

By: Senator(s) Gordon, Jordan

To: Appropriations

SENATE BILL NO. 2258
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 27-104-25, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE LIMITATION OF ONE YEAR FOR THE PRESENTATION OF
3 A CLAIM FOR PAYMENT DOES NOT APPLY TO CLAIMS BETWEEN STATE
4 AGENCIES; TO AMEND SECTION 21-35-27, MISSISSIPPI CODE OF 1972, TO
5 PROVIDE THAT BUDGET LIMITATIONS ON MUNICIPAL GOVERNING BOARDS IN
6 THE LAST YEAR OF THE TERM OF OFFICE SHALL NOT APPLY TO A CONTRACT,
7 LEASE OR LEASE-PURCHASE ENTERED INTO UNDER THE PUBLIC BID LAW; AND
8 FOR RELATED PURPOSES.

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

10 SECTION 1. Section 27-104-25, Mississippi Code of 1972, is
11 amended as follows:

12 27-104-25. (1) The executive head and business manager of
13 each state agency shall be responsible for all obligations or
14 indebtedness incurred in the name of the agency, or by any
15 employee for them when incurred by such employee acting within the
16 scope of his employment.

17 (2) No obligations or indebtedness shall be incurred by any
18 such person during any allotment period in excess of the amount of
19 the estimate approved by the Department of Finance and
20 Administration or in the agency appropriation bill.

21 If a claim arising from orders for goods or services from the
22 prior fiscal year is presented within one (1) year and (a) the
23 payment of a claim does not cause an agency to exceed the amount
24 of its prior year budget estimate as approved by the Department of
25 Finance and Administration or its appropriation bill, and (b)
26 sufficient funds remain in the current fiscal year's allotment to
27 pay the claim, the State Treasurer, upon approval of the claim by
28 the Department of Finance and Administration, shall draw a warrant
29 in payment of the claim. The limitation of one (1) year for the

30 presentation of a claim is not applicable to claims between state
31 agencies as defined by the Mississippi Code of 1972.

32 (3) Contractual obligations, such as salary contracts, shall
33 be considered as incurred within the fiscal period in which they
34 are to be paid, and are to be encumbered against funds to be
35 available in that fiscal period, and shall include appropriate
36 cancellation clauses in the event the anticipated revenues from
37 which they are to be paid do not become available.

38 (4) Agencies having special funds, as defined in Section
39 27-103-103, shall not incur obligations or indebtedness against
40 such special funds in an amount in excess of revenues actually
41 anticipated and budgeted.

42 (5) If obligations or indebtedness shall be incurred
43 contrary to the provisions hereof, then neither the State of
44 Mississippi nor the agency shall have any liability therefor, and
45 the person, firm or corporation to whom the obligation or
46 indebtedness is due may recover the amount of the obligation or
47 indebtedness and twenty-five percent (25%) of the amount as
48 liquidated damages from the responsible officers, either
49 personally or upon their official bonds, either severally or
50 jointly.

51 SECTION 2. Section 21-35-27, Mississippi Code of 1972, is
52 amended as follows:

53 21-35-27. No board of governing authorities of any
54 municipality shall expend from, or contract an obligation, against
55 the budget made and published by it during the last year of the
56 term of office of such governing authorities, between the first
57 day of April and the first Monday of the following July, a sum
58 exceeding one-fourth (1/4) of any item of the budget made and
59 published by it, except in cases of emergency provided for in
60 Section 21-35-19. The city clerk of any municipality is hereby
61 prohibited from issuing any warrant contrary to the provisions of
62 this section.

63 The provisions of this section shall not apply to a contract,
64 lease or lease-purchase contract entered into pursuant to Section
65 31-7-13.

66 SECTION 3. This act shall take effect and be in force from
67 and after July 1, 2001.