

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**House Bill No. 109**

**BY: Committee**

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

11           **SECTION 1.** Section 27-103-125, Mississippi Code of 1972, is  
12 brought forward as follows:  
13           27-103-125. The proposed budget of each state agency shall  
14 show the amounts required for operating expenses separately from  
15 the amounts required for permanent improvements. The overall  
16 budget shall show, separately by each source, the estimated amount  
17 of general fund revenue and of special fund revenues of general  
18 fund agencies. The total proposed expenditures in Part 1 of the  
19 overall budget shall not exceed the amount of estimated revenues  
20 that will be available in the general and special funds for



21 appropriation or use during the succeeding fiscal year, including  
22 any balances other than unencumbered balances in general funds  
23 that will be on hand in the general and special funds at the close  
24 of the then current fiscal year. The total proposed expenditures  
25 from the State General Fund in Part 1 of the overall budget shall  
26 not exceed ninety-eight percent (98%) of the amount of general  
27 fund revenue estimate for the succeeding fiscal year. However,  
28 for fiscal years 2010, 2011, 2012, 2016 and 2017 only, the total  
29 proposed expenditures from the State General Fund in Part 1 of the  
30 overall budget shall not exceed one hundred percent (100%) of the  
31 amount of the general fund revenue estimate for the succeeding  
32 fiscal year, and for fiscal year 2018, the total proposed  
33 expenditures from the State General Fund in Part 1 of the overall  
34 budget shall not exceed ninety-nine percent (99%) of the amount of  
35 general fund revenue estimate for the succeeding fiscal year. The  
36 general fund revenue estimate shall be the estimate jointly  
37 adopted by the Governor and the Joint Legislative Budget  
38 Committee. The Legislative Budget Office may recommend additional  
39 taxes or sources of revenue if in its judgment those additional  
40 funds are necessary to adequately support the functions of the  
41 state government.

42 **SECTION 2.** Section 27-103-139, Mississippi Code of 1972, is  
43 brought forward as follows:

44 27-103-139. On or before November 15 preceding each regular  
45 session of the Legislature, except the first regular session of a



46 new term of office, the Governor shall submit to the members of  
47 the Legislature, the Legislative Budget Office or the  
48 members-elect, as the case may be, and to the executive head of  
49 each state agency a balanced budget for the succeeding fiscal  
50 year. The budget submitted shall be prepared in a format that  
51 will include performance measurement data associated with the  
52 various programs operated by each agency. The total proposed  
53 expenditures in the balanced budget shall not exceed the amount of  
54 estimated revenues that will be available for appropriation or use  
55 during the succeeding fiscal year, including any balances other  
56 than unencumbered balances in general funds that will be on hand  
57 at the close of the then current fiscal year, as determined by the  
58 revenue estimate jointly adopted by the Governor and the  
59 Legislative Budget Committee. The total proposed expenditures  
60 from the State General Fund in the balanced budget shall not  
61 exceed ninety-eight percent (98%) of the amount of general fund  
62 revenue estimate for the succeeding fiscal year. However, for  
63 fiscal years 2010, 2011, 2012, 2016 and 2017 only, the total  
64 proposed expenditures from the State General Fund in the balanced  
65 budget shall not exceed one hundred percent (100%) of the amount  
66 of the general fund revenue estimate for the succeeding fiscal  
67 year, and for fiscal year 2018, the total proposed expenditures  
68 from the State General Fund in the balanced budget shall not  
69 exceed ninety-nine percent (99%) of the amount of general fund  
70 revenue estimate for the succeeding fiscal year. The general fund



71 revenue estimate shall be the estimate jointly adopted by the  
72 Governor and the Joint Legislative Budget Committee.

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

87         The Governor may employ a budget officer for the purpose of  
88 receiving information from the State Fiscal Officer and preparing  
89 his recommendations on the budget. If the Governor determines  
90 that information received from the State Fiscal Officer is not  
91 sufficient to enable him to prepare his budget recommendations, he  
92 may request an appropriation from the Legislature to provide  
93 additional staff within the Governor's office for that purpose.  
94 At the first regular session after his election for Governor, the  
95 Governor shall submit any budget recommendations plus the required



96 revenue source recommendations no later than January 31 of that  
97 year.

98         **SECTION 3.** Section 27-103-203, Mississippi Code of 1972, is  
99 brought forward as follows:

100         27-103-203. (1) There is created in the State Treasury a  
101 special fund, separate and apart from any other fund, to be  
102 designated the Working Cash-Stabilization Reserve Fund.

