HOUSE BILL NO. 1351

AN ACT TO AMEND SECTION 27-104-13, MISSISSIPPI CODE OF 1972, TO CLARIFY THAT THE STATE FISCAL OFFICER HAS THE DISCRETION TO REDUCE AND REVISE THE ESTIMATES OF FUNDS FOR ANY AGENCY IF AT ANY TIME HE FINDS THAT FUNDS WILL NOT BE AVAILABLE WITHIN THE PERIOD FOR WHICH THE BUDGET IS DRAWN; TO MOVE INTO THIS CODE SECTION THE LANGUAGE FROM SECTION 31-17-123, MISSISSIPPI CODE OF 1972, THAT REQUIRES THE STATE FISCAL OFFICER TO REDUCE ALLOCATIONS OF FUNDS TO AGENCIES AT THE END OF OCTOBER IF THE REVENUES FALL BELOW 98% OF THE SINE DIE GENERAL FUND REVENUE ESTIMATE; TO AMEND SECTION 31-17-123, MISSISSIPPI CODE OF 1972, TO DELETE THE LANGUAGE THAT IS MOVED TO THE PRECEDING SECTION; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-104-13, Mississippi Code of 1972, is amended as follows:

27-104-13. (1) The State Fiscal Officer may disapprove or reduce and revise the 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 Mississippi Department of Transportation, in an amount not to exceed five percent (5%), if at any time he finds that funds will not be available within the period for which the budget is drawn, or if at any time he finds that the requested expenditures, or any part thereof, are not authorized by law, and that 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.

If 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 Mississippi Department of Transportation 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 Mississippi Department of Transportation.

Any state-source special funds reduced under the provisions of this subsection (1) shall be transferred to the State General Fund upon requisitions for warrants signed by the respective agency head, and the transfer shall be made within a reasonable period to be determined by the State Fiscal Officer.

(2) 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 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 Mississippi Department of Transportation, 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 subsection (2) shall be
transferred to the State General Fund upon requisitions for
warrants signed by the respective agency head, and the 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, if 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 Mississippi Department of Transportation
have been reduced by five percent (5%), any additional reductions
required to be made under this subsection (2) 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 Mississippi
Department of Transportation. 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 subsection (2) to the
Legislative Budget Office.

(3) For the purpose of this section, the term "state-source
special funds" * * * means 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 community or 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

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ST: Budgets of state agencies; clarify that fiscal officer has discretion to reduce at any time if funds not available.

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 2. Section 31-17-123, Mississippi Code of 1972, is amended 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 that cannot be repaid during the fiscal year in which the funds are borrowed. * * *

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SECTION 3. This act shall take effect and be in force from and after its passage.