

By: Representative McCoy

To: Appropriations

HOUSE BILL NO. 753

1 AN ACT TO PROVIDE THAT EACH STATE AGENCY THAT IS THE ONLY
2 OCCUPANT OF A CAPITAL FACILITY MUST INCLUDE IN ITS ANNUAL BUDGET
3 REQUEST AN AMOUNT THAT IS NOT LESS THAN ONE PERCENT OF THE
4 CONSTRUCTION VALUE OF THE FACILITY FOR PAYMENT OF COSTS OF REPAIR
5 OR RENOVATION OF THE FACILITY DURING THE NEXT FISCAL YEAR, AND THE
6 LEGISLATURE MUST ANNUALLY APPROPRIATE FUNDS TO THE AGENCY IN AN
7 AMOUNT THAT IS NOT LESS THAN ONE PERCENT OF THE CONSTRUCTION VALUE
8 OF THE FACILITY TO BE USED FOR PAYMENT OF COSTS OF REPAIR OR
9 RENOVATION OF THE FACILITY DURING THE NEXT FISCAL YEAR; TO PROVIDE
10 THAT THE PRECEDING PROVISION ALSO APPLIES TO STATE UNIVERSITIES
11 AND COMMUNITY COLLEGES; TO PROVIDE THAT IF A UNIVERSITY OR
12 COMMUNITY COLLEGE IS THE ONLY OCCUPANT OF A CAPITAL FACILITY, THE
13 BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING OR THE
14 STATE BOARD FOR COMMUNITY AND JUNIOR COLLEGES, AS APPROPRIATE,
15 MUST INCLUDE THE REQUIRED AMOUNT FOR PAYMENT OF COSTS OF REPAIR OR
16 RENOVATION OF THE FACILITY IN THE ANNUAL BUDGET REQUEST OF THE
17 BOARD ON BEHALF OF THAT UNIVERSITY OR COMMUNITY COLLEGE, AND THE
18 LEGISLATURE MUST ANNUALLY APPROPRIATE THE REQUIRED AMOUNT OF FUNDS
19 TO THE BOARD TO BE USED FOR PAYMENT OF COSTS OF REPAIR OR
20 RENOVATION OF THE FACILITY ON BEHALF OF THAT UNIVERSITY OR
21 COMMUNITY COLLEGE; TO PROVIDE THAT FUNDS APPROPRIATED TO A STATE
22 AGENCY FOR PAYMENT OF COSTS OF REPAIR OR RENOVATION OF THE CAPITAL
23 FACILITY THAT THE AGENCY OCCUPIES MUST BE EXPENDED EXCLUSIVELY FOR
24 REPAIR OR RENOVATION OF THE FACILITY; TO PROVIDE THAT IF ANY OF
25 THOSE FUNDS APPROPRIATED TO AN AGENCY ARE NOT EXPENDED DURING THE
26 FISCAL YEAR FOR WHICH THEY WERE APPROPRIATED, THE LEGISLATURE MUST
27 REAPPROPRIATE THOSE UNEXPENDED FUNDS TO THE AGENCY FOR PAYMENT OF
28 COSTS OF REPAIR OR RENOVATION OF THE FACILITY DURING THE NEXT
29 FISCAL YEAR, IN ADDITION TO THE AMOUNT REQUIRED TO BE ANNUALLY
30 APPROPRIATED TO THE STATE AGENCY FOR REPAIR OR RENOVATION OF THE
31 FACILITY; TO AMEND SECTIONS 27-103-123, 27-103-127 AND 27-103-129,
32 MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING PROVISIONS;
33 AND FOR RELATED PURPOSES.

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

35 SECTION 1. (1) For the purposes of this section, the term
36 "state agency" will have the meaning as defined under Section
37 27-103-103, and also includes state institutions of higher
38 learning and public community and junior colleges.

39 (2) (a) Each state agency that is the only occupant of a
40 capital facility shall include in its annual budget request, in a

41 separate line item, an amount that is not less than one percent
42 (1%) of the construction value of the facility, for payment of
43 costs of repair or renovation of the facility during the next
44 fiscal year.

45 (b) The Legislature shall include in the annual
46 appropriation to each state agency that is the only occupant of a
47 capital facility, in a separate line item, funds in an amount that
48 is not less than one percent (1%) of the construction value of the
49 facility, to be used for payment of costs of repair or renovation
50 of the facility during the next fiscal year.

51 (3) (a) If an institution of higher learning is the only
52 occupant of a capital facility, the Board of Trustees of State
53 Institutions of Higher Learning shall include the amount for
54 payment of costs of repair or renovation of the facility, as
55 required by subsection (2)(a), in the annual budget request of the
56 board of trustees on behalf of that institution of higher
57 learning, and the Legislature shall annually appropriate to the
58 Board of Trustees of State Institutions of Higher Learning funds
59 to be used for payment of costs of repair or renovation of the
60 facility, as required by subsection (2)(b), on behalf of that
61 institution of higher learning.

