

*****Adopted*****

SUBSTITUTE 1 FOR AMENDMENT No. 1 PROPOSED TO

House Bill NO. 1036

By Senator(s) Gordon

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

21 **SECTION 1.** From July 1, 2003, until June 30, 2004, the State
22 Treasurer shall transfer to the Budget Contingency Fund created in
23 Section 27-103-301, Mississippi Code of 1972, an amount equal to
24 Fourteen Million One Hundred Sixty-six Thousand Six Hundred
25 Sixty-seven Dollars (\$14,166,667.00) each month from the aggregate
26 of special funds in the State Treasury. The State Treasurer shall
27 determine which special funds shall be transferred to the Budget
28 Contingency Fund each month and shall notify the appropriate
29 agency, except that the Working Cash-Stabilization Reserve Fund,
30 trust funds, bond proceed funds, federal funds, special-source
31 funds used to match federal funds and special-source funds to the
32 credit of the Department of Mental Health derived from client care
33 shall be exempt from any required transfer under this section.
34 Upon this notification, the agency shall make such transfer from
35 its special funds as required by the State Treasurer. Transfers
36 required under the provisions of this section shall be prorated
37 among all appropriate special funds in the State Treasury.

38 **SECTION 2.** (1) From and after July 1, 2003, the State
39 Treasurer shall monthly charge and collect a cash management fee
40 from each state agency that has special funds in the State

41 Treasury that are held in an account to which the interest and
42 investment earnings on monies in the account are deposited to the
43 credit of the account, for managing the cash balances of the
44 account for the benefit of the state agency. The amount of the
45 cash management fee shall be equal to one percent (1%) of the
46 average balance in the account.

47 (2) The cash management fees collected for the period from
48 July 1, 2003, until June 30, 2004, shall be deposited into the
49 Budget Contingency Fund created in Section 27-103-301, Mississippi
50 Code of 1972. The cash management fees collected for each annual
51 period from and after July 1, 2004, shall be deposited into a
52 special fund that is created in the State Treasury to the credit
53 of the Office of the State Treasurer, which shall be expended,
54 upon appropriation by the Legislature, for the purpose of paying
55 maturing bonds and interest on the full faith and credit bonds of
56 the state and paying service charges to banks for acting as agents
57 of the state in paying bonds and interest on the full faith and
58 credit bonds of the state. Unexpended amounts remaining in the
59 special fund at the end of a fiscal year shall not lapse into the
60 State General Fund, and any interest earned or investment earnings
61 on amounts in the special fund shall be deposited to the credit of
62 the special fund.

63 **SECTION 3.** (1) The State Treasurer shall transfer to the
64 Budget Contingency Fund created in Section 27-103-301, Mississippi
65 Code of 1972, out of the following enumerated funds, amounts
66 listed below for each fund throughout the period beginning upon
67 passage of this act and through June 30, 2003:

<u>Agency/Fund</u>	<u>Fund No.</u>	<u>Amount</u>
State General Fund		\$ 3,600,000.00
Working Cash-Stabilization		
Reserve Fund		\$ 3,754,000.00
Department of Transportation	3941	\$ 50,000,000.00
UM - State Court Education Program	3257	\$ 100,000.00
Department of Health	3301	\$ 2,500,000.00
Workers' Compensation Trust Fund	3642	\$ 5,000,000.00

76	Employment Compensation Revolving		
77	Fund	3644	\$ 1,000,000.00
78	Tort Claims Fund	3080	\$ 1,000,000.00
79	Unclaimed Property Fund	3178	\$ 5,000,000.00
80	Gaming Commission	3188	\$ 299,391.00
81	Department of Insurance	3501/3503	\$ 400,000.00
82	Oil and Gas Board	3493	\$ 1,000,000.00
83	Camp Shelby Timber Fund	3700	\$ 100,000.00
84	Real Estate Appraisers Licensing		
85	and Certification Board	3836	\$ 100,000.00
86	Public Contractors Board	3834	\$ 300,000.00
87	DPS - Law Enforcement Officers'		
88	Standards and Training Board	3742	\$ 2,300,000.00
89	DPS - Emergency Telecommunications		
90	Standards and Training Board	3744	\$ 2,000,000.00
91	DPS - County Jail Officers Board	3741	\$ 200,000.00
92	Board of Bar Admissions	3055	\$ 300,000.00
93	Board of Nursing	3838	\$ 200,000.00
94	Motor Vehicle Commission	3839	\$ 100,000.00
95	Board of Registration of Foresters	3844	\$ 100,000.00
96	Board of Pharmacy	3846	\$ 750,000.00
97	Criminal Justice Fund	3086	\$ 350,000.00
98	MDA - CAP Loan Program	34KX	\$ 1,500,000.00
99	Securities Act Enforcement Fund	3114	\$ <u>2,600,000.00</u>
100	Total		\$ 84,553,391.00

101 Funds transferred in this act from the Workers' Compensation
102 Trust Fund shall be covered by a noninterest bearing note payable
103 from the State General Fund to the Workers' Compensation Trust
104 Fund in the amount transferred. This note payable shall be of
105 indefinite maturity, however, at any time the Workers'
106 Compensation Trust Fund requires payment to be received on the
107 note in order to cover claims expenses or ordinary, necessary, and
108 reasonable operating expenses, the amount so needed shall be
109 transferred back to the Workers' Compensation Trust Fund from the
110 State General Fund and the balance of the note payable shall be

111 reduced to reflect such transfer. Further, the Workers'
112 Compensation Trust Fund shall utilize all other cash and
113 investment resources available in the payment of claims and
114 operating expenses before making a demand for payment on this note
115 payable. Further, the note payable shall be carried as an asset
116 on the financial statements of the Workers' Compensation Trust
117 Fund.

