AN ACT TO PROVIDE THAT EACH STATE AGENCY THAT IS THE ONLY OCCUPANT OF A CAPITAL FACILITY MUST INCLUDE IN ITS ANNUAL BUDGET REQUEST AN AMOUNT THAT IS NOT LESS THAN ONE PERCENT OF THE CONSTRUCTION VALUE OF THE FACILITY FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY DURING THE NEXT FISCAL YEAR, AND THE LEGISLATURE MUST ANNUALLY APPROPRIATE FUNDS TO THE AGENCY IN AN AMOUNT THAT IS NOT LESS THAN ONE PERCENT OF THE CONSTRUCTION VALUE OF THE FACILITY TO BE USED FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY DURING THE NEXT FISCAL YEAR; TO PROVIDE THAT THE PRECEDING PROVISION ALSO APPLIES TO STATE UNIVERSITIES AND COMMUNITY COLLEGES; TO PROVIDE THAT IF A UNIVERSITY OR COMMUNITY COLLEGE IS THE ONLY OCCUPANT OF A CAPITAL FACILITY, THE BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING OR THE STATE BOARD FOR COMMUNITY AND JUNIOR COLLEGES, AS APPROPRIATE, MUST INCLUDE THE REQUIRED AMOUNT FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY IN THE ANNUAL BUDGET REQUEST OF THE BOARD ON BEHALF OF THAT UNIVERSITY OR COMMUNITY COLLEGE, AND THE LEGISLATURE MUST ANNUALLY APPROPRIATE THE REQUIRED AMOUNT OF FUNDS TO THE BOARD TO BE USED FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY ON BEHALF OF THAT UNIVERSITY OR COMMUNITY COLLEGE; TO PROVIDE THAT FUNDS APPROPRIATED TO A STATE AGENCY FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE CAPITAL FACILITY THAT THE AGENCY OCCUPIES MUST BE EXPENDED EXCLUSIVELY FOR REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY; TO PROVIDE THAT THE EXPENDITURE OF THOSE FUNDS FOR REPAIR OR RENOVATION SHALL BE SUBJECT TO THE APPROVAL OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO PROVIDE THAT IF ANY OF THOSE FUNDS APPROPRIATED TO AN AGENCY ARE NOT EXPENDED DURING THE FISCAL YEAR FOR WHICH THEY WERE APPROPRIATED, THE LEGISLATURE MUST REAPPROPRIATE THOSE UNEXPENDED FUNDS TO THE AGENCY FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY DURING THE NEXT FISCAL YEAR, IN ADDITION TO THE AMOUNT REQUIRED TO BE ANNUALLY APPROPRIATED TO THE STATE AGENCY FOR REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY; TO AMEND SECTIONS 27-103-123, 27-103-127 AND 27-103-129, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING PROVISIONS; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) For the purposes of this section, the term "state agency" will have the meaning as defined under Section 27-103-103, and also includes state institutions of higher learning and public community and junior colleges.
(2) (a) Each state agency that is the only occupant of a capital facility shall include in its annual budget request, in a separate line item, an amount that is not less than one percent (1%) of the construction value of the facility, for payment of costs of **repair, renovation or maintenance** of the facility during the next fiscal year.

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

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

(b) If a community or junior college is the only occupant of a capital facility, the State Board for Community and Junior Colleges shall include the amount for payment of costs of **repair, renovation or maintenance** of the facility, as required by subsection (2)(a), in the annual budget request of the board on behalf of that community or junior college, and the Legislature shall annually appropriate to the State Board for Community and Junior Colleges funds to be used for payment of costs of **repair, renovation or maintenance** of the facility, as required by subsection (2)(b), on behalf of that community or junior college.
(4) Funds appropriated to a state agency under the provisions of this section for payment of costs of repair, renovation or maintenance of the capital facility that the state agency occupies must be expended exclusively for repair, renovation or maintenance of the facility. However, the expenditure of such funds for repair or renovation shall be subject to the approval of the Department of Finance and Administration. If any of those funds appropriated to a state agency are not expended during the fiscal year for which they were appropriated, the Legislature shall reappropriate those unexpended funds to the state agency for payment of costs of repair, renovation or maintenance of the facility during the next fiscal year, in addition to the amount required to be annually appropriated to the state agency under the provisions of subsection (2)(b).

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

27-103-123. Part 1 of the overall budget shall include therein the requested budget and the recommended budget for each general fund agency and the proposed revenue by means of which the recommended appropriations can be met. The overall budget shall show, for each general fund agency, in addition to such other information as may be prescribed by the Legislative Budget Office, the following:

(a) The amount appropriated from the General Fund for the current fiscal year, all special funds receipts already collected and available in the current fiscal year, and an estimate of all special funds which will be collected, or otherwise will 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 general or special funds during the then current fiscal year;
(c) The estimated aggregate amount of funds which will be needed by the agency for the succeeding fiscal year.

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

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

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

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

(f) If any new item of expense is included in the proposed budget of any general 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 budget request of any general 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.

