MISSISSIPPI LEGISLATURE
REGULAR SESSION 2021
By: Representative Read
To: Appropriations

HOUSE BILL NO. 109
(As Sent to Governor)

AN ACT TO AMEND SECTIONS 27-103-125 AND 27-103-139,
MISSISSIPPI CODE OF 1972, TO DELETE SOME TEMPORARY EXCEPTIONS FROM
THE REQUIREMENTS FOR PREPARING THE PROPOSED STATE BUDGET; TO AMEND
SECTION 27-103-203, MISSISSIPPI CODE OF 1972, TO DELETE SOME
TEMPORARY LANGUAGE REGARDING TRANSFERS FROM THE WORKING
CASH-STABILIZATION RESERVE FUND; TO AMEND SECTION 27-103-211,
MISSISSIPPI CODE OF 1972, TO DELETE SOME TEMPORARY EXCEPTIONS TO
THE LIMIT ON GENERAL FUND APPROPRIATIONS FOR THE STATE BUDGET; TO
AMEND SECTION 27-103-213, MISSISSIPPI CODE OF 1972, TO DELETE SOME
TEMPORARY LANGUAGE REGARDING THE DISTRIBUTION OF THE UNENCUMBERED
CASH BALANCE IN THE STATE GENERAL FUND AT THE END OF THE FISCAL
YEAR; TO AMEND SECTION 27-103-303, MISSISSIPPI CODE OF 1972, TO
DELETE SOME TEMPORARY LANGUAGE AUTHORIZING FUNDS IN THE CAPITAL
EXPENSE FUND TO BE USED FOR THE EMERGENCY PLUGGING OF ORPHANED
WELLS IDENTIFIED BY THE OIL AND GAS BOARD; TO AMEND SECTIONS 1 AND
9 OF CHAPTER 43, LAWS OF 2020, TO TRANSFER A PORTION OF THE FUNDS
APPROPRIATED FOR THE SUPPORT OF THE PUBLIC COMMUNITY COLLEGES TO
FUND LIFE AND HEALTH INSURANCE FOR EMPLOYEES OF THE PUBLIC
COMMUNITY COLLEGES; TO REPEAL SECTION 16 OF CHAPTER 78, LAWS OF
2020, WHICH APPROPRIATES A CERTAIN AMOUNT FROM THE CAPITAL EXPENSE
FUND TO THE DIVISION OF MEDICAID; TO CREATE IN THE STATE TREASURY
A SPECIAL FUND TO BE DESIGNATED AS THE "MDA SITE DEVELOPMENT GRANT
PROGRAM FUND," WHICH SHALL BE USED BY THE MISSISSIPPI DEVELOPMENT
AUTHORITY TO MAKE GRANTS TO ASSIST ELIGIBLE ENTITIES UNDER THE
MISSISSIPPI SITE DEVELOPMENT GRANT PROGRAM; TO DIRECT THE STATE
FISCAL OFFICER TO TRANSFER THE FULL BALANCE IN THE MISSISSIPPI
DEVELOPMENT AUTHORITY JOB TRAINING GRANT FUND INTO THE CAPITAL
EXPENSE FUND; TO DIRECT THE STATE FISCAL OFFICER TO TRANSFER THE
FULL BALANCE IN THE STATE PUBLIC SCHOOL EDUCATION TECHNOLOGY FUND
INTO THE CAPITAL EXPENSE FUND; TO REPEAL SECTION 57-1-451,
MISSISSIPPI CODE OF 1972, WHICH CREATES THE MISSISSIPPI
DEVELOPMENT AUTHORITY JOB TRAINING GRANT FUND; TO CREATE IN THE
STATE TREASURY A SPECIAL FUND TO BE DESIGNATED AS THE "DEQ WATER,
LAND AND AIR CONTAMINATION PROJECTS FUND," WHICH SHALL BE USED BY
