

By: Representatives Currie, Turner

To: Appropriations

HOUSE BILL NO. 1222

1 AN ACT TO AMEND SECTION 27-104-351, MISSISSIPPI CODE OF 1972,  
2 TO MAKE CERTAIN TECHNICAL AMENDMENTS TO THE LINE-ITEM  
3 APPROPRIATION TRANSPARENCY ACT; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 27-104-351, Mississippi Code of 1972, is  
6 amended as follows:

7 27-104-351. (1) This section shall be known and may be  
8 cited as the "Line-Item Appropriation Transparency Act."

9 (2) As used in this section, unless the context clearly  
10 indicates otherwise:

11 (a) "Local government entity" means any county,  
12 municipality, school district, public hospital or other political  
13 subdivision of the state.

14 (b) "Pass-through funding" means a line-item  
15 appropriation by the Legislature to a state agency that is  
16 itemized on a separate line in a budget and that is intended to be  
17 passed through the state agency to one or more:

18 (i) Local government entities;



19 (ii) Private organizations, including  
20 not-for-profit organizations; or  
21 (iii) Persons in the form of a loan or grant.  
22 "Pass-through funding" may be general funds, dedicated credits, or  
23 any combination of state funding sources, and may be ongoing or  
24 one-time.

25 (c) "Recipient entity" means a local government entity  
26 or private entity, including a nonprofit entity, that receives  
27 money by way of pass-through funding from a state agency.

28 (d) "State agency" shall have the same meaning as  
29 provided in Section 27-103-103, and shall include any other  
30 subagency or board under the supervision of that state agency.

31 (e) "State money" means \* \* \* funds in the State  
32 General Fund, and all state-support special funds that are in the  
33 Budget Contingency Fund, Capital Expense Fund, Working-Cash  
34 Stabilization Reserve Fund, Education Enhancement Fund, Tobacco  
35 Control Program Fund, and any other special funds that are  
36 determined by the Joint Legislative Budget Committee to be state  
37 support special funds. "State money" does not include  
38 contributions or donations received by a state agency.

39 (3) A state agency may not provide a recipient entity state  
40 money from pass-through funding unless:

41 (a) The state agency enters into a written agreement  
42 with the recipient entity; and



43 (b) The written agreement described in paragraph (a) of  
44 this subsection requires the recipient entity to provide to the  
45 state agency the following:

46 (i) \* \* \* A written description and an itemized  
47 report submitted at least quarterly detailing the expenditure of  
48 the state money \* \* \* or the intended expenditure of any state  
49 money that has not been spent; and

50 (ii) A final written itemized report when all the  
51 state money is spent.

52 After the written agreement described in paragraph (a) of  
53 this subsection has been signed, the state agency shall establish  
54 a disbursement schedule in which only a portion of the  
55 pass-through funds will be disbursed during the first six (6)  
56 months of a fiscal year, with the remaining funds being disbursed  
57 during the second six (6) months of the fiscal year.

58 Disbursements shall be contingent upon the recipient entity  
59 complying with the quarterly reporting requirements in paragraph  
60 (b) of this subsection.

61 (4) \* \* \* On or before June 30 of each year, the state  
62 agency shall provide to the Department of Finance and  
63 Administration's Office of Budget and Fund Management a copy of  
64 the written description and itemized reports required by  
65 subsection (3) of this section.

66 (5) The \* \* \* Department of Finance and Administration's  
67 Office of Budget and Fund Management is responsible for obtaining



68 the written descriptions and itemized reports required under  
69 subsection (3) of this section from the \* \* \* state agencies.  
70 The \* \* \* office is further responsible for \* \* \* consolidating  
71 and presenting a report on pass-through expenditures and providing  
72 it to the Joint Legislative Budget Committee by October 1 of each  
73 year.

74 (6) Notwithstanding subsection (3) of this section, a state  
75 agency is not required to comply with this section to the extent  
76 that the pass-through funding is issued:

77 (a) Under a competitive award process;

78 (b) In accordance with a formula enacted in statute;

79 (c) In accordance with a state program under parameters  
80 in statute or rule that guides the distribution of the  
81 pass-through funding;

82 (d) Under the authority of the Mississippi  
83 Accountability and Adequate Education Program Act of 1997, Section  
84 37-151-1 et seq.; or

85 (e) In accordance with an appropriations act of the  
86 Legislature that specifically provides an exemption from the  
87 provisions of this section.

88 (7) Unless a recipient entity is required to comply with  
89 Section 31-7-1 et seq. because it is an agency or public body, the  
90 fact that it is a recipient entity does not create such an  
91 obligation.



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

