104 or activity described in clauses (i) through (iii) of this 105 subparagraph. From and after September 1, 1989, (i) at least one 106 (1) member shall have at least three (3) years' experience and 107 background in the manufactured housing business; (ii) at least one (1) member shall have at least three (3) years' experience and 108 109 background in nonprofit housing development in a Metropolitan 110 Statistical Area (MSA); (iii) at least one (1) member shall have

111 at least three (3) years' experience and background in nonprofit 112 housing development outside a MSA; and (iv) at least (1) member 113 shall be a low or moderate income person qualified for assistance 114 under this article.

(4) Appointments shall be for terms of four (4) years. Each 115 member shall hold office until his successor has been appointed 116 and qualified. Vacancies shall be filled by appointment of the 117 Governor, subject to the advice and consent of the Senate, for the 118 length of the unexpired term only. Any member of the corporation 119 120 shall be eligible for reappointment. Any member of the 121 corporation may be removed by the Governor for misfeasance, malfeasance or willful neglect of duty after reasonable notice and 122 a public hearing, unless the same are expressly waived in writing. 123 Each member of the corporation shall before entering upon his duty 124 take an oath of office to administer the duties of his office 125 faithfully and impartially, and a record of such oath shall be 126 127 filed in the office of the Secretary of State. The corporation 128 shall annually elect from its membership a chairman who shall be eligible for reelection. The corporation shall annually elect 129 from its membership a vice-chairman who shall be eligible for 130 reelection. The corporation shall also elect or appoint, and 131 prescribe the duties of, such other officers (who need not be 132 133 members) as the corporation deems necessary or advisable, and the 134 corporation shall fix the compensation of such officers. The 135 corporation may delegate to one or more of its members, officers, employees or agents such powers and duties as it may deem proper, 136 not inconsistent with this article or other provisions of law. 137 The Executive Director of the Department of Economic and 138 (5)

139 <u>Community</u> Development, the Director of the Veterans' Home Purchase 140 Board and the State Treasurer shall serve as ex officio members of 141 the corporation.

In accomplishing its purposes, the corporation is acting 142 (6) in all respects for the benefit of the people of the state and the 143 performance of essential public functions and is serving a vital 144 public purpose in approving and otherwise promoting their health, 145 welfare and prosperity, and the enactment of the provisions 146 147 hereinafter set forth is for a valid public purpose and is hereby 148 so declared to be such as a matter of express legislative 149 determination.

150 (7) It is the intention of the Legislature by the enactment of this section to effect a recodification of the substance of the 151 provisions of Section 43-33-507 as such section existed prior to 152 its repeal by Laws, 1991, Chapter 528; and the creation of this 153 new Section 43-33-704 shall not be construed to require that 154 155 members of the corporation serving on June 30, 1991, who were 156 appointed and confirmed under Section 43-33-507, be reappointed and reconfirmed in order to continue to serve out the remainder of 157 their terms. 158

159 (8) Notwithstanding the language of this article creating
160 the Mississippi Home Corporation, or the language of Section
161 43-33-702(d) declaring the corporation to be separate and apart
162 from the state, or any other provision of this article, the
163 Mississippi Home Corporation shall comply with all state fiscal,
164 purchasing, budgeting and personnel laws and rules and regulations
165 promulgated pursuant to such laws.

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6 SECTION 3. Section 7-7-1, Mississippi Code of 1972, is

167 amended as follows:

168 7-7-1. (1) As used in this chapter, the terms "State
169 Auditor" and "Auditor" mean the Auditor of Public Accounts.
170 (2) As used in this chapter, the term "State Fiscal Officer"
171 means the official created in Section 27-104-5, acting through the
172 Bureau of Budget and Fiscal Management.

"Agency" means any state board, commission, committee, 173 (3) 174 council, department or unit thereof created by the Constitution or 175 statutes if such board, commission, committee, council, 176 department, unit or the head thereof is authorized to appoint 177 subordinate staff by the Constitution or statute, except a legislative or judicial board, commission, committee, council, 178 department or unit thereof. The term "agency" also means the 179 180 Mississippi Home Corporation.

181 (4) For the purposes of Sections 7-7-1 through 7-7-65, the term "public funds" shall mean all funds which are received, 182 183 collected by, or available for the support of or expenditure by 184 any state department, institution or agency, whether such funds be derived from taxes or from fees collected by such state 185 186 department, institution or agency or from some other source, and which should be included in the entity of the state under 187 188 generally accepted accounting principles, although such funds may 189 not be required by law to be deposited in the State Treasury.