THE MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY FOR THE
PURPOSE OF ASSESSMENT, REMEDIATION, OPERATION AND MAINTENANCE,
COST-SHARING, OVERSIGHT AND ADMINISTRATION OF WATER, LAND AND AIR
CONTAMINATION PROJECTS WITHIN THE STATE OF MISSISSIPPI; TO DIRECT
THE STATE FISCAL OFFICER TO TRANSFER A CERTAIN SUM FROM THE
ATTORNEY GENERAL CONTINGENT FUND TO THE DEQ WATER, LAND AND AIR
CONTAMINATION PROJECTS FUND; TO AUTHORIZE CERTAIN SPECIAL FUND
AGENCIES TO ESCALATE THEIR BUDGETS DURING FISCAL YEAR 2022 TO
IMPLEMENT AND FUND INCREASES IN THE ANNUAL SALARIES OF THEIR
EMPLOYEES; TO CREATE IN THE STATE TREASURY A SPECIAL FUND TO BE
DESIGNATED AS THE "CORONAVIRUS STATE FISCAL RECOVERY FUND," WHICH
SHALL CONSIST OF ALL FUNDS RECEIVED BY OR ON BEHALF OF THE STATE
OF MISSISSIPPI THROUGH THE CORONAVIRUS STATE FISCAL RECOVERY FUND
OF THE AMERICAN RESCUE PLAN ACT OF 2021; TO PROVIDE THAT MONIES IN
THE FUND SHALL ONLY BE SPENT UPON APPROPRIATION BY THE LEGISLATURE
AND SHALL ONLY BE USED AS PROVIDED IN THE CORONAVIRUS STATE FISCAL
RECOVERY FUND OF THE AMERICAN RESCUE PLAN ACT OF 2021; TO CREATE
IN THE STATE TREASURY A SPECIAL FUND TO BE DESIGNATED AS THE
"CORONAVIRUS LOCAL FISCAL RECOVERY FUND," WHICH SHALL CONSIST OF
ALL FUNDS RECEIVED BY OR ON BEHALF OF THE STATE OF MISSISSIPPI
THROUGH THE CORONAVIRUS LOCAL FISCAL RECOVERY FUND OF THE AMERICAN
RESCUE PLAN ACT OF 2021 FOR DISTRIBUTION TO NONENTITLEMENT UNITS
OF LOCAL GOVERNMENT; TO PROVIDE THAT THE FUND SHALL BE
ADMINISTERED BY THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO
PROVIDE THAT THE DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL
DISTRIBUTE THE FUNDS TO NONENTITLEMENT UNITS OF LOCAL GOVERNMENT
IN ACCORDANCE WITH THE CORONAVIRUS LOCAL FISCAL RECOVERY FUND OF
THE AMERICAN RESCUE PLAN ACT OF 2021; TO PROVIDE THAT THE FUNDS
SHALL ONLY BE USED AS PROVIDED IN THE CORONAVIRUS LOCAL FISCAL
RECOVERY FUND OF THE AMERICAN RESCUE PLAN ACT OF 2021; TO CREATE A
SPECIAL FUND IN THE STATE TREASURY TO BE KNOWN AS THE ROSS BARNETT
RESERVOIR DREDGING FUND, WHICH SHALL CONSIST OF MONIES DEPOSITED
INTO FUND BY THE BOARD OF DIRECTORS OF THE PEARL RIVER VALLEY
WATER SUPPLY DISTRICT FROM THE LEASE PAYMENTS, FEES AND OTHER
FUNDS RECEIVED BY THE DISTRICT DURING THE FISCAL YEAR; AND FOR
RELATED PURPOSES.

