

**\*\*\*Adopted\*\*\***

**AMENDMENT No. 1 PROPOSED TO**

**Senate Bill NO. 2680**

**By Senator(s) Gordon**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

10 SECTION 1. Section 27-25-506, Mississippi Code of 1972, is  
11 amended as follows:

12 27-25-506. There is hereby created a special fund in the  
13 State Treasury into which the state's share of proceeds collected  
14 pursuant to Sections 27-25-505 and 27-25-705 shall be deposited.

15 The state's share of all oil and gas severance taxes derived  
16 from oil and gas resources under state-owned lands or from severed  
17 state-owned minerals shall be deposited into the State Treasury to  
18 the credit of the trust fund created in Section 206A, Mississippi  
19 Constitution of 1890. The following amounts of the remainder of  
20 tax collections apportioned to the state shall be deposited to the  
21 credit of the trust fund created in Section 206A, Mississippi  
22 Constitution of 1890:

23 (a) For fiscal year 1994, all amounts collected in  
24 excess of Thirty-five Million Dollars (\$35,000,000.00);

25 (b) For fiscal year 1995, all amounts collected in  
26 excess of Thirty-two Million Five Hundred Thousand Dollars

27 (\$32,500,000.00);

28 (c) For fiscal year 1996, all amounts collected in  
29 excess of Thirty Million Dollars (\$30,000,000.00);

30 (d) For fiscal year 1997, all amounts collected in  
31 excess of Twenty-seven Million Five Hundred Thousand Dollars  
32 (\$27,500,000.00);

33 (e) For fiscal year 1998, all amounts collected in  
34 excess of Twenty-five Million Dollars (\$25,000,000.00);

35 (f) For fiscal year 1999, all amounts collected in  
36 excess of Twenty Million Dollars (\$20,000,000.00);

37 (g) For fiscal year 2000, all amounts collected in  
38 excess of Fifteen Million Dollars (\$15,000,000.00);

39 (h) For fiscal year 2001 through December 31, 2000, all  
40 amounts collected and transferred in excess of Ten Million Dollars  
41 (\$10,000,000.00);

42 (i) For fiscal year 2006, all amounts collected in  
43 excess of Ten Million Dollars (\$10,000,000.00);

44 (j) For fiscal year 2007, all amounts collected in  
45 excess of Five Million Dollars (\$5,000,000.00); and

46 (k) For fiscal year 2008 and each fiscal year  
47 thereafter, all such tax collections apportioned to the state  
48 shall be deposited to the credit of the trust fund.

49 The monies collected pursuant to paragraphs (a) through (j)  
50 of this section that are not deposited into the trust fund shall  
51 be deposited into the State General Fund and appropriated by the  
52 Legislature for the support of the Minimum Education Program or to  
53 the Mississippi Adequate Education Program as successor to the  
54 Minimum Education Program.

55 SECTION 2. Section 27-103-211, Mississippi Code of 1972, is  
56 amended as follows:

57           27-103-211. Beginning with the appropriations for fiscal  
58 year 1994, the total sum appropriated by the Legislature from the  
59 State General Fund for any fiscal year shall not exceed  
60 ninety-eight percent (98%) of the general fund revenue estimate  
61 for that fiscal year developed by the Tax Commission and the  
62 University Research Center and adopted by the Joint Legislative  
63 Budget Committee, plus any unencumbered balances in general funds  
64 that will be available and on hand at the close of the then  
65 current fiscal year. The unencumbered balances in general funds  
66 that will be available and on hand at the close of the fiscal year  
67 shall not include projected amounts required to be deposited into  
68 the Working Cash-Stabilization Reserve Fund or the Education  
69 Enhancement Fund pursuant to Section 27-103-203(1). For purposes  
70 of this section, "State General Fund" shall not include the state  
71 share of oil and gas severance taxes appropriated by the  
72 Legislature for the support of the Minimum Education Program or  
73 the Mississippi Adequate Education Program pursuant to Section  
74 27-25-506.