Funds such as endowment funds and research funds, special building and plant funds, funds of a proprietary function, and the like shall be excluded from the meaning of the term, unless specifically required by law to be handled through the State Treasury or unless deemed necessary by the State Fiscal Officer to

195 be included.

196 All funds of state departments, institutions and agencies 197 within the contemplation of this section that are not required by 198 law to be deposited in the State Treasury, or are not declared to be exempt from the provisions of Sections 7-7-1 through 7-7-65 by 199 the State Fiscal Officer shall be reported to the State Fiscal 200 Officer in reports of revenues, expenditures, assets, liabilities, 201 encumbrances, fund balances and other financial statements, at 202 203 such times and in the form required by the State Fiscal Officer.

It is hereby declared to be the intent of this section to provide that all "public funds" necessary to present a complete and comprehensive statement of the fiscal operations of the state government shall be handled through the State Fiscal Officer, whether through State Fiscal Officer receipt warrants and disbursement warrants, as is generally provided, or through the method of reporting, as required herein.

211 SECTION 4. Section 25-9-107, Mississippi Code of 1972, is 212 amended as follows:

213 25-9-107. The following terms, when used in this chapter, 214 unless a different meaning is plainly required by the context, 215 shall have the following meanings:

(a) "Board" shall mean the State Personnel Boardcreated under the provisions of this chapter.

(b) "State service" shall mean all employees of state departments, agencies and institutions as defined herein, except those officers and employees excluded by this chapter.

(c) "Nonstate service" shall mean the followingofficers and employees excluded from the state service by this

chapter. The following are excluded from the state service: 223 224 Members of the state Legislature, their staffs (i) 225 and other employees of the legislative branch; 226 (ii) The Governor and staff members of the immediate Office of the Governor; 227 (iii) Justices and judges of the judicial branch 228 229 or members of appeals boards on a per diem basis; 230 (iv) The Lieutenant Governor, staff members of the 231 immediate Office of the Lieutenant Governor and officers and 232 employees directly appointed by the Lieutenant Governor; 233 (v) Officers and officials elected by popular vote 234 and persons appointed to fill vacancies in elective offices; (vi) Members of boards and commissioners appointed 235 by the Governor, Lieutenant Governor or the state Legislature; 236 237 (vii) All academic officials, members of the teaching staffs and employees of the state institutions of higher 238 learning, the State Board for Community and Junior Colleges, and 239 community and junior colleges; 240 (viii) Officers and enlisted members of the 241 National Guard of the state; 242 (ix) Prisoners, inmates, student or patient help 243 working in or about institutions; 244 245 Contract personnel; provided, that any agency (\mathbf{x}) 246 which employs state service employees may enter into contracts for 247 personal and professional services only if such contracts are approved in compliance with the rules and regulations promulgated 248 by the State Personal Service Contract Review Board under Section 249 250 25-9-120(3). Before paying any warrant for such contractual

251 services in excess of One Hundred Thousand Dollars (\$100,000.00), 252 the Auditor of Public Accounts, or the successor to those duties, 253 shall determine whether the contract involved was for personal or 254 professional services, and, if so, was approved by the State 255 Personal Service Contract Review Board;

(xi) Part-time employees; provided, however, part-time employees shall only be hired into authorized employment positions classified by the board, shall meet minimum qualifications as set by the board, and shall be paid in accordance with the Variable Compensation Plan as certified by the board;

(xii) Persons appointed on an emergency basis for the duration of the emergency; the effective date of the emergency appointments shall not be earlier than the date approved by the State Personnel Director, and shall be limited to thirty (30) working days. Emergency appointments may be extended to sixty (60) working days by the State Personnel Board;

(xiii) Physicians, dentists, veterinarians, nurse practitioners and attorneys, while serving in their professional capacities in authorized employment positions who are required by statute to be licensed, registered or otherwise certified as such, provided that the State Personnel Director shall verify that the statutory qualifications are met prior to issuance of a payroll warrant by the auditor;

(xiv) Personnel who are employed and paid from
funds received from a federal grant program which has been
approved by the Legislature or the Department of Finance and
Administration whose length of employment has been determined to

be time-limited in nature. This subparagraph shall apply to 279 280 personnel employed under the provisions of the Comprehensive 281 Employment and Training Act of 1973, as amended, and other special 282 federal grant programs which are not a part of regular federally 283 funded programs wherein appropriations and employment positions 284 are appropriated by the Legislature. Such employees shall be paid in accordance with the Variable Compensation Plan and shall meet 285 all qualifications required by federal statutes or by the 286 Mississippi Classification Plan; 287