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

SECTION 1. Section 27-103-125, Mississippi Code of 1972, is
amended as follows:

27-103-125. The proposed budget of each state agency shall
show the amounts required for operating expenses separately from
the amounts required for permanent improvements. The overall
budget shall show, separately by each source, the estimated amount
of general fund revenue and of special fund revenues of general
fund agencies. The total proposed expenditures in Part 1 of the
overall budget shall not exceed the amount of estimated revenues
that will be available in the general and special funds for
appropriation or use during the succeeding fiscal year, including
any balances other than unencumbered balances in general funds
that will be on hand in the general and special funds at the close
of the then current fiscal year. The total proposed expenditures
from the State General Fund in Part 1 of the overall budget shall
not exceed ninety-eight percent (98%) of the amount of general
fund revenue estimate for the succeeding fiscal year. ** The
general fund revenue estimate shall be the estimate jointly
adopted by the Governor and the Joint Legislative Budget
Committee. The Legislative Budget Office may recommend additional
taxes or sources of revenue if in its judgment those additional
funds are necessary to adequately support the functions of the
state government.

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

27-103-139. On or before November 15 preceding each regular
session of the Legislature, except the first regular session of a
new term of office, the Governor shall submit to the members of
the Legislature, the Legislative Budget Office or the
members-elect, as the case may be, and to the executive head of
each state agency a balanced budget for the succeeding fiscal
year. The budget submitted shall be prepared in a format that
will include performance measurement data associated with the
various programs operated by each agency. The total proposed
expenditures in the balanced budget shall not exceed the amount of
estimated revenues that will be available for appropriation or use
during the succeeding fiscal year, including any balances other
than unencumbered balances in general funds that will be on hand
at the close of the then current fiscal year, as determined by the
revenue estimate jointly adopted by the Governor and the
Legislative Budget Committee. The total proposed expenditures
from the State General Fund in the balanced budget shall not
exceed ninety-eight percent (98%) of the amount of general fund
revenue estimate for the succeeding fiscal year. ** The
general fund revenue estimate shall be the estimate jointly
adopted by the Governor and the Joint Legislative Budget
Committee.

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

The Governor may employ a budget officer for the purpose of receiving information from the State Fiscal Officer and preparing his recommendations on the budget. If the Governor determines that information received from the State Fiscal Officer is not sufficient to enable him to prepare his budget recommendations, he may request an appropriation from the Legislature to provide additional staff within the Governor's office for that purpose.

At the first regular session after his election for Governor, the Governor shall submit any budget recommendations plus the required revenue source recommendations no later than January 31 of that year.

SECTION 3. Section 27-103-203, Mississippi Code of 1972, is amended as follows:

27-103-203. (1) There is created in the State Treasury a special fund, separate and apart from any other fund, to be designated the Working Cash-Stabilization Reserve Fund.

(2) The Working Cash-Stabilization Reserve Fund shall not be considered as a surplus or available funds when adopting a balanced budget as required by law. The State Treasurer shall invest all sums in the Working Cash-Stabilization Reserve Fund not
needed for the purposes provided for in this section in
certificates of deposit, repurchase agreements and other
securities as authorized in Section 27-105-33(d) or Section
7-9-103, as the State Treasurer may determine to yield the highest
market rate available. If the Ayers Settlement Fund is created
under Section 37-101-27(5), the first Five Million Dollars
($5,000,000.00) of interest earned on those sums each fiscal year
shall be deposited into that fund until a total of Seventy Million
Dollars ($70,000,000.00) has been deposited into the fund. The
interest, or the remaining interest if the Ayers Settlement Fund
is created, that is earned on those sums shall be deposited in the
Working Cash-Stabilization Reserve Fund until the balance of
principal and interest in the fund reaches ten percent (10%) of
the total General Fund appropriations for the current fiscal year,
and all interest earned in excess of amounts necessary to maintain
the ten percent (10%) fund balance requirement shall be deposited
by the State Treasurer into the State General Fund.

(3) The Working Cash-Stabilization Reserve Fund, except for
Fifteen Million Dollars ($15,000,000.00) and the amount of the
interest and income earned on the principal of the Ayers Endowment
Trust created by Section 37-101-27, shall be used by the State
Treasurer for cash flow needs throughout the year when the
Executive Director of the Department of Finance and Administration
certifies that in his opinion there will be cash flow deficiencies
in the State General Fund. No borrowing of monies from other
special funds for such purposes as authorized by Section 31-17-101 et seq., shall be made as long as an unencumbered balance in excess of Fifteen Million Dollars ($15,000,000.00) and the interest and income earned on the principal of the Ayers Endowment Trust created by Section 37-101-27 remains in the fund. The State Treasurer shall reimburse the fund for all sums borrowed for those purposes from General Fund revenues collected during the fiscal year in which those funds are used. The State Treasurer shall immediately notify the Legislative Budget Office and the State Department of Finance and Administration of each transfer into and out of the fund. Fifteen Million Dollars ($15,000,000.00) in the Working Cash-Stabilization Reserve Fund shall remain available for exclusive use of the Ayers Endowment Trust created by Section 37-101-27. If the Ayers Settlement Fund is created under Section 37-101-27(5), beginning when a total of Fifty-five Million Dollars ($55,000,000.00) has been deposited into the fund, for each annual deposit of interest to that fund under subsection (2) of this section, the Ayers Endowment Trust created under Section 37-101-27(1) shall be reduced by an equal amount annually until the Ayers Endowment Trust reaches Zero Dollars ($0.00), at which time any requirements concerning the Ayers Endowment Trust in this section shall be null and void.

