

REPORT OF CONFERENCE COMMITTEE

MADAM PRESIDENT AND MR. SPEAKER:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 2617: Percentage limitation on appropriations from State General Fund; revise for FY05.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

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

6 **SECTION 1.** Section 27-103-125, Mississippi Code of 1972, is
7 amended as follows:
8 27-103-125. The proposed budget of each state agency shall
9 show the amounts required for operating expenses separately from
10 the amounts required for permanent improvements. The overall
11 budget shall show, separately by each source, the estimated amount
12 of general fund revenue and of special fund revenues of general
13 fund agencies. The total proposed expenditures in Part 1 of the
14 overall budget shall not exceed the amount of estimated revenues
15 which will be available in the general and special funds for
16 appropriation or use during the succeeding fiscal year, including
17 any balances which will be on hand in the general and special
18 funds at the close of the then current fiscal year. Beginning
19 with the budget for fiscal year 1994, the total proposed
20 expenditures from the State General Fund in Part 1 of the overall
21 budget shall not exceed ninety-eight percent (98%) of the amount
22 of general fund revenue estimate for the succeeding fiscal year,
23 plus any unencumbered balances in general funds that will be
24 available and on hand at the close of the then current fiscal
25 year. However, for fiscal years 2004 and 2005, the total proposed
26 expenditures from the State General Fund in Part 1 of the overall

27 budget shall not exceed one hundred percent (100%) of the amount
28 of the general fund revenue estimate for the succeeding fiscal
29 year, plus any unencumbered balances in general funds that will be
30 available and on hand at the close of the then current fiscal
31 year. The general fund revenue estimate shall be the estimate
32 jointly adopted by the Governor and the Joint Legislative Budget
33 Committee. Unencumbered balances in general funds that will be
34 available and on hand at the close of the current fiscal year
35 shall not include projected amounts required to be deposited into
36 the Working Cash-Stabilization Reserve Fund pursuant to Section
37 27-103-203. The Legislative Budget Office may recommend
38 additional taxes or sources of revenue if in its judgment such
39 additional funds are necessary to adequately support the functions
40 of the state government.

41 **SECTION 2.** Section 27-103-139, Mississippi Code of 1972, is
42 amended as follows:

43 27-103-139. On or before November 15 preceding each regular
44 session of the Legislature, except the first regular session of a
45 new term of office, the Governor shall submit to the members of
46 the Legislature, the Legislative Budget Office or the
47 members-elect, as the case may be, and to the executive head of
48 each state agency a balanced budget for the succeeding fiscal
49 year. Beginning with the 1996 fiscal year, the budget submitted
50 shall be prepared in a format which will include performance
51 measurement data associated with the various programs operated by
52 each agency. The total proposed expenditures in the balanced
53 budget shall not exceed the amount of estimated revenues that will
54 be available for appropriation or use during the succeeding fiscal
55 year, including any balances that will be on hand at the close of
56 the then current fiscal year, as determined by the revenue
57 estimate jointly adopted by the Governor and the Legislative
58 Budget Committee. Beginning with the budget for fiscal year 1994,

59 the total proposed expenditures from the State General Fund in the
60 balanced budget shall not exceed ninety-eight percent (98%) of the
61 amount of general fund revenue estimate for the succeeding fiscal
62 year, plus any unencumbered balances in general funds that will be
63 available and on hand at the close of the then current fiscal
64 year. However, for fiscal years 2004 and 2005, the total proposed
65 expenditures from the State General Fund in the balanced budget
66 shall not exceed one hundred percent (100%) of the amount of the
67 general fund revenue estimate for the succeeding fiscal year, plus
68 any unencumbered balances in general funds that will be available
69 and on hand at the close of the then current fiscal year. The
70 general fund revenue estimate shall be the estimate jointly
71 adopted by the Governor and the Joint Legislative Budget
72 Committee. Unencumbered balances in general funds that will be
73 available and on hand at the close of the fiscal year shall not
74 include projected amounts required to be deposited into the
75 Working Cash-Stabilization Reserve Fund and the Education
76 Enhancement Fund pursuant to Section 27-103-203.

77 The revenues used in preparing the balanced budget shall be
78 only those revenues that will be available under the general laws
79 of the state as they exist when the balanced budget is prepared,
80 and shall not include any proposed revenues that would become
81 available only after the enactment of new legislation. If the
82 Governor has any recommendations for additional proposed
83 expenditures or proposed revenues that are not included in his
84 balanced budget, he shall submit those recommendations in a
85 supplement that is separate from his balanced budget, and whenever
86 the Governor recommends any such additional proposed expenditures,
87 he also shall recommend proposed revenues that are sufficient to
88 fund the additional proposed expenditures, providing specific
89 details regarding the sources and the total amount of those
90 proposed revenues.

91 The Governor may employ a budget officer for the purpose of
92 receiving information from the State Fiscal Officer and preparing
93 his recommendations on the budget. In the event the Governor
94 determines that information received from the State Fiscal Officer
95 is not sufficient to enable him to prepare his budget
96 recommendations, he may request an appropriation from the
97 Legislature to provide additional staff within the Governor's
98 Office for such purpose. At the first regular session after his
99 election for Governor, the Governor shall submit any budget
100 recommendations plus the required revenue source recommendations
101 no later than January 31 of such year.

102 **SECTION 3.** Section 27-103-211, Mississippi Code of 1972, is
103 amended as follows:

104 27-103-211. Beginning with the appropriations for fiscal
105 year 1994, the total sum appropriated by the Legislature from the
106 State General Fund for any fiscal year shall not exceed
107 ninety-eight percent (98%) of the general fund revenue estimate
108 for that fiscal year developed by the Tax Commission and the
109 University Research Center and adopted by the Joint Legislative
110 Budget Committee, plus any unencumbered balances in general funds
111 that will be available and on hand at the close of the then
112 current fiscal year. The unencumbered balances in general funds
113 that will be available and on hand at the close of the fiscal year
114 shall not include projected amounts required to be deposited into
115 the Working Cash-Stabilization Reserve Fund pursuant to Section
116 27-103-203. However, for fiscal years 2004 and 2005, the total
117 sum appropriated by the Legislature from the State General Fund
118 shall not exceed one hundred percent (100%) of the amount of the
119 general fund revenue estimate for that fiscal year, plus any
120 unencumbered balances in general funds that will be available and
121 on hand at the close of the then current fiscal year.

122 **SECTION 4.** This act shall take effect and be in force from
123 and after July 1, 2004, and shall stand repealed from and after
124 June 30, 2004.

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

1 AN ACT TO AMEND SECTIONS 27-103-125, 27-103-139 AND
2 27-103-211, MISSISSIPPI CODE OF 1972, TO REVISE THE PERCENTAGE
3 LIMITATION ON LEGISLATIVE APPROPRIATIONS FROM THE STATE GENERAL
4 FUND FOR FISCAL YEAR 2005; AND FOR RELATED PURPOSES.

CONFEREES FOR THE SENATE

X (SIGNED)
Jack Gordon

X (SIGNED)
Travis L. Little

X (SIGNED)
Robert G. Huggins

CONFEREES FOR THE HOUSE

X (SIGNED)
Johnny W. Stringer

X (SIGNED)
John Read

X (SIGNED)
Cecil Brown