288 (xv) The administrative head who is in charge of 289 any state department, agency, institution, board or commission, 290 wherein the statute specifically authorizes the Governor, board, commission or other authority to appoint said administrative head; 291 provided, however, that the salary of such administrative head 292 shall be determined by the State Personnel Board in accordance 293 with the Variable Compensation Plan unless otherwise fixed by 294 295 statute;

296 (xvi) The State Personnel Board shall exclude top level positions if the incumbents determine and publicly advocate 297 substantive program policy and report directly to the agency head, 298 or the incumbents are required to maintain a direct confidential 299 working relationship with a key excluded official. Provided 300 further, a written job classification shall be approved by the 301 302 board for each such position, and positions so excluded shall be 303 paid in conformity with the Variable Compensation Plan; 304 (xvii) Employees whose employment is solely in

305 connection with an agency's contract to produce, store or 306 transport goods, and whose compensation is derived therefrom;

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(xviii) Repealed;

308 (xix) The associate director, deputy directors and 309 bureau directors within the Department of Agriculture and 310 Commerce;

(xx) Personnel employed by the Mississippi 311 Industries for the Blind; provided, that any agency may enter into 312 contracts for the personal services of MIB employees without the 313 prior approval of the State Personnel Board or the State Personal 314 Service Contract Review Board; however, any agency contracting for 315 316 the personal services of an MIB employee shall provide the MIB 317 employee with not less than the entry level compensation and 318 benefits that the agency would provide to a full-time employee of the agency who performs the same services. 319

(d) "Agency" means any state board, commission, 320 committee, council, department or unit thereof created by the 321 322 Constitution or statutes if such board, commission, committee, 323 council, department, unit or the head thereof, is authorized to 324 appoint subordinate staff by the Constitution or statute, except a legislative or judicial board, commission, committee, council, 325 department or unit thereof. The term "agency" also means the 326 327 <u>Mississippi Home Corporation.</u>

328 SECTION 5. Section 25-53-5, Mississippi Code of 1972, is 329 amended as follows:

330 25-53-5. The authority shall have the following powers,331 duties, and responsibilities:

332 (a) The authority shall provide for the development of
333 plans for the efficient acquisition and utilization of computer
334 equipment and services by all agencies of state government, and

335 provide for their implementation. In so doing, the authority may 336 use the MDITS staff, at the discretion of the executive director 337 of the authority, or the authority may contract for the services 338 of qualified consulting firms in the field of information 339 technology and utilize the service of such consultants as may be 340 necessary for such purposes.

The authority shall immediately institute 341 (b) procedures for carrying out the purposes of this chapter and 342 supervise the efficient execution of the powers and duties of the 343 344 office of executive director of the authority. In the execution 345 of its functions under this chapter, the authority shall maintain as a paramount consideration the successful internal organization 346 and operation of the several agencies so that efficiency existing 347 therein shall not be adversely affected or impaired. In executing 348 349 its functions in relation to the institutions of higher learning and junior colleges in the state, the authority shall take into 350 351 consideration the special needs of such institutions in relation 352 to the fields of teaching and scientific research.

353 (c) Title of whatever nature of all computer equipment 354 now vested in any agency of the State of Mississippi is hereby 355 vested in the authority, and no such equipment shall be disposed 356 of in any manner except in accordance with the direction of the 357 authority or under the provisions of such rules and regulations as 358 may hereafter be adopted by the authority in relation thereto.

(d) The authority shall adopt rules, regulations, and
procedures governing the acquisition of computer and
telecommunications equipment and services which shall, to the
fullest extent practicable, insure the maximum of competition

363 between all manufacturers of supplies or equipment or services. 364 In the writing of specifications, in the making of contracts 365 relating to the acquisition of such equipment and services, and in 366 the performance of its other duties the authority shall provide for the maximum compatibility of all information systems hereafter 367 installed or utilized by all state agencies and may require the 368 use of common computer languages where necessary to accomplish the 369 370 purposes of this chapter. The authority may establish by 371 regulation and charge reasonable fees on a nondiscriminatory basis for the furnishing to bidders of copies of bid specifications and 372 373 other documents issued by the authority.

