

By: Senator(s) Gordon

To: Appropriations

SENATE BILL NO. 2589
(As Sent to Governor)

1 AN ACT TO DIRECT THE STATE FISCAL OFFICER TO TRANSFER STATE
2 GENERAL FUNDS INTO THE BUDGET CONTINGENCY FUND DURING FISCAL YEARS
3 2006 AND 2007; TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO
4 BE DESIGNATED AS THE HURRICANE DISASTER RESERVE FUND AND TO DIRECT
5 THE STATE FISCAL OFFICER TO TRANSFER STATE GENERAL FUNDS INTO THE
6 HURRICANE DISASTER RESERVE FUND; TO AMEND SECTION 12, CHAPTER 112,
7 LAWS OF THE SECOND EXTRAORDINARY SESSION OF 2005, TO REVISE THE
8 AMOUNT OF RENT FUNDS TO BE TRANSFERRED BY THE DEPARTMENT OF
9 FINANCE AND ADMINISTRATION; TO DIRECT THE MISSISSIPPI PUBLIC
10 EMPLOYEES' RETIREMENT SYSTEM TO TRANSFER CERTAIN FUNDS TO THE
11 BUDGET CONTINGENCY FUND; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** The State Fiscal Officer shall transfer to the
14 Budget Contingency Fund created in Section 27-103-301, from the
15 State General Fund, an amount equal to One Hundred Sixty-five
16 Million Two Hundred Thousand Dollars (\$165,200,000.00) for the
17 period beginning upon the passage of this act through June 30,
18 2006.

19 **SECTION 2.** The State Fiscal Officer shall transfer to the
20 Budget Contingency Fund created in Section 27-103-301, from the
21 State General Fund, an amount equal to Thirty-seven Million Two
22 Hundred Forty Thousand Dollars (\$37,240,000.00) during the period
23 beginning July 1, 2006, and ending June 30, 2007.

24 **SECTION 3.** There is hereby created in the State Treasury a
25 special fund, separate and apart from any other special fund, to
26 be designated as the Hurricane Disaster Reserve Fund. The State
27 Fiscal Officer shall transfer from the State General Fund into the
28 Hurricane Disaster Reserve Fund an amount equal to Two Hundred
29 Sixty-eight Million Dollars (\$268,000,000.00) during the period
30 beginning July 1, 2006, and ending June 30, 2007.

31 The funds transferred herein to the Hurricane Disaster
32 Reserve Fund shall be utilized to defray the state's share of any
33 nonfederal matching requirements for Federal Emergency Management
34 Agency grants associated with Hurricane Katrina and other
35 disasters. Unexpended funds remaining in the Hurricane Disaster
36 Reserve Fund at the end of the fiscal year shall not lapse into
37 the State General Fund but shall remain in the fund and any
38 interest earned on the Hurricane Disaster Reserve Fund shall
39 remain in the fund.

40 Funds deposited into the Hurricane Disaster Reserve Fund
41 shall be used only for the purposes specified in this section, and
42 as long as the provisions of this section remain in effect, no
43 other expenditure, appropriation or transfer of funds in the
44 Hurricane Disaster Reserve Fund shall be made except by act of the
45 Legislature making specific reference to the Hurricane Disaster
46 Reserve Fund as the source of those funds.

47 **SECTION 4.** Section 12, Chapter 112, Laws of the Second
48 Extraordinary Session of 2005, is amended as follows:

49 Section 12. The Department of Finance and Administration
50 shall transfer rent funds to the General Fund in an amount not
51 less than Six Hundred Thousand Dollars (\$600,000.00).

52 **SECTION 5.** The Mississippi Public Employees' Retirement
53 System shall transfer from Fund Number 3531 to the Budget
54 Contingency Fund not later than August 31, 2006, any remaining
55 balance as of June 30, 2006, of the Fifty Million Dollars
56 (\$50,000,000.00) of General Funds transferred to and utilized by
57 the system as a credit against the one percent (1%) increase in
58 General Fund employer contributions beginning July 1, 2005,
59 pursuant to House Bill No. 1 of the Second Extraordinary Session
60 of 2005.

61 **SECTION 6.** This act shall take effect and be in force from
62 and after its passage.