75           SECTION 3. Section 27-104-13, Mississippi Code of 1972, is  
76 amended as follows:

77           27-104-13. The State Fiscal Officer shall have the right to  
78 disapprove or reduce and revise such estimates of general funds  
79 and state-source special funds for any general fund or special  
80 fund agency, and for the "administration and other expenses"  
81 budget of the State Highway Department, in an amount not to exceed  
82 five percent (5%) if he finds that funds will not be available  
83 within the period for which the budget is drawn, or if he finds  
84 that the requested expenditures, or any part thereof, are not  
85 authorized by law, and such action shall be reported to the  
86 Legislative Budget Office. The State Fiscal Officer may, upon his

87 determination of need based upon a finding that funds will not be  
88 available within the period for which the budget is drawn,  
89 transfer funds as provided in Section 27-103-203, from the Working  
90 Cash-Stabilization Reserve Fund to the General Fund to supplement  
91 the general fund revenue. In the event that the estimates of  
92 general funds and state-source special funds of all general fund  
93 and special fund agencies, and of the "administration and other  
94 expenses" budget of the State Highway Department, have been  
95 reduced by five percent (5%), additional reductions may be made  
96 but shall consist of a uniform percentage reduction of general  
97 funds and state-source special funds to all general fund and  
98 special fund agencies, and to the "administration and other  
99 expenses" budget of the State Highway Department. Any  
100 state-source special funds reduced under the provisions of this  
101 section shall be transferred to the State General Fund upon  
102 requisitions for warrants signed by the respective agency head and  
103 said transfer shall be made within a reasonable period to be  
104 determined by the State Fiscal Officer.

105 For the purpose of this section, "state-source special funds"  
106 shall be construed to mean any special funds in any agency derived  
107 from any source, but shall not include the following special  
108 funds: special funds derived from federal sources, from local or  
109 regional political subdivisions, or from donations; special funds  
110 held in a fiduciary capacity for the benefit of specific persons  
111 or classes of persons; self-generated special funds of the state  
112 institutions of higher learning or the state junior colleges;  
113 special funds of Mississippi Industries for the Blind, the State  
114 Port at Gulfport, Yellow Creek Inland Port, Pat Harrison Waterway  
115 District, Pearl River Basin Development District, Pearl River  
116 Valley Water Management District, Tombigbee River Valley Water

117 Management District, Yellow Creek Watershed Authority, or Coast  
118 Coliseum Commission; special funds of the Department of Wildlife,  
119 Fisheries and Parks derived from the issuance of hunting or  
120 fishing licenses; and special funds generated by agencies whose  
121 primary function includes the establishment of standards and the  
122 issuance of licenses for the practice of a profession within the  
123 State of Mississippi.

124 For purposes of this section, "State General Fund" shall not  
125 include the state share of oil and gas severance taxes  
126 appropriated by the Legislature for the support of the Minimum  
127 Education Program or the Mississippi Adequate Education Program  
128 pursuant to Section 27-25-506.

129 SECTION 4. Section 31-17-123, Mississippi Code of 1972, is  
130 amended as follows:

131 31-17-123. The intent of the Legislature is to authorize  
132 borrowing funds under the provisions of Sections 31-17-101 through  
133 31-17-123 to offset any temporary cash flow deficiencies and  
134 should not be construed to authorize the borrowing of any funds in  
135 an amount which cannot be repaid during the fiscal year in which  
136 such funds are borrowed. The State Tax Commission and University  
137 Research Center, utilizing all available revenue forecast data,  
138 shall annually develop a general fund revenue estimate to be  
139 adopted by the Legislative Budget Office as of the date of sine  
140 die adjournment. If, at the end of October, or at the end of any  
141 month thereafter of any fiscal year, the revenues received for the  
142 fiscal year shall fall below ninety-eight percent (98%) of the  
143 Legislative Budget Office general fund revenue estimate at the  
144 date of sine die adjournment, the State Fiscal Officer shall  
145 reduce allocations of general funds and state-source special funds  
146 to general fund and special fund agencies and to the