The authority shall adopt rules and regulations 374 (e) governing the sharing with, or the sale or lease of information 375 technology services to any nonstate agency or person. Such 376 377 regulations shall provide that any such sharing, sale, or lease 378 shall be restricted in that same shall be accomplished only where 379 such services are not readily available otherwise within the 380 state, and then only at a charge to the user not less than the prevailing rate of charge for similar services by private 381 enterprise within this state. 382

383 The authority may, in its discretion, establish a (f) special technical advisory committee or committees to study and 384 make recommendations on technology matters within the competence 385 386 of the authority as the authority may see fit. Persons serving on the Information Resource Council, its task forces, or any such 387 technical advisory committees shall be entitled to receive their 388 actual and necessary expenses actually incurred in the performance 389 of such duties, together with mileage as provided by law for state 390

391 employees, provided the same has been authorized by a resolution 392 duly adopted by the authority and entered on its minutes prior to 393 the performance of such duties.

(g) The authority may provide for the development and require the adoption of standardized computer programs and may provide for the dissemination of information to and the establishment of training programs for the personnel of the various information technology centers of state agencies and personnel of the agencies utilizing the services thereof.

400 (h) The authority shall adopt reasonable rules and 401 regulations requiring the reporting to the authority through the office of executive director of such information as may be 402 403 required for carrying out the purposes of this chapter and may also establish such reasonable procedures to be followed in the 404 405 presentation of bills for payment under the terms of all contracts for the acquisition of computer equipment and services now or 406 407 hereafter in force as may be required by the authority or by the 408 executive director in the execution of their powers and duties.

(i) The authority shall require such adequate
documentation of information technology procedures utilized by the
various state agencies and may require the establishment of such
organizational structures within state agencies relating to
information technology operations as may be necessary to
effectuate the purposes of this chapter.

(j) The authority may adopt such further reasonable rules and regulations as may be necessary to fully implement the purposes of this chapter. All rules and regulations adopted by the authority shall be published and disseminated in readily

accessible form to all affected state agencies, and to all current 419 420 suppliers of computer equipment and services to the state, and to 421 all prospective suppliers requesting the same. Such rules and regulations shall be kept current, be periodically revised, and 422 copies thereof shall be available at all times for inspection by 423 the public at reasonable hours in the offices of the authority. 424 425 Whenever possible no rule, regulation or any proposed amendment to such rules and regulations shall be finally adopted or enforced 426 until copies of said proposed rules and regulations have been 427 428 furnished to all interested parties for their comment and 429 suggestions.

The authority shall establish rules and regulations 430 (k) which shall provide for the submission of all contracts proposed 431 to be executed by the executive director for computer equipment or 432 services to the authority for approval before final execution, and 433 the authority may provide that such contracts involving the 434 435 expenditure of less than such specified amount as may be 436 established by the authority may be finally executed by the executive director without first obtaining such approval by the 437 authority. 438

(1) The authority is authorized to purchase, lease, or rent computer equipment or services and to operate said equipment and utilize said services in providing services to one or more state agencies when in its opinion such operation will provide maximum efficiency and economy in the functions of any such agency or agencies.

(m) The authority shall assist political subdivisionsand instrumentalities in their development of plans for the

447 efficient acquisition and utilization of computer equipment and 448 services. An appropriate fee shall be charged the political 449 subdivision by the authority for such assistance.

450 (n) The authority shall adopt rules and regulations 451 governing the protest procedures to be followed by any actual or prospective bidder, offerer or contractor who is aggrieved in 452 connection with the solicitation or award of a contract for the 453 acquisition of computer equipment or services. Such rules and 454 regulations shall prescribe the manner, time and procedure for 455 456 making protests and may provide that a protest not timely filed 457 shall be summarily denied. The authority may require the 458 protesting party, at the time of filing the protest, to post a bond, payable to the state, in an amount that the authority 459 determines sufficient to cover any expense or loss incurred by the 460 state, the authority or any state agency as a result of the 461 protest if the protest subsequently is determined by a court of 462 463 competent jurisdiction to have been filed without any substantial 464 basis or reasonable expectation to believe that the protest was meritorious; however, in no event may the amount of the bond 465 466 required exceed a reasonable estimate of the total project cost. The authority, in its discretion, also may prohibit any 467 468 prospective bidder, offerer or contractor who is a party to any 469 litigation involving any such contract with the state, the 470 authority or any agency of the state to participate in any other 471 such bid, offer or contract, or to be awarded any such contract, during the pendency of the litigation. 472

(o) The authority shall make a report in writing to the474 Legislature each year in the month of January. Such report shall

475 contain a full and detailed account of the work of the authority 476 for the preceding year as specified in Section 25-53-29(3).