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

27-103-127. To the end that the overall budget shall present in comparable terms a complete summary of all financial operations of all state agencies, Part 2 of the overall budget shall include therein the requested budget and the recommended budget for each special fund agency. The overall budget shall show for each special fund agency, in addition to such other information as may 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;  
(c) The estimated aggregate amount of special funds which will be needed by the agency for the succeeding fiscal year.  
   (i) If any services proposed to be provided by the agency in the succeeding fiscal year are Medicaid reimbursable, any state general matching funds necessary for such reimbursement shall be included in the agency's proposed budget;  
   (ii) If funds are required to be appropriated under Section 1 of this act to the agency for payment of costs of repair, renovation or maintenance of the capital facility that the agency occupies, the required amount of funds for payment of those costs shall be included in the agency's proposed budget;  
(d) The estimated amount by source of special funds which will be available under existing laws during the succeeding fiscal year, including any balances which will be on hand at the close of the then current fiscal year;  
(e) The estimated amount which will be needed and which will 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;
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. However, 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.

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.

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

Each university and college shall submit through the Board of Trustees of State Institutions of Higher Learning an annual budget to the Legislative Budget Office prior to the beginning of each fiscal year with such information and in such form, and in such detail, as may be required by the Legislative Budget Office. If a university or college is the only occupant of a capital facility and the Board of Trustees of State Institutions...
of Higher Learning is required under Section 1 of this act to pay the costs of repair, renovation or maintenance of the facility on behalf of that university or college, the university or college, in its proposed annual budget submitted through the board of trustees, shall include the required amount for payment of costs of repair, renovation or maintenance of the facility. If the Legislative Budget Office determines that sufficient funds will be available during the fiscal year to fund the proposed budget as submitted, then and in that event the proposed budget shall be approved. However, if the Legislative Budget Office determines that, in its judgment, sufficient funds will not be available to fund the proposed budget, the affected institution or institutions and the Board of Trustees of State Institutions of Higher Learning shall be promptly notified and given an opportunity to either justify the proposed budget or proposed amendments which can be mutually agreed upon. The Legislative Budget Office shall then approve the proposed budget or budgets of the several universities and colleges. The total amount approved for each institution shall constitute the maximum funds which may be expended during the fiscal year.

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

To the end that the overall budget shall present in comparable terms a complete summary of all financial operations of
all state agencies, Part 3 of such overall budget shall consist of
an estimated preliminary annual budget of the Department of
Transportation and the Division of State Aid Road Construction of
the Department of Transportation and such information for the
current fiscal year as is necessary to make presentation
compative 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
bill into the four (4) program budget areas herein specified. For
the purposes of this paragraph, "administration and other
expenses" shall be construed to mean those expenses incurred due
to departmental support activities which cannot be assigned to a
specific construction or maintenance project, and shall be
construed to include expenses incurred for office machines,
furniture, fixtures, automobiles, station wagons, truck and other
vehicles, road machinery, farm equipment and other working
equipment, data processing and computer equipment, all other
equipment, and replacements for equipment. "Construction" shall
be construed to mean those expenses associated with the creation
and development of the state highway system and its related
facilities; "maintenance" shall be construed to mean those
expenses incurred due to activities associated with preservation
of safe and aesthetically acceptable highways in an attempt to
maintain them in as close to the original condition as possible;
and "debt service" shall be construed to mean amounts needed to
pay bonds and interest coming due, bank service charges, and bond
debt service.

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

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272 27-103-129. (1) To enable the Legislative Budget Office to 
273 prepare the overall budget, it shall have full and plenary power 
274 and authority to require all general-fund and special-fund 
275 agencies and the Mississippi Department of Transportation and the 
276 Division of State Aid Road Construction of the Mississippi 
277 Department of Transportation to file a budget request with such 
278 information and in such form and in such detail as it may deem 
279 necessary and advisable. The Legislative Budget Office shall have 
280 the further power and authority to reduce or eliminate any item or 
281 items of requested appropriation by any state agency in the 
282 Legislative Budget Office's recommended budget to the Legislature. 
283 However, where any item of requested appropriation shall be so 
284 reduced or eliminated, the head of the agency involved shall have 
285 the right to appear before the appropriate legislative committee 
286 to urge a revision of the budget to restore the item reduced or 
287 eliminated.

(2) * * * The budget requests shall include a definition of 
288 the mission of the agency, a description of the duties and 
289 responsibilities of the agency, financial data relative to the 
290 various programs operated by the agency and performance measures 
291 associated with each program of the agency. The performance 
292 measures to be contained within the agency budget request shall be 
293 developed by cooperative efforts of the Legislative Budget Office, 
294 the Department of Finance and Administration and the agency itself 
295 and shall be approved jointly by the Legislative Budget Office and 
296 the Department of Finance and Administration prior to inclusion 
297 within the agency budget request.

(3) * * * The budget requests shall also include in an 
299 addendum format a five-year strategic plan for the agency which 
300 shall include, but not be limited to, the following items of 
301 information: (a) a comprehensive mission statement, (b) 
302 performance effectiveness objectives for each program of the 
303 agency for each of the five (5) years covered by the plan, (c) a
description of significant external factors which may affect the projected levels of performance, (d) a description of the agency's internal management system utilized to evaluate its performance achievements in relationship to the targeted performance levels, (e) an evaluation by the agency of the agency's performance achievements in relationship to the targeted performance levels for the two (2) preceding fiscal years for which accounting records have been finalized.

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

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