

By: Representative Zuber

To: Appropriations

HOUSE BILL NO. 391

1 AN ACT TO DIRECT ALL STATE AGENCIES, DEPARTMENTS AND
 2 INSTITUTIONS SUBMITTING BUDGET REQUESTS FOR FISCAL YEAR 2008 AND
 3 EACH LATER FISCAL YEAR TO DEVELOP THOSE BUDGET REQUESTS ACCORDING
 4 TO ZERO-BASED BUDGETING PRINCIPLES; TO DIRECT THE JOINT
 5 LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE TO DEVELOP
 6 BUDGET RECOMMENDATIONS ACCORDING TO ZERO-BASED BUDGETING
 7 PRINCIPLES; TO REQUIRE THAT EACH APPROPRIATION BILL ENACTED BY THE
 8 LEGISLATURE BE DETERMINED ACCORDING TO ZERO-BASED BUDGETING
 9 PRINCIPLES; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** For fiscal year 2008 and each later fiscal year,
 12 each state agency, department or institution that is required to
 13 submit a budget request shall develop the request according to
 14 zero-based budgeting principles. Those principles shall require
 15 the agency, department or institution to do the following for each
 16 budgetary unit:

17 (a) Identify the component programs of the budgetary
 18 unit, describe the activities conducted by each program, and
 19 specify the legal basis for each program to conduct each activity
 20 described;

21 (b) Itemize in detail by object of expenditure the
 22 budgetary requirements for conducting the activities of each
 23 program of the budgetary unit with the actual expenditures for the
 24 prior fiscal year, the estimated expenditures for the current
 25 fiscal year, and the projected expenditures for the budget fiscal
 26 year, by starting with a base of zero dollars and adding dollar
 27 amounts for activities conducted in the prior fiscal year that are
 28 deemed appropriate in the current fiscal year and requested for
 29 the budget fiscal year;

30 (c) Identify and itemize in detail by object of
31 expenditure the changes in the budgetary requirements for
32 conducting the activities of each program of the budgetary unit
33 between the actual expenditures for the prior fiscal year and the
34 estimated expenditures for the current fiscal year, and between
35 the estimated expenditures for the current fiscal year and the
36 projected expenditures for the budget fiscal year; and

37 (d) Develop a narrative for each program of the
38 budgetary unit justifying each line-item of the itemized budgetary
39 requirements for conducting the activities of the program with the
40 actual expenditures for the prior fiscal year, and justifying each
41 line-item of the itemized changes in the budgetary requirements
42 for conducting the activities of the program between the actual
43 expenditures for the prior fiscal year and the estimated
44 expenditures for the current fiscal year, and between the
45 estimated expenditures for the current fiscal year and the
46 projected expenditures for the budget fiscal year.

47 **SECTION 2.** The Joint Legislative Budget Committee and the
48 Governor's Office shall review and evaluate only those budget
49 requests that are developed as prescribed in Section 1 of this
50 act, and shall develop budget recommendations to the Legislature
51 starting with a base of zero dollars for each program in each
52 budgetary unit and adding dollars as necessary for actual
53 expenditures on activities approved in the prior fiscal year, and
54 adding or reducing dollars as necessary for estimated changes in
55 expenditures approved for the current fiscal year, and adding or
56 reducing dollars as necessary for recommended changes in the
57 expenditures deemed appropriate for the budget fiscal year.

58 **SECTION 3.** The Legislature shall determine the amount of
59 each appropriation for each state agency, department or
60 institution for fiscal year 2008 and each later fiscal year by
61 starting with a base of zero dollars for each program in each
62 budgetary unit and adding dollars as necessary for actual

63 expenditures on activities approved in the prior fiscal year, and
64 adding or reducing dollars as necessary for estimated changes in
65 expenditures approved for the current fiscal year, and adding or
66 reducing dollars as necessary for changes in expenditures deemed
67 appropriate for the budget fiscal year.

68 **SECTION 4.** This act shall take effect and be in force from
69 and after July 1, 2006.