103         (2) The Working Cash-Stabilization Reserve Fund shall not be  
104 considered as a surplus or available funds when adopting a  
105 balanced budget as required by law. The State Treasurer shall  
106 invest all sums in the Working Cash-Stabilization Reserve Fund not  
107 needed for the purposes provided for in this section in  
108 certificates of deposit, repurchase agreements and other  
109 securities as authorized in Section 27-105-33(d) or Section  
110 7-9-103, as the State Treasurer may determine to yield the highest  
111 market rate available. If the Ayers Settlement Fund is created  
112 under Section 37-101-27(5), the first Five Million Dollars  
113 (\$5,000,000.00) of interest earned on those sums each fiscal year  
114 shall be deposited into that fund until a total of Seventy Million  
115 Dollars (\$70,000,000.00) has been deposited into the fund. The  
116 interest, or the remaining interest if the Ayers Settlement Fund  
117 is created, that is earned on those sums shall be deposited in the  
118 Working Cash-Stabilization Reserve Fund until the balance of  
119 principal and interest in the fund reaches ten percent (10%) of  
120 the total General Fund appropriations for the current fiscal year,



121 and all interest earned in excess of amounts necessary to maintain  
122 the ten percent (10%) fund balance requirement shall be deposited  
123 by the State Treasurer into the State General Fund.

124 (3) The Working Cash-Stabilization Reserve Fund, except for  
125 Fifteen Million Dollars (\$15,000,000.00) and the amount of the  
126 interest and income earned on the principal of the Ayers Endowment  
127 Trust created by Section 37-101-27, shall be used by the State  
128 Treasurer for cash flow needs throughout the year when the  
129 Executive Director of the Department of Finance and Administration  
130 certifies that in his opinion there will be cash flow deficiencies  
131 in the State General Fund. No borrowing of monies from other  
132 special funds for such purposes as authorized by Section 31-17-101  
133 et seq., shall be made as long as an unencumbered balance in  
134 excess of Fifteen Million Dollars (\$15,000,000.00) and the  
135 interest and income earned on the principal of the Ayers Endowment  
136 Trust created by Section 37-101-27 remains in the fund. The State  
137 Treasurer shall reimburse the fund for all sums borrowed for those  
138 purposes from General Fund revenues collected during the fiscal  
139 year in which those funds are used. The State Treasurer shall  
140 immediately notify the Legislative Budget Office and the State  
141 Department of Finance and Administration of each transfer into and  
142 out of the fund. Fifteen Million Dollars (\$15,000,000.00) in the  
143 Working Cash-Stabilization Reserve Fund shall remain available for  
144 exclusive use of the Ayers Endowment Trust created by Section  
145 37-101-27. If the Ayers Settlement Fund is created under Section



146 37-101-27(5), beginning when a total of Fifty-five Million Dollars  
147 (\$55,000,000.00) has been deposited into the fund, for each annual  
148 deposit of interest to that fund under subsection (2) of this  
149 section, the Ayers Endowment Trust created under Section  
150 37-101-27(1) shall be reduced by an equal amount annually until  
151 the Ayers Endowment Trust reaches Zero Dollars (\$0.00), at which  
152 time any requirements concerning the Ayers Endowment Trust in this  
153 section shall be null and void.

154 (4) The Working Cash-Stabilization Reserve Fund, except for  
155 Forty Million Dollars (\$40,000,000.00), shall also be used for the  
156 purpose of covering any projected deficits that may occur in the  
157 General Fund at the end of a fiscal year as a result of revenue  
158 shortfalls. If the Governor determines that a deficit in revenues  
159 from all sources may occur, it shall be the duty of the Executive  
160 Director of the Department of Finance and Administration to  
161 transfer such funds as necessary to the General Fund to alleviate  
162 the deficit in accordance with Sections 27-104-13 and 31-17-123;  
163 however, not more than Fifty Million Dollars (\$50,000,000.00) may  
164 be transferred from the fund for that purpose in any one (1)  
165 fiscal year with the exception of fiscal year 2016. However, for  
166 fiscal year 2017, not more than One Hundred Million Dollars  
167 (\$100,000,000.00) may be transferred from the fund for that  
168 purpose.