477 All acquisitions of computer equipment and services involving 478 the expenditure of funds in excess of the dollar amount established in Section 31-7-13(c), or rentals or leases in excess 479 of the dollar amount established in Section 31-7-13(c) for the 480 term of the contract, shall be based upon competitive and open 481 specifications, and contracts therefor shall be entered into only 482 after advertisements for bids are published in one or more daily 483 484 newspapers having a general circulation in the state not less than 485 fourteen (14) days prior to receiving sealed bids therefor. The 486 authority may reserve the right to reject any or all bids, and if 487 all bids are rejected, the authority may negotiate a contract within the limitations of the specifications so long as the terms 488 of any such negotiated contract are equal to or better than the 489 comparable terms submitted by the lowest and best bidder, and so 490 491 long as the total cost to the State of Mississippi does not exceed 492 the lowest bid. If the authority accepts one (1) of such bids, it shall be that which is the lowest and best. 493

(p) When applicable, the authority may procure
equipment, systems and related services in accordance with the law
or regulations, or both, which govern the Bureau of Purchasing of
the Office of General Services or which govern the Mississippi
Department of Information Technology Services procurement of
telecommunications equipment, software and services.

(q) The authority is authorized to purchase, lease, or
rent information technology and services for the purpose of
establishing pilot projects to investigate emerging technologies.

These acquisitions shall be limited to new technologies and shall be limited to an amount set by annual appropriation of the Legislature. These acquisitions shall be exempt from the advertising and bidding requirement.

(r) All fees collected by the Mississippi Department of
Information Technology Services shall be deposited into the
Mississippi Department of Information Technology Services
Revolving Fund unless otherwise specified by the Legislature.

511 The Mississippi Home Corporation shall be subject to all 512 regulations, procedures, plans and reports provided for in this 513 section to the same extent as though it were a state agency.

514 SECTION 6. Section 27-103-103, Mississippi Code of 1972, is 515 amended as follows:

516 27-103-103. (1) For the purpose of Sections 27-103-101 517 through 27-103-139 and 27-104-1 through 27-104-27, the term "state 518 general-fund agency" or "general-fund agency" shall mean any 519 agency, department, institution, board or commission of the State 520 of Mississippi which is supported in whole or in part by 521 appropriations from the General Fund; but such term shall not 522 include the Legislature.

For the purposes of Sections 27-103-101 through 523 (2) 27-103-139 and 27-104-1 through 27-104-27, the term "state 524 525 special-fund agency" or "special-fund agency" shall mean any 526 agency, department, institution, board or commission of the State 527 of Mississippi which receives no appropriation from the General 528 Fund, but which is supported entirely from special fund sources, 529 by appropriation, or otherwise, but such term shall not include 530 the Mississippi Department of Transportation; nor shall such term

531 include the Mississippi Industries for the Blind. <u>The term</u> 532 <u>includes the Mississippi Home Corporation.</u>

(3) For the purposes of Sections 27-103-101 through
27-103-139 and 27-104-1 through 27-104-27, the term "state agency"
shall mean any general fund agency or special fund agency as
defined in this section, or the <u>Mississippi Department of</u>
<u>Transportation</u>, or the <u>Office</u> of State Aid Road Construction of
the <u>Mississippi Department of Transportation</u> as is evident from
the context wherein it is used.

540 (4) For the purposes of Sections 27-103-101 through 541 27-103-139 and 27-104-1 through 27-104-27, the term "special funds" shall mean all revenues and/or income other than 542 appropriations from the State General Fund which are received, 543 collected by, or available for the support of or expenditure by 544 any state general-fund agency or special-fund agency or the 545 Mississippi Department of Transportation or the Office of State 546 547 Aid Road Construction of the Mississippi Department of 548 Transportation, whether such funds be derived from taxes or fees collected by or for such general-fund agency or special-fund 549 agency or the Mississippi Department of Transportation or the 550 Office of State Aid Road Construction of the Mississippi 551 552 Department of Transportation, as the case may be, or from any 553 other types of revenue from any other source.