(4) The Working Cash-Stabilization Reserve Fund, except for Forty Million Dollars ($40,000,000.00), shall also be used for the purpose of covering any projected deficits that may occur in the
General Fund at the end of a fiscal year as a result of revenue shortfalls. If the Governor determines that a deficit in revenues from all sources may occur, it shall be the duty of the Executive Director of the Department of Finance and Administration to transfer such funds as necessary to the General Fund to alleviate the deficit in accordance with Sections 27-104-13 and 31-17-123; however, not more than Fifty Million Dollars ($50,000,000.00) may be transferred from the fund for that purpose in any one (1) fiscal year ***.

(5) The Working Cash-Stabilization Reserve Fund also shall be used to provide funds for the Disaster Assistance Trust Fund when those funds are immediately needed to provide for disaster assistance under Sections 33-15-301 through 33-15-317. Any transfer of funds from the Working Cash-Stabilization Reserve Fund to the Disaster Assistance Trust Fund shall be made in accordance with the provisions of subsection (5) of Section 33-15-307.

(6) The Department of Finance and Administration shall immediately send notice of any transfers made, or other action taken under authority of this section, to the Legislative Budget Office.

(7) Funds deposited in the Working Cash-Stabilization Reserve Fund shall be used only for the purposes specified in this section, and as long as the provisions of this section remain in effect, no other expenditure, appropriation or transfer of funds in the Working Cash-Stabilization Reserve Fund shall be made.
except by act of the Legislature making specific reference to the Working Cash-Stabilization Reserve Fund as the source of those funds.

(8) Any funds appropriated from the Working Cash-Stabilization Reserve Fund that are unexpended at the end of a fiscal year shall lapse into the Working Cash-Stabilization Reserve Fund.

SECTION 4. Section 27-103-211, Mississippi Code of 1972, is amended as follows:

27-103-211. The total sum appropriated by the Legislature from the State General Fund for any fiscal year shall not exceed ninety-eight percent (98%) of the general fund revenue estimate for that fiscal year developed by the Department of Revenue and the University Research Center and adopted by the Joint Legislative Budget Committee. The unencumbered balances in general funds that will be available and on hand at the close of the fiscal year shall not include projected amounts required to be deposited into the Working Cash-Stabilization Reserve Fund under Section 27-103-203. * * *

SECTION 5. Section 27-103-213, Mississippi Code of 1972, is amended as follows:

27-103-213. (1) The unencumbered cash balance in the General Fund in the State Treasury at the close of each fiscal year shall be distributed to the Municipal Revolving Fund, the
Working Cash-Stabilization Reserve Fund and the Capital Expense Fund in the manner provided in this section.

(2) (a) At the end of each fiscal year, the Executive Director of the Department of Finance and Administration and the State Treasurer shall determine the extent of the unencumbered cash balance existing in the General Fund in the State Treasury.

(b) As used in this section, the term "unencumbered cash balance" or "unencumbered General Fund cash balance" means the amount in the State General Fund after deducting all appropriations and other expenditures. However, if the Legislature has authorized additional or deficit appropriations or transfers from the State General Fund for that fiscal year, those amounts shall be subtracted from the unencumbered cash balance in the General Fund before determining the amount available for distribution. The unencumbered General Fund cash balance shall not be determined until after August 31 of each year, and it shall not be made until the State Treasurer has received a certificate in writing from the Executive Director of the Department of Finance and Administration, with notification to the Legislative Budget Office, showing the amount of the unencumbered General Fund cash balance.