169 (5) The Working Cash-Stabilization Reserve Fund also shall  
170 be used to provide funds for the Disaster Assistance Trust Fund



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

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

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

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

192 **SECTION 4.** Section 27-103-211, Mississippi Code of 1972, is  
193 brought forward as follows:

194 27-103-211. The total sum appropriated by the Legislature  
195 from the State General Fund for any fiscal year shall not exceed





196 ninety-eight percent (98%) of the general fund revenue estimate  
197 for that fiscal year developed by the Department of Revenue and  
198 the University Research Center and adopted by the Joint  
199 Legislative Budget Committee. The unencumbered balances in  
200 general funds that will be available and on hand at the close of  
201 the fiscal year shall not include projected amounts required to be  
202 deposited into the Working Cash-Stabilization Reserve Fund under  
203 Section 27-103-203. However, for fiscal years 2010, 2011, 2012,  
204 2015, 2016 and 2017 only, the total sum appropriated by the  
205 Legislature from the State General Fund shall not exceed one  
206 hundred percent (100%) of the amount of the general fund revenue  
207 estimate for that fiscal year, and for fiscal year 2018, the total  
208 sum appropriated by the Legislature from the State General Fund  
209 shall not exceed ninety-nine percent (99%) of the amount of the  
210 general fund revenue estimate adopted by the Joint Legislative  
211 Budget Committee for that fiscal year.

212       **SECTION 5.** Section 27-103-213, Mississippi Code of 1972, is  
213 brought forward as follows:

214       27-103-213. (1) The unencumbered cash balance in the  
215 General Fund in the State Treasury at the close of each fiscal  
216 year shall be distributed to the Municipal Revolving Fund, the  
217 Working Cash-Stabilization Reserve Fund and the Capital Expense  
218 Fund in the manner provided in this section, except for fiscal  
219 year 2014 in which the unencumbered cash balance at the close of  
220 fiscal year 2014 shall be distributed as provided in subsection



221 (4) of this section, and fiscal year 2016 in which the  
222 unencumbered cash balance at the close of fiscal year 2016 shall  
223 be distributed as provided in subsection (5) of this section.

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

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

243 (3) If any unencumbered General Fund cash balance is  
244 available for distribution under this section, the distribution of



245 those funds shall be made by the Executive Director of the  
246 Department of Finance and Administration in the following order:

247 (a) To the Municipal Revolving Fund, an amount equal to  
248 Seven Hundred Fifty Thousand Dollars (\$750,000.00); however, if  
249 the amount of the unencumbered General Fund cash balance is less  
250 than Seven Hundred Fifty Thousand Dollars (\$750,000.00), then the  
251 total amount of the unencumbered General Fund cash balance shall  
252 be distributed to the Municipal Revolving Fund.

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

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

265 (4) For fiscal year 2014, if any unencumbered General Fund  
266 cash balance is available for distribution under this section at  
267 the close of the fiscal year, the distribution of those funds  
268 shall be made by the Executive Director of the Department of  
269 Finance and Administration in the following order:



270 (a) To the Municipal Revolving Fund, an amount equal to  
271 Seven Hundred Fifty Thousand Dollars (\$750,000.00); however, if  
272 the amount of the unencumbered General Fund cash balance is less  
273 than Seven Hundred Fifty Thousand Dollars (\$750,000.00), then the  
274 total amount of the unencumbered General Fund cash balance shall  
275 be distributed to the Municipal Revolving Fund.

276 (b) To the Working Cash-Stabilization Reserve Fund, the  
277 amount of the unencumbered General Fund cash balance not  
278 distributed under paragraph (a) until such time as the balance in  
279 the fund reaches Forty Million Dollars (\$40,000,000.00).

280 (c) To the Working Cash-Stabilization Reserve Fund, Two  
281 Hundred Eighty-six Million Nine Hundred Fifty-nine Thousand Seven  
282 Hundred Ninety-eight Dollars (\$286,959,798.00) of the amount of  
283 the unencumbered General Fund cash balance after the distributions  
284 are made under paragraphs (a) and (b); however, if the amount of  
285 the unencumbered General Fund cash balance is less than Two  
286 Hundred Eighty-six Million Nine Hundred Fifty-nine Thousand Seven  
287 Hundred Ninety-eight Dollars (\$286,959,798.00), then the total  
288 amount of the unencumbered General Fund cash balance after the  
289 distributions are made under paragraphs (a) and (b) shall be  
290 distributed to the Working Cash-Stabilization Reserve Fund. For  
291 the purposes of this paragraph (c), the appropriations for the  
292 fiscal year shall be the total amount contained in the actual  
293 appropriation bills passed by the Legislature.



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

297 (5) For fiscal year 2016, if any unencumbered General Fund  
298 cash balance is available for distribution under this section at  
299 the close of the fiscal year, the distribution of those funds  
300 shall be made by the Executive Director of the Department of  
301 Finance and Administration in the following order:

302 (a) To the Municipal Revolving Fund, an amount equal to  
303 Seven Hundred Fifty Thousand Dollars (\$750,000.00); however, if  
304 the amount of the unencumbered General Fund cash balance is less  
305 than Seven Hundred Fifty Thousand Dollars (\$750,000.00), then the  
306 total amount of the unencumbered General Fund cash balance shall  
307 be distributed to the Municipal Revolving Fund.

