

By: Senator(s) Polk, England

To: Accountability,
Efficiency, Transparency

SENATE BILL NO. 2797

1 AN ACT TO CREATE THE "DEFICIT PREVENTION ACT"; TO REQUIRE A
 2 STATE AGENCY, DEPARTMENT OR INSTITUTION TO NOTIFY THE GOVERNOR,
 3 LIEUTENANT GOVERNOR, SPEAKER OF THE HOUSE, AND CHAIRS OF THE
 4 SENATE AND HOUSE APPROPRIATIONS COMMITTEES WITHIN FIFTEEN (15)
 5 DAYS OF A DETERMINATION THAT THE LIKELIHOOD OF A DEFICIT FOR THE
 6 CURRENT FISCAL YEAR EXISTS; TO REQUIRE A STATE AGENCY, DEPARTMENT
 7 INSTITUTION TO WORK WITH THE OFFICE OF THE STATE AUDITOR AND THE
 8 DEPARTMENT OF FINANCE AND ADMINISTRATION TO DEVELOP A PLAN TO
 9 AVOID OR LIMIT ANY DEFICIT; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** (1) This section shall be known and may be cited
 12 as the "Deficit Prevention Act."

13 (2) It is the responsibility of each state agency,
 14 department and institution to operate within the limits of its
 15 annual appropriations by the Legislature and any other approved
 16 expenditures of monies. A state agency, department or institution
 17 shall not operate in a manner that results in a year-end deficit,
 18 except as provided in this act.

19 (3) If it is determined by a state agency, department or
 20 institution that the likelihood of a deficit for the current
 21 fiscal year exists, the state agency, department or institution



22 shall notify the Governor, Lieutenant Governor, Speaker of the
23 House, and Chairs of the House and Senate Appropriations
24 Committees within fifteen (15) days of this determination.

25 (4) After the determination of the likelihood of a deficit,
26 the state agency, department or institution shall work with the
27 Office of the State Auditor and the Department of Finance and
28 Administration to develop a plan to avoid or limit any deficit.
29 Such plan shall include limiting the travel and conference
30 attendance to that deemed essential by the director of the agency,
31 department or institution, and restricting the purchase of
32 equipment, vehicles and other non-necessities.

33 (5) For purposes of this section, the term "state agency"
34 shall have the same meaning as provided in Section 27-103-103.

35 **SECTION 2.** This act shall take effect and be in force from
36 and after July 1, 2022.

