MISSISSIPPI LEGISLATURE

By: Representative Compretta

To: Appropriations

PROPOSED BILL

HOUSE BILL NO. 1348

AN ACT TO AMEND SECTION 27-103-127, MISSISSIPPI CODE OF 1972, TO REMOVE THE REQUIREMENT THAT THE ANNUAL APPROPRIATION TO THE DEPARTMENT OF TRANSPORTATION FOR THE STATE HIGHWAY FUND BE SEPARATED INTO FOUR PROGRAM BUDGET AREAS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-103-127, Mississippi Code of 1972, is amended as follows:

27-103-127. To the end that the overall budget shall present in comparable terms a complete summary of all financial operations of all state agencies, Part 2 of the overall budget shall include therein the requested budget and the recommended budget for each special fund agency. The overall budget shall show for each special fund agency, in addition to such other information as may be prescribed by the Legislative Budget Office, the following:

(a) The amount by source of all special fund receipts collected or otherwise available in the current fiscal year, and an estimate by source of all special funds which will be collected or become available by the end of the then current fiscal year;

(b) The estimated amount of all expenditures to be made or obligations to be incurred payable from such special funds during the then current fiscal year;

(c) The estimated aggregate amount of special funds which will be needed by the agency for the succeeding fiscal year; beginning with the 1995 fiscal year and in the event that any services proposed to be provided by the agency in the succeeding fiscal year are Medicaid reimbursable, any state general matching funds necessary for such reimbursement shall be included in the
agency's proposed budget, and the appropriation to the Division of Medicaid in the 1995 fiscal year shall be adjusted accordingly;

(d) The estimated amount by source of special funds which will be available under existing laws during the succeeding fiscal year, including any balances which will be on hand at the close of the then current fiscal year;

(e) The estimated amount which will be needed and which will require change in existing law or laws;

(f) If any new item of expense is included in the proposed budget of any special fund agency, the reason therefor shall be given; and in any case where the Legislative Budget Office shall eliminate or reduce any item or items in the proposed budget of any special fund agency, it shall note briefly the reasons therefor, together with the reasons advanced by the agency in support of the item or items eliminated or reduced;

(g) The proposed budget of each special fund agency shall show the amounts required for operating expenses separately from the amounts required for permanent improvements.

Proposed expenditures for any agency in Part 2 of the overall budget shall not exceed the amount of estimated revenues which will be available to it. Provided, that the Legislative Budget Office may recommend changes in existing law so as to decrease or increase the revenues available to any agency if in its judgment such changes are necessary or desirable.

Provided further, that expenditures approved or authorized by the Legislature for any special fund agency or special funds approved for general fund agency shall constitute a maximum to be expended or encumbered by such agency, and shall not constitute authority to expend or encumber more than the amount of revenue actually collected or otherwise received.

No special fund agency or general fund agency shall make expenditures from special funds available to such agency unless such expenditures are set forth in a budget approved by the
Legislature. Such legislative approval shall be set forth in an appropriation act. Provided, however, that special funds derived from the collection of taxes for any political subdivision of the state shall be excepted from the foregoing provisions. The executive head of the state agency shall be liable on his official bond for expenditures or encumbrances which exceed the total amount of the budget or the amount received if receipts are less than the approved budget.

Provided, however, that each university and college shall submit through the Board of Trustees of State Institutions of Higher Learning an annual budget to the Legislative Budget Office prior to the beginning of each fiscal year with such information and in such form, and in such detail, as may be required by the Legislative Budget Office. If the Legislative Budget Office determines that sufficient funds will be available during the fiscal year to fund the proposed budget as submitted, then and in that event the proposed budget shall be approved. However, if the Legislative Budget Office determines that, in its judgment, sufficient funds will not be available to fund the proposed budget, the affected institution or institutions and the Board of Trustees of State Institutions of Higher Learning shall be promptly notified and given an opportunity to either justify the proposed budget or proposed amendments which can be mutually agreed upon. The Legislative Budget Office shall then approve the proposed budget or budgets of the several universities and colleges. The total amount approved for each institution shall constitute the maximum funds which may be expended during the fiscal year.

The municipal, county or combined municipal and county port and harbor commissions, authorities or other port or harbor agencies not owned or operated by the state, shall submit annual or amended budgets of their estimated receipts and expenditures to the governing bodies of such municipality, county or municipality.
and county, for their approval, and a copy of such budget as
approved by such governing body or bodies shall be filed with the
Legislative Budget Office. Such budget shall itemize all
estimated receipts and expenditures, and the Legislative Budget
Office may require particularization, explanation or audit
thereof, and shall report such information to the Legislature.

To the end that the overall budget shall present in
comparable terms a complete summary of all financial operations of
all state agencies, Part 3 of such overall budget shall consist of
an estimated preliminary annual budget of the Department of
Transportation and the Division of State Aid Road Construction of
the Department of Transportation and such information for the
current fiscal year as is necessary to make presentation
comparable to that specified for Part 2 special fund agencies.

The annual budget request of the Department of Transportation
shall be divided into the following program budgets: (a)
administration and other expenses, (b) construction, (c)
maintenance, and (d) debt service. * * * For the purposes of this
paragraph, "administration and other expenses" shall be construed
to mean those expenses incurred due to departmental support
activities which cannot be assigned to a specific construction or
maintenance project, and shall be construed to include expenses
incurred for office machines, furniture, fixtures, automobiles,
station wagons, truck and other vehicles, road machinery, farm
equipment and other working equipment, data processing and
computer equipment, all other equipment, and replacements for
equipment. "Construction" shall be construed to mean those
expenses associated with the creation and development of the state
highway system and its related facilities; "maintenance" shall be
construed to mean those expenses incurred due to activities
associated with preservation of safe and aesthetically acceptable
highways in an attempt to maintain them in as close to the
original condition as possible; and "debt service" shall be

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construed to mean amounts needed to pay bonds and interest coming due, bank service charges, and bond debt service.

SECTION 2. This act shall take effect and be in force from and after its passage.