308 (b) To the Capital Expense Fund, any remaining amount  
309 of the unencumbered General Fund cash balance after the  
310 distributions are made under paragraph (a).

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

313 27-103-303. (1) There is created in the State Treasury a  
314 special fund, separate and apart from any other fund, to be  
315 designated the Capital Expense Fund.

316 (2) The Capital Expense Fund shall not be considered as a  
317 surplus or available funds when adopting a balanced budget as  
318 required by law. The State Treasurer shall invest all sums in the



319 Capital Expense Fund not needed for the purposes provided for in  
320 this section in certificates of deposit, repurchase agreements and  
321 other securities as authorized in Section 27-105-33(d) or Section  
322 7-9-103, as the State Treasurer may determine to yield the highest  
323 market rate available. Interest earned on this fund shall be  
324 deposited by the State Treasurer into the State General Fund.

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

333 (4) In addition to the purposes specified in subsection (3)  
334 of this section, the Capital Expense Fund shall be used to provide  
335 funds for emergency repairs on state-owned buildings \* \* \* upon  
336 requisition of the Executive Director of the Department of Finance  
337 and Administration. Whenever the executive director determines  
338 that funds are immediately needed for emergency repairs on  
339 state-owned buildings \* \* \*, he or she shall requisition the funds  
340 needed from the Capital Expense Fund, which shall be subject to  
341 the limitations set forth in this subsection. At the same time he  
342 or she makes the requisition, the executive director shall notify  
343 the Lieutenant Governor, the Speaker of the House of



344 Representatives, the respective Chairmen of the Senate  
345 Appropriations Committee, the Senate Finance Committee, the House  
346 Appropriations Committee and the House Ways and Means Committee  
347 and the Legislative Budget Office of his or her determination of  
348 the need for the funds, the amount that he or she has  
349 requisitioned and where the funds will be used. If the amount  
350 requisitioned is available in the Capital Expense Fund, is not  
351 allocated for any specific projects as authorized in subsection  
352 (3) of this section and is within the limitations set forth below  
353 in this subsection, then the executive director may escalate the  
354 budget of the Bureau of Building, Grounds and Real Property  
355 Management \* \* \* to use the full amount of the requisitioned funds  
356 for the emergency repairs \* \* \*, and transfer that amount to the  
357 bureau \* \* \* for that purpose. If the amount requisitioned is  
358 more than the amount available in the Capital Expense Fund or  
359 above the limitations set forth below in this subsection, then the  
360 executive director may escalate the budget of the bureau \* \* \* to  
361 use the amount that is available within the limitations for the  
362 emergency repairs \* \* \*, and transfer that amount to the  
363 bureau \* \* \* for that purpose. The maximum amount that may be  
364 transferred from the Capital Expense Fund to the bureau \* \* \* for  
365 any single emergency shall be One Million Dollars (\$1,000,000.00),  
366 and the maximum amount that may be transferred to the bureau \* \* \*  
367 for all emergencies during any fiscal year shall be Five Million  
368 Dollars (\$5,000,000.00).



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

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

382 **SECTION 7.** During fiscal year 2021, the State Fiscal Officer  
383 shall transfer to the Capital Expense Fund out of the following  
384 enumerated funds, the amounts listed below from each fund:

385 FUND	FUND NUMBER	AMOUNT
386 General Fund	2999000000	\$1.00
387 Budget Contingency Fund	6117700000	<u>\$1.00</u>
388 TOTAL		\$2.00

389 **SECTION 8.** This act shall take effect and be in force from  
390 and after its passage.

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





1 AN ACT TO BRING FORWARD SECTIONS 27-103-125, 27-103-139,  
2 27-103-203, 27-103-211 AND 27-103-213, MISSISSIPPI CODE OF 1972,  
3 WHICH RELATE TO VARIOUS ASPECTS OF THE BUDGET PROCESS, FOR THE  
4 PURPOSES OF POSSIBLE AMENDMENT; TO AMEND SECTION 27-103-303,  
5 MISSISSIPPI CODE OF 1972, TO REMOVE THE AUTHORITY TO USE FUNDS  
6 FROM THE CAPITAL EXPENSE FUND FOR THE EMERGENCY PLUGGING OF  
7 ORPHANED WELLS IDENTIFIED BY THE OIL AND GAS BOARD; TO PROVIDE FOR  
8 CERTAIN TRANSFERS TO THE CAPITAL EXPENSE FUND DURING THE FISCAL  
9 YEAR 2021; AND FOR RELATED PURPOSES.

