

By: Representative Brown

To: Appropriations

HOUSE BILL NO. 1486

1 AN ACT TO PROHIBIT ANY AGENCY, BOARD, COMMISSION, DEPARTMENT,
 2 OR INSTITUTION OF THE STATE OF MISSISSIPPI FROM PURCHASING NEW
 3 EQUIPMENT, OR FROM HIRING, PROMOTING, RECLASSIFYING, REALLOCATING
 4 OR REALIGNING A PAY GRADE WITH REGARD TO ANY EMPLOYEE(S) OR JOB
 5 POSITIONS, DURING THE CURRENT FISCAL YEAR; TO ESTABLISH AN APPEAL
 6 PROCEDURE TO THE STATE FISCAL OFFICER FOR EMERGENCY PURCHASES OF
 7 EQUIPMENT OR HIRING OF NEW EMPLOYEE(S); TO SET FORTH THE
 8 DEMONSTRATION OF THE EMERGENCY THAT MUST BE MADE BY THE AGENCY IN
 9 ITS APPEAL; TO PROVIDE THAT THE JOINT LEGISLATIVE BUDGET COMMITTEE
 10 SHALL BE NOTIFIED OF SUCH AN APPEAL AND THAT COMMITTEE MEMBERS MAY
 11 ATTEND THE HEARING ON SUCH AN APPEAL; TO ALLOW THE STATE FISCAL
 12 OFFICER, IN HIS DISCRETION, TO AUTHORIZE THE ACTION SOUGHT IN THE
 13 APPEAL; TO AMEND SECTION 25-9-116, MISSISSIPPI CODE OF 1972, IN
 14 CONFORMITY THERETO; TO BRING FORWARD SECTIONS 27-104-13 AND
 15 31-17-123, MISSISSIPPI CODE OF 1972, FOR PURPOSES OF POSSIBLE
 16 AMENDMENT; AND FOR RELATED PURPOSES.

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

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

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

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

30 (2) If a state agency determines that it is necessary to
 31 purchase any equipment or to hire any new employee(s) before July
 32 1, 2001, the agency is authorized to appeal to the State Fiscal

33 Officer. The State Fiscal Officer shall notify immediately the
34 Joint Legislative Budget Committee of the state agency's appeal
35 and the date upon which the State Fiscal Officer will hold a
36 hearing on the appeal. The State Fiscal Officer shall grant a
37 hearing to the state agency on its appeal within fifteen (15) days
38 after notice of the appeal is given to the State Fiscal Officer.
39 The hearing shall not be a public meeting; however, members of the
40 Joint Legislative Budget Committee are authorized to attend the
41 hearing. At the hearing, the state agency must demonstrate to the
42 satisfaction of the State Fiscal Officer that a serious emergency
43 exists of such magnitude that the essential mission of the agency
44 cannot be carried out without the immediate purchase of such
45 equipment or the hiring of new employee(s). If the state agency
46 makes the required demonstration described in this subsection, the
47 State Fiscal Officer, in his discretion, may authorize the
48 emergency purchase of the equipment or hiring of the new
49 employee(s) by the agency.

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

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

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

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

59 25-9-116. * * * The State Personnel Board shall institute an
60 immediate suspension of all hirings, promotions,
61 reclassifications, reallocations and pay grade realignments * * *.

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

64 25-9-116. Upon recommendation of the State Fiscal Officer,
65 after a determination that the state revenue and expenditure

66 requires such action the State Personnel Board may institute an
67 immediate suspension of all hirings, promotions,
68 reclassifications, reallocations and pay grade realignments until
69 such time as the State Fiscal Officer shall recommend that such
70 action is no longer required.

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

73 27-104-13. The State Fiscal Officer shall have the right to
74 disapprove or reduce and revise such estimates of general funds
75 and state-source special funds for any General Fund or special
76 fund agency, and for the "administration and other expenses"
77 budget of the State Highway Department, in an amount not to exceed
78 five percent (5%) if he finds that funds will not be available
79 within the period for which the budget is drawn, or if he finds
80 that the requested expenditures, or any part thereof, are not
81 authorized by law, and such action shall be reported to the
82 Legislative Budget Office. The State Fiscal Officer may, upon his
83 determination of need based upon a finding that funds will not be
84 available within the period for which the budget is drawn,
85 transfer funds as provided in Section 27-103-203, from the Working
86 Cash-Stabilization Reserve Fund to the General Fund to supplement
87 the General Fund revenue. In the event that the estimates of
88 general funds and state-source special funds of all General Fund
89 and special fund agencies, and of the "administration and other
90 expenses" budget of the State Highway Department, have been
91 reduced by five percent (5%), additional reductions may be made
92 but shall consist of a uniform percentage reduction of general
93 funds and state-source special funds to all General Fund and
94 special fund agencies, and to the "administration and other
95 expenses" budget of the State Highway Department. Any
96 state-source special funds reduced under the provisions of this
97 section shall be transferred to the State General Fund upon
98 requisitions for warrants signed by the respective agency head and

99 said transfer shall be made within a reasonable period to be
100 determined by the State Fiscal Officer.

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

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

122 31-17-123. The intent of the Legislature is to authorize
123 borrowing funds under the provisions of Sections 31-17-101 through
124 31-17-123 to offset any temporary cash flow deficiencies and
125 should not be construed to authorize the borrowing of any funds in
126 an amount which cannot be repaid during the fiscal year in which
127 such funds are borrowed. The State Tax Commission and University
128 Research Center, utilizing all available revenue forecast data,
129 shall annually develop a General Fund revenue estimate to be
130 adopted by the Legislative Budget Office as of the date of sine
131 die adjournment. If, at the end of October, or at the end of any

132 month thereafter of any fiscal year, the revenues received for the
133 fiscal year shall fall below ninety-eight percent (98%) of the
134 Legislative Budget Office General Fund revenue estimate at the
135 date of sine die adjournment, the State Fiscal Officer shall
136 reduce allocations of general funds and state-source special funds
137 to General Fund and special fund agencies and to the
138 "administration and other expenses" budget of the State Highway
139 Department in an amount necessary to keep expenditures within the
140 sum of actual General Fund receipts including any transfers to the
141 General Fund from the Working Cash-Stabilization Reserve Fund for
142 the fiscal year. The State Fiscal Officer may, upon his
143 determination of need based on the revenue shortfall, transfer
144 funds as provided in Section 27-103-203, from the Working
145 Cash-Stabilization Reserve Fund to the General Fund to supplement
146 the General Fund revenue. State-source special funds in an amount
147 equal to any reduction made under the provisions of this section
148 shall be transferred to the State General Fund upon requisitions
149 for warrants signed by the respective agency head and such
150 transfer shall be made within a reasonable period to be determined
151 by the State Fiscal Officer. No agency's allocation shall be
152 reduced in an amount to exceed five percent (5%); however, in the
153 event that the allocations of general funds and state-source
154 special funds to all General Fund and special fund agencies and to
155 the "administration and other expenses" budget of the State
156 Highway Department have been reduced by five percent (5%), any
157 additional reductions required to be made hereunder shall consist
158 of a uniform percentage reduction of general funds and
159 state-source special funds to all General Fund and special fund
160 agencies, and to the "administration and other expenses" budget of
161 the State Highway Department. Any receipt from loans authorized
162 by Sections 31-17-101 through 31-17-123 shall not be included as
163 revenue receipts. The State Fiscal Officer shall immediately send

164 notice of any action taken under authority of this section to the
165 Legislative Budget Office.

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

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