HOUSE BILL NO. 1486

AN ACT TO PROHIBIT ANY AGENCY, BOARD, COMMISSION, DEPARTMENT, OR INSTITUTION OF THE STATE OF MISSISSIPPI FROM PURCHASING NEW EQUIPMENT, OR FROM HIRING, PROMOTING, RECLASSIFYING, REALLOCATING OR REALIGNING A PAY GRADE WITH REGARD TO ANY EMPLOYEE(S) OR JOB POSITIONS, DURING THE CURRENT FISCAL YEAR; TO ESTABLISH AN APPEAL PROCEDURE TO THE STATE FISCAL OFFICER FOR EMERGENCY PURCHASES OF EQUIPMENT OR HIRING OF NEW EMPLOYEE(S); TO SET FORTH THE DEMONSTRATION OF THE EMERGENCY THAT MUST BE MADE BY THE AGENCY IN ITS APPEAL; TO PROVIDE THAT THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL BE NOTIFIED OF SUCH AN APPEAL AND THAT COMMITTEE MEMBERS MAY ATTEND THE HEARING ON SUCH AN APPEAL; TO ALLOW THE STATE FISCAL OFFICER, IN HIS DISCRETION, TO AUTHORIZE THE ACTION SOUGHT IN THE APPEAL; TO AMEND SECTION 25-9-116, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO BRING FORWARD SECTIONS 27-104-13 AND 31-17-123, MISSISSIPPI CODE OF 1972, FOR PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) Except as otherwise provided in subsection (2), until June 30, 2001, due to the severe revenue shortfall during the current fiscal year, the following provisions shall apply:

(a) No state agency is authorized to purchase any equipment as defined in Section 31-7-1.

(b) No state agency is authorized to hire, promote, reclassify, reallocate or realign a pay grade with regard to any of its employees or job positions. The State Personnel Board immediately shall suspend all hirings, promotions, reclassifications, reallocations and pay grade realignments of employees or job positions in accordance with Section 25-9-116.

(2) If a state agency determines that it is necessary to purchase any equipment or to hire any new employee(s) before July 1, 2001, the agency is authorized to appeal to the State Fiscal
Officer. The State Fiscal Officer shall notify immediately the Joint Legislative Budget Committee of the state agency's appeal and the date upon which the State Fiscal Officer will hold a hearing on the appeal. The State Fiscal Officer shall grant a hearing to the state agency on its appeal within fifteen (15) days after notice of the appeal is given to the State Fiscal Officer. The hearing shall not be a public meeting; however, members of the Joint Legislative Budget Committee are authorized to attend the hearing. At the hearing, the state agency must demonstrate to the satisfaction of the State Fiscal Officer that a serious emergency exists of such magnitude that the essential mission of the agency cannot be carried out without the immediate purchase of such equipment or the hiring of new employee(s). If the state agency makes the required demonstration described in this subsection, the State Fiscal Officer, in his discretion, may authorize the emergency purchase of the equipment or hiring of the new employee(s) by the agency.

(3) The provisions of this section apply to every state agency, regardless of whether it does not receive or expend any monies from the State General Fund.

(4) For purposes of this section, the term "state agency" means any agency, board, commission, department or institution of the State of Mississippi.

SECTION 2. Section 25-9-116, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2001, this section will read as follows:]

25-9-116. * * * The State Personnel Board shall institute an immediate suspension of all hirings, promotions, reclassifications, reallocations and pay grade realignments * * *.

[From and after July 1, 2001, this section will read as follows:]

25-9-116. Upon recommendation of the State Fiscal Officer, after a determination that the state revenue and expenditure
requires such action the State Personnel Board may institute an immediate suspension of all hirings, promotions, reclassifications, reallocations and pay grade realignments until such time as the State Fiscal Officer shall recommend that such action is no longer required.

SECTION 3. Section 27-104-13, Mississippi Code of 1972, is brought forward as follows:

27-104-13. The State Fiscal Officer shall have the right to disapprove or reduce and revise such estimates of general funds and state-source special funds for any General Fund or special fund agency, and for the "administration and other expenses" budget of the State Highway Department, in an amount not to exceed five percent (5%) if he finds that funds will not be available within the period for which the budget is drawn, or if he finds that the requested expenditures, or any part thereof, are not authorized by law, and such action shall be reported to the Legislative Budget Office. The State Fiscal Officer may, upon his determination of need based upon a finding that funds will not be available within the period for which the budget is drawn, transfer funds as provided in Section 27-103-203, from the Working Cash-Stabilization Reserve Fund to the General Fund to supplement the General Fund revenue. In the event that the estimates of general funds and state-source special funds of all General Fund and special fund agencies, and of the "administration and other expenses" budget of the State Highway Department, have been reduced by five percent (5%), additional reductions may be made but shall consist of a uniform percentage reduction of general funds and state-source special funds to all General Fund and special fund agencies, and to the "administration and other expenses" budget of the State Highway Department. Any state-source special funds reduced under the provisions of this section shall be transferred to the State General Fund upon requisitions for warrants signed by the respective agency head and
said transfer shall be made within a reasonable period to be
determined by the State Fiscal Officer.