62 (b) If a community or junior college is the only
63 occupant of a capital facility, the State Board for Community and
64 Junior Colleges shall include the amount for payment of costs of
65 repair or renovation of the facility, as required by subsection
66 (2)(a), in the annual budget request of the board on behalf of
67 that community or junior college, and the Legislature shall
68 annually appropriate to the State Board for Community and Junior
69 Colleges funds to be used for payment of costs of repair or
70 renovation of the facility, as required by subsection (2)(b), on
71 behalf of that community or junior college.

72 (4) Funds appropriated to a state agency under the
73 provisions of this section for payment of costs of repair or

74 renovation of the capital facility that the state agency occupies
75 must be expended exclusively for repair or renovation of the
76 facility. If any of those funds appropriated to a state agency
77 are not expended during the fiscal year for which they were
78 appropriated, the Legislature shall reappropriate those unexpended
79 funds to the state agency for payment of costs of repair or
80 renovation of the facility during the next fiscal year, in
81 addition to the amount required to be annually appropriated to the
82 state agency under the provisions of subsection (2)(b).

83 SECTION 2. Section 27-103-123, Mississippi Code of 1972, is
84 amended as follows:

85 27-103-123. Part 1 of the overall budget shall include
86 therein the requested budget and the recommended budget for each
87 general fund agency and the proposed revenue by means of which the
88 recommended appropriations can be met.

89 The overall budget shall show, for each general fund agency,
90 in addition to such other information as may be prescribed by the
91 Legislative Budget Office, the following:

92 (a) The amount appropriated from the General Fund for
93 the current fiscal year, all special funds receipts already
94 collected and available in the current fiscal year, and an
95 estimate of all special funds which will be collected, or
96 otherwise will become available, by the end of the then current
97 fiscal year;

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

101 (c) The estimated aggregate amount of funds which will
102 be needed by the agency for the succeeding fiscal year.

103 (i) If any services proposed to be provided by the
104 agency in the succeeding fiscal year are Medicaid reimbursable,
105 any state general matching funds necessary for such reimbursements
106 shall be included in the agency's proposed budget.

107 (ii) If funds are required to be appropriated to
108 the agency under Section 1 of this act for payment of costs of
109 repair or renovation of the capital facility that the agency
110 occupies, the required amount of funds for payment of those costs
111 shall be included in the agency's proposed budget;

112 (d) The estimated aggregate amount of special funds, if
113 any, which will be available during the succeeding fiscal year,
114 including any balances which will be on hand at the close of the
115 then current fiscal year;

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

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

125 SECTION 3. Section 27-103-127, Mississippi Code of 1972, is
126 amended as follows:

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

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

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

141 (c) The estimated aggregate amount of special funds
142 which will be needed by the agency for the succeeding fiscal year.

143 (i) If any services proposed to be provided by the
144 agency in the succeeding fiscal year are Medicaid reimbursable,
145 any state general matching funds necessary for such reimbursement
146 shall be included in the agency's proposed budget;

147 (ii) If funds are required to be appropriated
148 under Section 1 of this act to the agency for payment of costs of
149 repair or renovation of the capital facility that the agency
150 occupies, the required amount of funds for payment of those costs
151 shall be included in the agency's proposed budget;

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

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

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

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

168 Proposed expenditures for any agency in Part 2 of the overall
169 budget shall not exceed the amount of estimated revenues which
170 will be available to it. However, the Legislative Budget Office

171 may recommend changes in existing law so as to decrease or
172 increase the revenues available to any agency if in its judgment
173 such changes are necessary or desirable.

174 * * * Expenditures approved or authorized by the
175 Legislature for any special fund agency or special funds approved
176 for general fund agency shall constitute a maximum to be expended
177 or encumbered by such agency, and shall not constitute authority
178 to expend or encumber more than the amount of revenue actually
179 collected or otherwise received.

180 No special fund agency or general fund agency shall make
181 expenditures from special funds available to such agency unless
182 such expenditures are set forth in a budget approved by the
183 Legislature. Such legislative approval shall be set forth in an
184 appropriation act. * * * However, * * * special funds derived
185 from the collection of taxes for any political subdivision of the
186 state shall be excepted from the foregoing provisions. The
187 executive head of the state agency shall be liable on his official
188 bond for expenditures or encumbrances which exceed the total
189 amount of the budget or the amount received if receipts are less
190 than the approved budget.

191 * * * Each university and college shall submit through the
192 Board of Trustees of State Institutions of Higher Learning an
193 annual budget to the Legislative Budget Office prior to the
194 beginning of each fiscal year with such information and in such
195 form, and in such detail, as may be required by the Legislative
196 Budget Office. If a university or college is the only occupant of
197 a capital facility and the Board of Trustees of State Institutions
198 of Higher Learning is required under Section 1 of this act to pay
199 the costs of repair or renovation of the facility on behalf of
200 that university or college, the university or college, in its
201 proposed annual budget submitted through the board of trustees,
202 shall include the required amount for payment of costs of repair
203 or renovation of the facility. If the Legislative Budget Office

204 determines that sufficient funds will be available during the
205 fiscal year to fund the proposed budget as submitted, then and in
206 that event the proposed budget shall be approved. However, if the
207 Legislative Budget Office determines that, in its judgment,
208 sufficient funds will not be available to fund the proposed
209 budget, the affected institution or institutions and the Board of
210 Trustees of State Institutions of Higher Learning shall be
211 promptly notified and given an opportunity to either justify the
212 proposed budget or proposed amendments which can be mutually
213 agreed upon. The Legislative Budget Office shall then approve the
214 proposed budget or budgets of the several universities and
215 colleges. The total amount approved for each institution shall
216 constitute the maximum funds which may be expended during the
217 fiscal year.