147 "administration and other expenses" budget of the State Highway  
148 Department in an amount necessary to keep expenditures within the  
149 sum of actual general fund receipts including any transfers to the  
150 General Fund from the Working Cash-Stabilization Reserve Fund for  
151 the fiscal year. The State Fiscal Officer may, upon his  
152 determination of need based on the revenue shortfall, transfer  
153 funds as provided in Section 27-103-203, from the Working  
154 Cash-Stabilization Reserve Fund to the General Fund to supplement  
155 the general fund revenue. State-source special funds in an amount  
156 equal to any reduction made under the provisions of this section  
157 shall be transferred to the State General Fund upon requisitions  
158 for warrants signed by the respective agency head and such  
159 transfer shall be made within a reasonable period to be determined  
160 by the State Fiscal Officer. No agency's allocation shall be  
161 reduced in an amount to exceed five percent (5%); however, in the  
162 event that the allocations of general funds and state-source  
163 special funds to all general fund and special fund agencies and to  
164 the "administration and other expenses" budget of the State  
165 Highway Department have been reduced by five percent (5%), any  
166 additional reductions required to be made hereunder shall consist  
167 of a uniform percentage reduction of general funds and  
168 state-source special funds to all general fund and special fund  
169 agencies, and to the "administration and other expenses" budget of  
170 the State Highway Department. Any receipt from loans authorized  
171 by Sections 31-17-101 through 31-17-123 shall not be included as  
172 revenue receipts. The State Fiscal Officer shall immediately send  
173 notice of any action taken under authority of this section to the  
174 Legislative Budget Office.

175 For the purpose of this section, "state-source special funds"  
176 shall be construed to mean any special funds in any agency derived

177 from any source, but shall not include the following special  
178 funds: special funds derived from federal sources, from local or  
179 regional political subdivisions, or from donations; special funds  
180 held in a fiduciary capacity for the benefit of specific persons  
181 or classes of persons; self-generated special funds of the state  
182 institutions of higher learning or the state junior colleges;  
183 special funds of Mississippi Industries for the Blind, the State  
184 Port at Gulfport, Yellow Creek Inland Port, Pat Harrison Waterway  
185 District, Pearl River Basin Development District, Pearl River  
186 Valley Water Management District, Tombigbee River Valley Water  
187 Management District, Yellow Creek Watershed Authority, or Coast  
188 Coliseum Commission; special funds of the Department of Wildlife,  
189 Fisheries and Parks derived from the issuance of hunting or  
190 fishing licenses; and special funds generated by agencies whose  
191 primary function includes the establishment of standards and the  
192 issuance of licenses for the practice of a profession within the  
193 State of Mississippi.

194 For purposes of this section, "State General Fund" shall not  
195 include the state share of oil and gas severance taxes  
196 appropriated by the Legislature for the support of the Minimum  
197 Education Program or the Mississippi Adequate Education Program  
198 pursuant to Section 27-25-506.

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

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-25-506, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT UNTIL FISCAL YEAR 2006, ALL OF THE STATE SHARE OF  
3 OIL AND GAS SEVERANCE TAXES SHALL BE APPROPRIATED FOR THE SUPPORT  
4 OF THE MINIMUM EDUCATION OR ADEQUATE EDUCATION PROGRAM; TO AMEND  
5 SECTIONS 27-103-211, 27-104-13 AND 31-17-123, MISSISSIPPI CODE OF  
6 1972, TO CLARIFY THAT SUCH PROCEEDS SHALL NOT BE CONSIDERED STATE

7 GENERAL FUNDS FOR PURPOSES OF STATUTORY LIMITS ON LEGISLATIVE  
8 APPROPRIATIONS; AND FOR RELATED PURPOSES.