(5) For the purposes of Sections 27-103-101 through 27-103-139 and 27-104-1 through 27-104-27, the term "special funds" shall include revolving funds and all funds received from the United States Government by any state general-fund agency or special-fund agency, but shall not include any revolving fund

559 established prior to July 1, 1984, for the purpose of paying or 560 retiring any indebtedness as is authorized by statute.

561 SECTION 7. Section 27-103-127, Mississippi Code of 1972, is 562 amended as follows:

563 27-103-127. To the end that the overall budget shall present 564 in comparable terms a complete summary of all financial operations 565 of all state agencies, Part 2 of the overall budget shall include 566 therein the requested budget and the recommended budget for each 567 special fund agency. The overall budget shall show for each 568 special fund agency, in addition to such other information as may 569 be prescribed by the Legislative Budget Office, the following:

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

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

577 The estimated aggregate amount of special funds (C) which will be needed by the agency for the succeeding fiscal year; 578 beginning with the 1995 fiscal year and in the event that any 579 580 services proposed to be provided by the agency in the succeeding 581 fiscal year are Medicaid reimbursable, any state general matching 582 funds necessary for such reimbursement shall be included in the 583 agency's proposed budget, and the appropriation to the Division of Medicaid in the 1995 fiscal year shall be adjusted accordingly; 584 The estimated amount by source of special funds 585 (d)

which will be available under existing laws during the succeeding

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587 fiscal year, including any balances which will be on hand at the 588 close of the then current fiscal year;

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

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

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

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

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

613 No special fund agency or general fund agency shall make 614 expenditures from special funds available to such agency unless

615 such expenditures are set forth in a budget approved by the 616 Legislature. Such legislative approval shall be set forth in an 617 appropriation act. Provided, however, that special funds derived 618 from the collection of taxes for any political subdivision of the state shall be excepted from the foregoing provisions. 619 The executive head of the state agency shall be liable on his official 620 bond for expenditures or encumbrances which exceed the total 621 amount of the budget or the amount received if receipts are less 622 than the approved budget. This paragraph does not prohibit the 623 624 Mississippi Home Corporation from expending funds for the 625 retirement of bonds issued under Section 43-33-729.

626 Provided, however, that each university and college shall submit through the Board of Trustees of State Institutions of 627 Higher Learning an annual budget to the Legislative Budget Office 628 prior to the beginning of each fiscal year with such information 629 and in such form, and in such detail, as may be required by the 630 631 Legislative Budget Office. If the Legislative Budget Office determines that sufficient funds will be available during the 632 fiscal year to fund the proposed budget as submitted, then and in 633 that event the proposed budget shall be approved. However, if the 634 Legislative Budget Office determines that, in its judgment, 635 636 sufficient funds will not be available to fund the proposed 637 budget, the affected institution or institutions and the Board of 638 Trustees of State Institutions of Higher Learning shall be 639 promptly notified and given an opportunity to either justify the 640 proposed budget or proposed amendments which can be mutually 641 agreed upon. The Legislative Budget Office shall then approve the 642 proposed budget or budgets of the several universities and

643 colleges. The total amount approved for each institution shall 644 constitute the maximum funds which may be expended during the 645 fiscal year.

The municipal, county or combined municipal and county port 646 and harbor commissions, authorities or other port or harbor 647 agencies not owned or operated by the state, shall submit annual 648 or amended budgets of their estimated receipts and expenditures to 649 650 the governing bodies of such municipality, county or municipality and county, for their approval, and a copy of such budget as 651 652 approved by such governing body or bodies shall be filed with the 653 Legislative Budget Office. Such budget shall itemize all estimated receipts and expenditures, and the Legislative Budget 654 Office may require particularization, explanation or audit 655 thereof, and shall report such information to the Legislature. 656

657 To the end that the overall budget shall present in comparable terms a complete summary of all financial operations of 658 659 all state agencies, Part 3 of such overall budget shall consist of 660 an estimated preliminary annual budget of the Department of Transportation and the Division of State Aid Road Construction of 661 662 the Department of Transportation and such information for the current fiscal year as is necessary to make presentation 663 664 comparable to that specified for Part 2 special fund agencies.