218 The municipal, county or combined municipal and county port
219 and harbor commissions, authorities or other port or harbor
220 agencies not owned or operated by the state, shall submit annual
221 or amended budgets of their estimated receipts and expenditures to
222 the governing bodies of such municipality, county or municipality
223 and county, for their approval, and a copy of such budget as
224 approved by such governing body or bodies shall be filed with the
225 Legislative Budget Office. Such budget shall itemize all
226 estimated receipts and expenditures, and the Legislative Budget
227 Office may require particularization, explanation or audit
228 thereof, and shall report such information to the Legislature.

229 To the end that the overall budget shall present in
230 comparable terms a complete summary of all financial operations of
231 all state agencies, Part 3 of such overall budget shall consist of
232 an estimated preliminary annual budget of the Department of
233 Transportation and the Division of State Aid Road Construction of
234 the Department of Transportation and such information for the
235 current fiscal year as is necessary to make presentation
236 comparable to that specified for Part 2 special fund agencies.

237 The annual budget request of the Department of Transportation
238 shall be divided into the following program budgets: (a)
239 administration and other expenses, (b) construction, (c)
240 maintenance, and (d) debt service. In making its annual
241 appropriation to the Department of Transportation from the State
242 Highway Fund, the Legislature shall separate the appropriation
243 bill into the four (4) program budget areas herein specified. For
244 the purposes of this paragraph, "administration and other
245 expenses" shall be construed to mean those expenses incurred due
246 to departmental support activities which cannot be assigned to a
247 specific construction or maintenance project, and shall be
248 construed to include expenses incurred for office machines,
249 furniture, fixtures, automobiles, station wagons, truck and other
250 vehicles, road machinery, farm equipment and other working
251 equipment, data processing and computer equipment, all other
252 equipment, and replacements for equipment. "Construction" shall
253 be construed to mean those expenses associated with the creation
254 and development of the state highway system and its related
255 facilities; "maintenance" shall be construed to mean those
256 expenses incurred due to activities associated with preservation
257 of safe and aesthetically acceptable highways in an attempt to
258 maintain them in as close to the original condition as possible;
259 and "debt service" shall be construed to mean amounts needed to
260 pay bonds and interest coming due, bank service charges, and bond
261 debt service.

262 SECTION 4. Section 27-103-129, Mississippi Code of 1972, is
263 amended as follows:

264 27-103-129. (1) To enable the Legislative Budget Office to
265 prepare the overall budget, it shall have full and plenary power
266 and authority to require all general-fund and special-fund
267 agencies and the Mississippi Department of Transportation and the
268 Division of State Aid Road Construction of the Mississippi
269 Department of Transportation to file a budget request with such

270 information and in such form and in such detail as it may deem
271 necessary and advisable. The Legislative Budget Office shall have
272 the further power and authority to reduce or eliminate any item or
273 items of requested appropriation by any state agency in the
274 Legislative Budget Office's recommended budget to the Legislature.
275 However, where any item of requested appropriation shall be so
276 reduced or eliminated, the head of the agency involved shall have
277 the right to appear before the appropriate legislative committee
278 to urge a revision of the budget to restore the item reduced or
279 eliminated.

280 (2) * * * The budget requests shall include a definition of
281 the mission of the agency, a description of the duties and
282 responsibilities of the agency, financial data relative to the
283 various programs operated by the agency and performance measures
284 associated with each program of the agency. The performance
285 measures to be contained within the agency budget request shall be
286 developed by cooperative efforts of the Legislative Budget Office,
287 the Department of Finance and Administration and the agency itself
288 and shall be approved jointly by the Legislative Budget Office and
289 the Department of Finance and Administration prior to inclusion
290 within the agency budget request.

291 (3) * * * The budget requests shall also include in an
292 addendum format a five-year strategic plan for the agency which
293 shall include, but not be limited to, the following items of
294 information: (a) a comprehensive mission statement, (b)
295 performance effectiveness objectives for each program of the
296 agency for each of the five (5) years covered by the plan, (c) a
297 description of significant external factors which may affect the
298 projected levels of performance, (d) a description of the agency's
299 internal management system utilized to evaluate its performance
300 achievements in relationship to the targeted performance levels,
301 (e) an evaluation by the agency of the agency's performance
302 achievements in relationship to the targeted performance levels

303 for the two (2) preceding fiscal years for which accounting
304 records have been finalized.

305 (4) If an agency is required under Section 1 of this act to
306 pay the costs of repair or renovation of the capital facility that
307 the agency occupies, the agency's budget request also shall
308 include, in a separate line item, the required amount for payment
309 of costs of repair or renovation of the facility.

310 SECTION 5. This act shall take effect and be in force from
311 and after July 1, 2001.