118 The State Bond Commission is hereby directed and authorized
119 to determine, approve and execute the terms and conditions of this
120 note with the Workers' Compensation Trust Fund and such terms and
121 conditions shall be subject to yearly renewal and/or review by the
122 State Bond Commission.

123 (2) From and after July 1, 2003, the State Treasurer shall
124 transfer to the Budget Contingency Fund created in Section
125 27-103-301, Mississippi Code of 1972, out of the following
126 enumerated funds, amounts listed below for each fund throughout
127 the period beginning July 1, 2003, and through June 30, 2004:

<u>Agency/Fund</u>	<u>Fund No.</u>	<u>Amount</u>
State General Fund		\$ 95,020,054.00
DPS - Emergency Telecommunications		
Standards and Training Board	3744	\$ 1,000,000.00
Workers' Compensation Commission	3521	\$ 100,000.00
Board of Bar Admissions	3055	\$ 50,000.00
Auctioneers Commission	3820	\$ 100,000.00
Board of Pharmacy	3846	\$ 250,000.00
MDA - CAP Loan Program	34KX	\$ 2,000,000.00
School Ad Valorem Tax Reduction Fund		<u>\$ 46,000,000.00</u>
Total		\$144,520,054.00

139 In addition to the amounts transferred to the Budget
140 Contingency Fund under the provisions of this act, the Budget
141 Contingency Fund is hereby authorized to receive any additional
142 funds that may become available to the fund from any source during
143 the period beginning upon passage of this act and through June 30,
144 2004.

145 **SECTION 4.** (1) There is created in the State Treasury a

146 special fund to be known as the Special Funds Transfer Fund, which
147 shall be comprised of the monies required to be deposited into the
148 fund under Section 27-65-75(18). Upon receipt of monies deposited
149 into the fund under Section 27-65-75(18), the State Treasurer
150 shall transfer those monies to special funds.

151 (2) Unexpended amounts remaining in the fund at the end of a
152 fiscal year shall not lapse into the State General Fund, and any
153 interest earned or investment earnings on amounts in the fund
154 shall be deposited to the credit of the fund.

155 **SECTION 5.** This act shall take effect and be in force from
156 and after its passage.

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

1 AN ACT TO DIRECT THE STATE TREASURER, FROM JULY 1, 2003,
2 UNTIL JUNE 30, 2004, TO TRANSFER TO THE BUDGET CONTINGENCY FUND A
3 MONTHLY SUM FROM THOSE SPECIAL FUNDS IN THE TREASURY AS DETERMINED
4 BY THE STATE TREASURER; TO DIRECT THE TREASURER TO CHARGE AND
5 COLLECT A CASH MANAGEMENT FEE ANNUALLY FROM EACH STATE AGENCY THAT
6 HAS SPECIAL FUNDS IN THE TREASURY THAT RETAIN THEIR INTEREST AND
7 INVESTMENT EARNINGS, FOR MANAGING THE CASH BALANCES OF THOSE FUNDS
8 FOR THE BENEFIT OF THE STATE AGENCY; TO PROVIDE THAT THE CASH
9 MANAGEMENT FEES COLLECTED FOR THE FIRST YEAR SHALL BE DEPOSITED
10 INTO THE BUDGET CONTINGENCY FUND; TO PROVIDE THAT THE CASH
11 MANAGEMENT FEES COLLECTED FOR EACH ANNUAL PERIOD AFTER JUNE 30,
12 2004, SHALL BE DEPOSITED INTO A SPECIAL FUND CREATED IN THE STATE
13 TREASURY, WHICH SHALL BE EXPENDED TO PAY THE DEBT SERVICE ON FULL
14 FAITH AND CREDIT BONDS OF THE STATE; TO DIRECT THE TREASURER TO
15 TRANSFER CERTAIN FUNDS TO THE BUDGET CONTINGENCY FUND; TO CREATE A
16 SPECIAL FUND IN THE STATE TREASURY TO BE KNOWN AS THE SPECIAL
17 FUNDS TRANSFER FUND, WHICH SHALL BE COMPRISED OF THE MONIES
18 REQUIRED TO BE DEPOSITED INTO THE FUND UNDER SECTION 27-65-75(18),
19 MISSISSIPPI CODE OF 1972; AND FOR RELATED PURPOSES.