The annual budget request of the Department of Transportation shall be divided into the following program budgets: (a) administration and other expenses, (b) construction, (c) maintenance, and (d) debt service. In making its annual appropriation to the Department of Transportation from the State Highway Fund, the Legislature shall separate the appropriation

671 bill into the four (4) program budget areas herein specified. For 672 the purposes of this paragraph, "administration and other 673 expenses" shall be construed to mean those expenses incurred due 674 to departmental support activities which cannot be assigned to a 675 specific construction or maintenance project, and shall be 676 construed to include expenses incurred for office machines, furniture, fixtures, automobiles, station wagons, truck and other 677 vehicles, road machinery, farm equipment and other working 678 679 equipment, data processing and computer equipment, all other 680 equipment, and replacements for equipment. "Construction" shall 681 be construed to mean those expenses associated with the creation 682 and development of the state highway system and its related 683 facilities; "maintenance" shall be construed to mean those expenses incurred due to activities associated with preservation 684 685 of safe and aesthetically acceptable highways in an attempt to maintain them in as close to the original condition as possible; 686 687 and "debt service" shall be construed to mean amounts needed to pay bonds and interest coming due, bank service charges, and bond 688 debt service. 689

690 SECTION 8. Section 27-103-129, Mississippi Code of 1972, is 691 amended as follows:

692 27-103-129. To enable the Legislative Budget Office to 693 prepare such budget, it shall have full and plenary power and 694 authority to require all general-fund and special-fund agencies 695 and the Mississippi Department of Transportation and the <u>Office</u> of 696 State Aid Road Construction of the Mississippi Department of 697 Transportation to file a budget request with such information and 698 in such form and in such detail as it may deem necessary and

699 advisable, and it shall have the further power and authority to 700 reduce or eliminate any item or items of requested appropriation 701 by any state agency in the Legislative Budget Office's recommended budget to the Legislature. However, where any item of requested 702 appropriation shall be so reduced or eliminated, the head of the 703 agency involved shall have the right to appear before the 704 appropriate legislative committee to urge a revision of the budget 705 706 to restore the item reduced or eliminated. Beginning with the 707 1996 fiscal year, the budget requests shall include a definition 708 of the mission of the agency, a description of the duties and 709 responsibilities of the agency, financial data relative to the 710 various programs operated by the agency and performance measures associated with each program of the agency. The performance 711 measures to be contained within the agency budget request shall be 712 developed by cooperative efforts of the Legislative Budget Office, 713 the Department of Finance and Administration and the agency itself 714 715 and shall be approved jointly by the Legislative Budget Office and 716 the Department of Finance and Administration prior to inclusion within the agency budget request. Beginning with the 1996 fiscal 717 718 year, the budget requests shall also include in an addendum format a five-year strategic plan for the agency which shall include, but 719 720 not be limited to, the following items of information: (a) a 721 comprehensive mission statement, (b) performance effectiveness 722 objectives for each program of the agency for each of the five (5) 723 years covered by the plan, (c) a description of significant external factors which may affect the projected levels of 724 725 performance, (d) a description of the agency's internal management system utilized to evaluate its performance achievements in 726

727 relationship to the targeted performance levels, (e) an evaluation 728 by the agency of the agency's performance achievements in 729 relationship to the targeted performance levels for the two (2) 730 preceding fiscal years for which accounting records have been 731 finalized.

The Mississippi Home Corporation is not required to submit a request for funds to pay principal and interest associated with bonds issued under Section 43-33-729, and is not required to submit a request for funds to pay costs set forth in the bond indenture, but shall submit a request for all other items.

737 SECTION 9. Section 27-104-1, Mississippi Code of 1972, is738 amended as follows:

27-104-1. The Department of Finance and Administration shall 739 be the Fiscal Management Board and shall retain all powers and 740 duties granted by law to the Fiscal Management Board. Wherever 741 the term "Fiscal Management Board" appears in any law the same 742 743 shall mean the Department of Finance and Administration. The Executive Director of the Department of Finance and Administration 744 may assign to the appropriate division or divisions such powers 745 and duties as deemed appropriate to carry out the department's 746 lawful functions. 747

All General Fund agencies shall file a monthly report of receipts, disbursements, assets, liabilities, encumbrances, and fund balances with the Department of Finance and Administration on or before the fifteenth day of the succeeding month. The reports must contain such information and in such form as shall be required by the department. Special fund agencies may be required to file monthly operating statements or reports, or such agencies

755 may be required to file quarterly or annual reports. The 756 determination of the type of reports and the periods to be covered 757 by such reports shall be determined by the Department of Finance 758 and Administration.

The Department of Finance and Administration shall make continuous and careful study of all state agencies and departments and it may make recommendations to the State Legislature for abolition or consolidation or creation of state agencies and departments.

