

By: Representatives Brown,
Watson

To: Ways and Means

HOUSE BILL NO. 12

1 AN ACT TO AMEND SECTION 27-104-13, MISSISSIPPI CODE OF 1972,
2 TO SUSPEND UNTIL JULY 1, 2006, THE REQUIREMENT FOR THE STATE
3 FISCAL OFFICER TO REDUCE ALLOCATIONS OF GENERAL FUNDS AND
4 STATE-SOURCE SPECIAL FUNDS TO STATE AGENCIES WHEN GENERAL FUND
5 REVENUES RECEIVED FOR THE FISCAL YEAR FALL BELOW 98% OF THE SINE
6 DIE GENERAL FUND REVENUE ESTIMATE; AND FOR RELATED PURPOSES.

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

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

10 27-104-13. (1) The State Fiscal Officer may disapprove or
11 reduce and revise the estimates of general funds and state-source
12 special funds for any general fund or special fund agency and for
13 the "administration and other expenses" budget of the Mississippi
14 Department of Transportation, in an amount not to exceed five
15 percent (5%), if at any time he finds that funds will not be
16 available within the period for which the budget is drawn, or if
17 at any time he finds that the requested expenditures, or any part
18 thereof, are not authorized by law, and that action shall be
19 reported to the Legislative Budget Office.

20 The State Fiscal Officer may, upon his determination of need
21 based upon a finding that funds will not be available within the
22 period for which the budget is drawn, transfer funds as provided
23 in Section 27-103-203, from the Working Cash-Stabilization Reserve
24 Fund to the General Fund to supplement the general fund revenue.

25 If the estimates of general funds and state-source special
26 funds of all general fund and special fund agencies and of the
27 "administration and other expenses" budget of the Mississippi
28 Department of Transportation have been reduced by five percent
29 (5%), additional reductions may be made, but shall consist of a

30 uniform percentage reduction of general funds and state-source
31 special funds to all general fund and special fund agencies and to
32 the "administration and other expenses" budget of the Mississippi
33 Department of Transportation.

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

39 (2) The State Tax Commission and University Research Center,
40 utilizing all available revenue forecast data, shall annually
41 develop a general fund revenue estimate to be adopted by the
42 Legislative Budget Office as of the date of sine die adjournment.

43 If, at the end of October, or at the end of any month
44 thereafter of any fiscal year, the revenues received for the
45 fiscal year fall below ninety-eight percent (98%) of the
46 Legislative Budget Office general fund revenue estimate at the
47 date of sine die adjournment, the State Fiscal Officer shall
48 reduce allocations of general funds and state-source special funds
49 to general fund and special fund agencies and to the
50 "administration and other expenses" budget of the Mississippi
51 Department of Transportation, in an amount necessary to keep
52 expenditures within the sum of actual general fund receipts,
53 including any transfers to the General Fund from the Working
54 Cash-Stabilization Reserve Fund for the fiscal year.

55 The State Fiscal Officer may, upon his determination of need
56 based on the revenue shortfall, transfer funds as provided in
57 Section 27-103-203 from the Working Cash-Stabilization Reserve
58 Fund to the General Fund to supplement the general fund revenue.
59 State-source special funds in an amount equal to any reduction
60 made under the provisions of this subsection (2) shall be
61 transferred to the State General Fund upon requisitions for
62 warrants signed by the respective agency head, and the transfer

63 shall be made within a reasonable period to be determined by the
64 State Fiscal Officer.

65 No agency's allocation shall be reduced in an amount to
66 exceed five percent (5%); however, if the allocations of general
67 funds and state-source special funds to all general fund and
68 special fund agencies and to the "administration and other
69 expenses" budget of the Mississippi Department of Transportation
70 have been reduced by five percent (5%), any additional reductions
71 required to be made under this subsection (2) shall consist of a
72 uniform percentage reduction of general funds and state-source
73 special funds to all general fund and special fund agencies and to
74 the "administration and other expenses" budget of the Mississippi
75 Department of Transportation. Any receipt from loans authorized
76 by Sections 31-17-101 through 31-17-123 shall not be included as
77 revenue receipts.

78 The State Fiscal Officer shall immediately send notice of any
79 action taken under authority of this subsection (2) to the
80 Legislative Budget Office.

81 The provisions of this subsection (2) requiring the State
82 Fiscal Officer to reduce allocations of general funds and
83 state-source special funds to general fund and special fund
84 agencies and to the "administration and other expenses" budget of
85 the Mississippi Department of Transportation shall be suspended
86 during the period from the effective date of this act through June
87 30, 2006.

88 (3) For the purpose of this section, the term "state-source
89 special funds" means any special funds in any agency derived from
90 any source, but shall not include the following special funds:
91 special funds derived from federal sources, from local or regional
92 political subdivisions, from agricultural commodity assessments,
93 or from donations; special funds held in a fiduciary capacity for
94 the benefit of specific persons or classes of persons;
95 self-generated special funds of the state institutions of higher

96 learning or the state community or junior colleges; special funds
97 of Mississippi Industries for the Blind, the State Port at
98 Gulfport, Yellow Creek Inland Port, Pat Harrison Waterway
99 District, Pearl River Basin Development District, Pearl River
100 Valley Water Management District, Tombigbee River Valley Water
101 Management District, Yellow Creek Watershed Authority, or Coast
102 Coliseum Commission; special funds of the Department of Wildlife,
103 Fisheries and Parks derived from the issuance of hunting or
104 fishing licenses; and special funds generated by agencies whose
105 primary function includes the establishment of standards and the
106 issuance of licenses for the practice of a profession within the
107 State of Mississippi.

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