

By: Representative Fleming

To: Appropriations

HOUSE BILL NO. 4

1 AN ACT TO PROVIDE THAT THE DEBT SERVICE ON STATE GENERAL
 2 OBLIGATION BONDS SHALL NOT BE PAID BY ANNUAL APPROPRIATION FROM
 3 THE STATE GENERAL FUND, BUT SHALL BE PAID BY THE STATE TREASURER
 4 WITH OTHER FUNDS AVAILABLE TO THE TREASURER THAT ARE NOT
 5 SPECIFICALLY OBLIGATED FOR OTHER PURPOSES; TO CREATE A SPECIAL
 6 FUND IN THE STATE TREASURY TO BE KNOWN AS THE LEGISLATIVE BUDGET
 7 DISCRETIONARY APPROPRIATION FUND, THE MONIES IN WHICH MAY BE
 8 APPROPRIATED BY THE LEGISLATURE FOR ANY LAWFUL PURPOSE; TO PROVIDE
 9 THAT THE STATE FISCAL OFFICER SHALL TRANSFER THE SUM OF
 10 \$200,000,000.00 FROM THE STATE GENERAL FUND INTO THE SPECIAL FUND
 11 DURING EACH FISCAL YEAR; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** (1) It is the intent of this act to allow
 14 general funds of the state that otherwise would be spent to pay
 15 the debt service on state general obligation bonds each year to be
 16 used for other needs of the state.

17 (2) From and after July 1, 2002:

18 (a) The Legislature shall not make an annual
 19 appropriation from the State General Fund to pay the debt service
 20 on state general obligation bonds; and

21 (b) The State Treasurer shall pay the debt service on
 22 state general obligation bonds with other funds available to the
 23 Treasurer that are not specifically obligated for other purposes,
 24 such as the interest earned on special funds containing bond
 25 proceeds, repayments of loans made from bond proceeds, and
 26 unexpended amounts of special funds that otherwise would lapse
 27 into the State General Fund. The amount of the debt service paid
 28 by the Treasurer may be five percent (5%) of the state's bonded
 29 indebtedness or such other amount determined to be necessary by
 30 the Treasurer.



31 (3) (a) There is created in the State Treasury a special
32 fund to be known as the Legislative Budget Discretionary
33 Appropriation Fund. Unexpended amounts remaining in the special
34 fund at the end of a fiscal year shall not lapse into the State
35 General Fund, and any interest earned on amounts in the special
36 fund shall be deposited to the credit of the special fund.

37 (b) The State Fiscal Officer shall transfer the sum of
38 Two Hundred Million Dollars (\$200,000,000.00) from the State
39 General Fund into the special fund during each fiscal year in four
40 (4) installments, with Fifty Million Dollars (\$50,000,000.00)
41 being transferred during the first week of July, October, January
42 and April of the fiscal year.

43 (c) Monies in the special fund may be appropriated by
44 the Legislature for any lawful purpose.

45 **SECTION 2.** This act shall take effect and be in force from
46 and after July 1, 2002.