(3) If any unencumbered General Fund cash balance is available for distribution under this section, the distribution of those funds shall be made by the Executive Director of the Department of Finance and Administration in the following order:
(a) To the Municipal Revolving Fund, an amount equal to Seven Hundred Fifty Thousand Dollars ($750,000.00); however, if the amount of the unencumbered General Fund cash balance is less than Seven Hundred Fifty Thousand Dollars ($750,000.00), then the total amount of the unencumbered General Fund cash balance shall be distributed to the Municipal Revolving Fund.

(b) To the Working Cash-Stabilization Reserve Fund, fifty percent (50%) of the amount of the unencumbered General Fund cash balance after the distributions are made under paragraph (a), not to exceed ten percent (10%) of the General Fund appropriations for the fiscal year that the unencumbered General Fund cash balance represents. For the purposes of this paragraph (b), the appropriations for the fiscal year shall be the total amount contained in the actual appropriation bills passed by the Legislature.

(c) To the Capital Expense Fund, any remaining amount of the unencumbered General Fund cash balance after the distributions are made under paragraphs (a) and (b).

* * *

SECTION 6. Section 27-103-303, Mississippi Code of 1972, is amended as follows:

27-103-303. (1) There is created in the State Treasury a special fund, separate and apart from any other fund, to be designated the Capital Expense Fund.
2(2) The Capital Expense Fund shall not be considered as a
surplus or available funds when adopting a balanced budget as
required by law. The State Treasurer shall invest all sums in the
Capital Expense Fund not needed for the purposes provided for in
this section in certificates of deposit, repurchase agreements and
other securities as authorized in Section 27-105-33(d) or Section
7-9-103, as the State Treasurer may determine to yield the highest
market rate available. Interest earned on this fund shall be
deposited by the State Treasurer into the State General Fund.

(3) The Capital Expense Fund shall be used for capital
expense needs, repair and renovation of state-owned properties and
specific expenditures authorized by the Legislature. The
Legislature shall designate those capital expense projects, repair
and renovation projects and other authorized projects in an
appropriation act passed by the Legislature, which shall direct
the Director of the Department of Finance and Administration to
administer the projects.

(4) In addition to the purposes specified in subsection (3)
of this section, the Capital Expense Fund shall be used to provide
funds for emergency repairs on state-owned buildings upon
requisition of the Executive Director of the Department of Finance
and Administration. Whenever the executive director determines
that funds are immediately needed for emergency repairs on
state-owned buildings, he or she shall requisition the funds
needed from the Capital Expense Fund, which shall be subject to
the limitations set forth in this subsection. At the same time he 
or she makes the requisition, the executive director shall notify 
the Lieutenant Governor, the Speaker of the House of 
Representatives, the respective Chairmen of the Senate 
Appropriations Committee, the Senate Finance Committee, the House 
Appropriations Committee and the House Ways and Means Committee 
and the Legislative Budget Office of his or her determination of 
the need for the funds, the amount that he or she has 
requisitioned and where the funds will be used. If the amount 
requisitioned is available in the Capital Expense Fund, is not 
allocated for any specific projects as authorized in subsection 
(3) of this section and is within the limitations set forth below 
in this subsection, then the executive director may escalate the 
budget of the Bureau of Building, Grounds and Real Property 
Management ** to use the full amount of the requisitioned funds 
for the emergency repairs ** and transfer that amount to the 
bureau ** for that purpose. If the amount requisitioned is 
more than the amount available in the Capital Expense Fund or 
above the limitations set forth below in this subsection, then the 
executive director may escalate the budget of the bureau ** to 
use the amount that is available within the limitations for the 
emergency repairs ** and transfer that amount to the 
bureau ** for that purpose. The maximum amount that may be 
transferred from the Capital Expense Fund to the bureau ** for 
any single emergency shall be One Million Dollars ($1,000,000.00),
and the maximum amount that may be transferred to the bureau * * * for all emergencies during any fiscal year shall be Five Million Dollars ($5,000,000.00).

(5) Funds deposited in the Capital Expense Fund shall be used only for the purposes specified in this section, and as long as the provisions of this section remain in effect, no other expenditure, appropriation or transfer of funds in the Capital Expense Fund shall be made except by act of the Legislature making specific reference to the Capital Expense Fund as the source of those funds.