For the purpose of this section, "state-source special funds"
shall be construed to mean any special funds in any agency derived
from any source, but shall not include the following special
funds: special funds derived from federal sources, from local or
regional political subdivisions, or from donations; special funds
held in a fiduciary capacity for the benefit of specific persons
or classes of persons; self-generated special funds of the State
Institutions of Higher Learning or the state junior colleges;
special funds of Mississippi Industries for the Blind, the State
Port at Gulfport, Yellow Creek Inland Port, Pat Harrison Waterway
District, Pearl River Basin Development District, Pearl River
Valley Water Management District, Tombigbee River Valley Water
Management District, Yellow Creek Watershed Authority, or Coast
Coliseum Commission; special funds of the Department of Wildlife,
Fisheries and Parks derived from the issuance of hunting or
fishing licenses; and special funds generated by agencies whose
primary function includes the establishment of standards and the
issuance of licenses for the practice of a profession within the
State of Mississippi.

SECTION 4. Section 31-17-123, Mississippi Code of 1972, is
brought forward as follows:

31-17-123. The intent of the Legislature is to authorize
borrowing funds under the provisions of Sections 31-17-101 through
31-17-123 to offset any temporary cash flow deficiencies and
should not be construed to authorize the borrowing of any funds in
an amount which cannot be repaid during the fiscal year in which
such funds are borrowed. The State Tax Commission and University
Research Center, utilizing all available revenue forecast data,
shall annually develop a General Fund revenue estimate to be
adopted by the Legislative Budget Office as of the date of sine
die adjournment. If, at the end of October, or at the end of any
month thereafter of any fiscal year, the revenues received for the fiscal year shall fall below ninety-eight percent (98%) of the Legislative Budget Office General Fund revenue estimate at the date of sine die adjournment, the State Fiscal Officer shall reduce allocations of general funds and state-source special funds to General Fund and special fund agencies and to the "administration and other expenses" budget of the State Highway Department in an amount necessary to keep expenditures within the sum of actual General Fund receipts including any transfers to the General Fund from the Working Cash-Stabilization Reserve Fund for the fiscal year. The State Fiscal Officer may, upon his determination of need based on the revenue shortfall, transfer funds as provided in Section 27-103-203, from the Working Cash-Stabilization Reserve Fund to the General Fund to supplement the General Fund revenue. State-source special funds in an amount equal to any reduction made under the provisions of this section shall be transferred to the State General Fund upon requisitions for warrants signed by the respective agency head and such transfer shall be made within a reasonable period to be determined by the State Fiscal Officer. No agency's allocation shall be reduced in an amount to exceed five percent (5%); however, in the event that the allocations of general funds and state-source special funds to all General Fund and special fund agencies and to the "administration and other expenses" budget of the State Highway Department have been reduced by five percent (5%), any additional reductions required to be made hereunder shall consist of a uniform percentage reduction of general funds and state-source special funds to all General Fund and special fund agencies, and to the "administration and other expenses" budget of the State Highway Department. Any receipt from loans authorized by Sections 31-17-101 through 31-17-123 shall not be included as revenue receipts. The State Fiscal Officer shall immediately send
notice of any action taken under authority of this section to the
Legislative Budget Office.

For the purpose of this section, "state-source special funds"
shall be construed to mean any special funds in any agency derived
from any source, but shall not include the following special
funds: special funds derived from federal sources, from local or
regional political subdivisions, or from donations; special funds
held in a fiduciary capacity for the benefit of specific persons
or classes of persons; self-generated special funds of the State
Institutions of Higher Learning or the state junior colleges;
special funds of Mississippi Industries for the Blind, the State
Port at Gulfport, Yellow Creek Inland Port, Pat Harrison Waterway
District, Pearl River Basin Development District, Pearl River
Valley Water Management District, Tombigbee River Valley Water
Management District, Yellow Creek Watershed Authority, or Coast
Coliseum Commission; special funds of the Department of Wildlife,
Fisheries and Parks derived from the issuance of hunting or
fishing licenses; and special funds generated by agencies whose
primary function includes the establishment of standards and the
issuance of licenses for the practice of a profession within the
State of Mississippi.

SECTION 5. This act shall take effect and be in force from
and after its passage.