764 Except as otherwise provided by law, Sections 27-104-1
765 through 27-104-29 shall apply to the Mississippi Home Corporation
766 as if it were a state agency.

767 SECTION 10. Section 27-104-11, Mississippi Code of 1972, is 768 amended as follows:

769 27-104-11. No general or special funds received under state 770 law, except those for the Legislature, or those made available for 771 a special or particular purpose with the intention that they shall or may be expended immediately, shall be available for expenditure 772 by the agency entitled thereto until estimates of the amount 773 774 required for the agency shall have been submitted to and approved by the State Fiscal Officer, with copies of such estimates to be 775 776 furnished to the Legislative Budget Office.

This section does not apply to funds used by the Mississippi
 Home Corporation to retire bonds issued in accordance with Section
 43-33-729.

780 SECTION 11. Section 31-7-1, Mississippi Code of 1972, is 781 amended as follows:

782

31-7-1. The following terms are defined for the

783 purposes of this chapter to have the following meanings:

784 "Agency" shall mean any state board, commission, (a) 785 committee, council, university, department or unit thereof created 786 by the Constitution or statutes if such board, commission, committee, council, university, department, unit or the head 787 788 thereof is authorized to appoint subordinate staff by the Constitution or statute, except a legislative or judicial board, 789 commission, committee, council, department or unit thereof. 790 The term agency also means the Mississippi Home Corporation. 791

792 (b) "Governing authority" shall mean boards of 793 supervisors, governing boards of all school districts, all boards 794 of directors of public water supply districts, boards of directors of master public water supply districts, municipal public utility 795 commissions, governing authorities of all municipalities, port 796 authorities, commissioners and boards of trustees of any public 797 hospitals, boards of trustees of public library systems, district 798 799 attorneys, school attendance officers and any political 800 subdivision of the state supported wholly or in part by public funds of the state or political subdivisions thereof, including 801 802 commissions, boards and agencies created or operated under the authority of any county or municipality of this state. The term 803 804 "governing authority" shall not include economic development 805 authorities supported in part by private funds, or commissions 806 appointed to hold title to and oversee the development and 807 management of lands and buildings which are donated by private individuals to the public for the use and benefit of the community 808 809 and which are supported in part by private funds.

810

(c) "Purchasing agent" shall mean any administrator,

811 superintendent, purchase clerk or other chief officer so 812 designated having general or special authority to negotiate for 813 and make private contract for or purchase for any governing 814 authority.

815 (d) "Public funds" shall mean and include any
816 appropriated funds, special funds, fees or any other emoluments
817 received by an agency or governing authority.

(e) "Commodities" shall mean and include the various commodities, goods, merchandise, furniture, equipment, automotive equipment of every kind, and other personal property purchased by the agencies of the state and governing authorities, but not commodities purchased for resale or raw materials converted into products for resale.

(f) "Office of General Services" shall mean the
Department of Finance and Administration. Provided that when
purchases are made for the Legislature or functions under its
jurisdiction, it shall mean the Legislative Budget Office.

(g) "Equipment" shall be construed to include:
automobiles, trucks, tractors, office appliances and all other
equipment of every kind and description.

(h) "Furniture" shall be construed to include: desks,
chairs, tables, seats, filing cabinets, bookcases and all other
items of a similar nature as well as dormitory furniture,
appliances, carpets and all other items of personal property
generally referred to as home, office or school furniture.

(i) "Emergency" shall mean any circumstances caused by
fire, flood, explosion, storm, earthquake, epidemic, riot,
insurrection or caused by any inherent defect due to defective

839 construction, or when the immediate preservation of order or of 840 public health is necessary by reason of unforeseen emergency, or 841 when the immediate restoration of a condition of usefulness of any 842 public building, equipment, road or bridge appears advisable, or in the case of a public utility when there is a failure of any 843 machine or other thing used and useful in the generation, 844 production or distribution of electricity, water or natural gas, 845 or in the transportation or treatment of sewage; or when the delay 846 847 incident to obtaining competitive bids could cause adverse impact 848 upon the governing authorities or agency, its employees or its 849 citizens; or in the case of a public airport, when the delay 850 incident to publishing an advertisement for competitive bids would endanger public safety in a specific (not general) manner, result 851 in or perpetuate a specific breach of airport security, or prevent 852 853 the airport from providing specific air transportation services. 854 SECTION 12. This act shall take effect and be in force from 855 and after July 1, 2000.