(6) Unexpended funds in the Capital Expense Fund at the end of a fiscal year shall not lapse into the State General Fund but shall remain in the fund for use under this section. Any funds appropriated from the Capital Expense Fund that are unexpended at the end of a fiscal year shall lapse into the Capital Expense Fund.

SECTION 7. Section 1 of Chapter 43, Laws of 2020, is amended as follows:

Section 1. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the aid and support of the public community and junior colleges for the fiscal year beginning July 1, 2020, and ending June 30, 2021..............

................................. * * * $142,948,318.00.
SECTION 8. Section 8 of Chapter 43, Laws of 2020, is amended as follows:

Section 8. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the aid of the public community and junior colleges, to fund life and health insurance, for all employees of the public community and junior colleges for the fiscal year beginning July 1, 2020, and ending June 30, 2021. * * * $24,254,533.00.

The funds allocated in this section shall only be used to participate in the State and School Employees' Life and Health Insurance Plan. Any funds appropriated in this section which are not expended during the fiscal year shall be carried forward for the same purposes during the next succeeding fiscal year.

SECTION 9. Section 16 of Chapter 78, Laws of 2020, which appropriates a certain amount from the Capital Expense Fund to the Division of Medicaid, is repealed.

SECTION 10. There is created in the State Treasury a special fund to be designated as the "MDA Site Development Grant Program Fund," which shall consist of funds made available by the Legislature in any manner and funds from any other source designated for deposit into the fund. Monies in the fund shall be used by the Mississippi Development Authority, upon appropriation by the Legislature, to make grants to assist eligible entities under the Mississippi Site Development Grant Program as provided
in Section 57-1-701. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund.

SECTION 11. Not later than thirty (30) days after the effective date of this act, the State Fiscal Officer shall transfer the full balance in the Mississippi Development Authority Job Training Grant Fund into the Capital Expense Fund.

SECTION 12. Not later than thirty (30) days after the effective date of this act, the State Fiscal Officer shall transfer the full balance in the State Public School Education Technology Fund into the Capital Expense Fund.

SECTION 13. Section 57-1-451, Mississippi Code of 1972, which creates the Mississippi Development Authority Job Training Grant Fund, is repealed thirty (30) days after the effective date of this act.

SECTION 14. (1) There is created in the State Treasury a special fund to be designated as the "DEQ Water, Land and Air Contamination Projects Fund," which shall consist of funds transferred from the Attorney General Contingent Fund under the provisions of subsection (2) of this section, any other funds made available by the Legislature in any manner and funds from any other source designated for deposit into the fund. Monies in the fund shall be used by the Mississippi Department of Environmental Quality, upon appropriation by the Legislature, for the purpose of
assessment, remediation, operation and maintenance, cost-sharing, oversight and administration of water, land and air contamination projects within the State of Mississippi pursuant to the 2020 settlement in the case of The State of Mississippi ex rel. Lynn Fitch, Attorney General vs. EnPro, Inc., et.al.; Cause No. CV-2017-19-JMY2. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund.

(2) During fiscal year 2022, the State Fiscal Officer shall transfer the sum of One Million Dollars ($1,000,000.00) from the Attorney General Contingent Fund to the DEQ Water, Land and Air Contamination Projects Fund created in subsection (1) of this section.

SECTION 15. (1) It is the intent of the Legislature that the agencies listed in subsection (2) of this section shall have the authority to expend funds from any source that may become available to the agency in fiscal year 2022 in accordance with the rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds for the purpose of implementation and funding Project SEC2 of the Colonel Guy Groff State Variable Compensation Plan beginning January 1, 2022 and ending June 30, 2022. It shall be the agency’s responsibility to make certain that each person, excluding executive directors, agency heads, and elected judges,
shall receive no more than a three percent (3%) annual increase in salary which shall not exceed the market rate established by the State Personnel Board pursuant to the Colonel Guy Groff State Variable Compensation Plan for each classification.

(2) Based on data provided by the Legislative Budget Office, the State Personnel Board shall determine and publish the projected annual cost to fully fund all appropriated positions in compliance with the provisions of this section. The agencies listed are authorized to escalate other special funds for the limited purpose provided in this section in an amount not to exceed the following:

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<thead>
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<th>AGENCY</th>
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<tbody>
<tr>
<td>Architecture, Board of</td>
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<td>Nursing, Board of</td>
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<td>Pearl River Valley Water Supply District</td>
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Public Accountancy, Board of $ 3,441.00
Public Contractors, Board of $ 10,028.00
Real Estate Appr. Licensing & Cert., Board of $ 1,794.00
Real Estate Commission $ 9,298.00
Social Workers & Marriage/Family Therapists, $ 985.00
Veterans' Home Purchase Board $ 13,470.00

SECTION 16. (1) All funds received by or on behalf of the State of Mississippi through the Coronavirus State Fiscal Recovery Fund in Section 9901 of the American Rescue Plan Act of 2021 (Public Law No. 117-2) shall be deposited into the Coronavirus State Fiscal Recovery Fund created in subsection (2) of this section.

(2) There is created in the State Treasury a special fund to be designated as the "Coronavirus State Fiscal Recovery Fund." The special fund shall consist of funds required to be deposited into the special fund by subsection (1) of this section, funds appropriated or otherwise made available by the Legislature in any manner, and funds from any other source designated for deposit into the special fund. Monies in the fund shall only be spent upon appropriation by the Legislature and shall only be used as provided in the Coronavirus State Fiscal Recovery Fund in Section 9901 of the American Rescue Plan Act of 2021 (Public Law No. 117-2) or as authorized by federal rule or regulation or guidelines.
(3) Unexpended amounts remaining in the special fund at the end of a fiscal year shall not lapse into the State General Fund but shall remain in the Coronavirus State Fiscal Recovery Fund. Any investment earnings or interest earned on amounts in the special fund shall be deposited to the credit of the special fund.

SECTION 17. (1) All funds received by or on behalf of the State of Mississippi through the Coronavirus Local Fiscal Recovery Fund in Section 9901 of the American Rescue Plan Act of 2021 (Public Law No. 117-2) for distribution to nonentitlement units of local government shall be deposited into the Coronavirus Local Fiscal Recovery Fund created in subsection (2) of this section.

(2) There is created in the State Treasury a special fund to be designated as the "Coronavirus Local Fiscal Recovery Fund" to be administered by the Department of Finance and Administration. The special fund shall consist of funds required to be deposited into the special fund by subsection (1) of this section, funds appropriated or otherwise made available by the Legislature in any manner, and funds from any other source designated for deposit into the special fund. The Department of Finance and Administration shall distribute the funds to the nonentitlement units of local government in accordance with the Coronavirus Local Fiscal Recovery Fund in Section 9901 of the American Rescue Plan Act of 2021 (Public Law No. 117-2) and any applicable federal guidelines. Such funds shall only be used as provided in the Coronavirus Local Fiscal Recovery Fund in Section 9901 of the
American Rescue Plan Act of 2021 (Public Law No. 117-2) or as
authorized by federal rule or regulation or guidelines.

(3) Unexpended amounts remaining in the special fund at the
end of a fiscal year shall not lapse into the State General Fund
but shall remain in the Coronavirus Local Fiscal Recovery Fund.
Any investment earnings or interest earned on amounts in the
special fund shall be deposited to the credit of the special fund.

SECTION 18. (1) There is created in the State Treasury a
special fund to be known as the Ross Barnett Reservoir Dredging
Fund. The fund shall consist of the monies deposited into the
fund as provided in subsection (2) of this section and any other
monies appropriated or otherwise made available for the fund by
the Legislature. The fund shall be administered and expended by
the Board of Directors of the Pearl River Valley Water Supply
District, upon appropriation by the Legislature, for dredging and
other related activities to remove sediments and debris from the
bottom of the Ross Barnett Reservoir.

(2) During fiscal year 2022 and each fiscal year thereafter,
the Board of Directors of the Pearl River Valley Water Supply
District may deposit not more than Two Hundred Thousand Dollars
($200,000.00) of the lease payments, fees and other funds received
by the district during the fiscal year into the Ross Barnett
Dredging Fund.

(3) Unexpended amounts remaining in the Ross Barnett
Dredging Fund at the end of a fiscal year shall not lapse into the
State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund.

SECTION 19. This act shall take effect and be in force from and after its passage.