

By: Senator(s) Johnson, Blackwell, Robinson To: Government Structure

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2275

1 AN ACT TO PROVIDE FOR THE CONSOLIDATION OF THE FUNCTIONS OF  
2 THE STATE PERSONNEL BOARD AND THE MISSISSIPPI DEPARTMENT OF  
3 INFORMATION TECHNOLOGY WITH THE MISSISSIPPI DEPARTMENT OF FINANCE  
4 AND ADMINISTRATION EFFECTIVE JULY 1, 2027; TO AUTHORIZE AND DIRECT  
5 THE EXECUTIVE DIRECTORS OF THE DEPARTMENT OF FINANCE AND  
6 ADMINISTRATION, THE DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES  
7 AND THE STATE PERSONNEL DIRECTOR TO DEVELOP A PLAN FOR THE  
8 CONSOLIDATION OF THE AGENCIES TO BE SUBMITTED TO THE LEGISLATURE  
9 ON NOVEMBER 1, 2026, WITH RECOMMENDATIONS FOR NECESSARY  
10 LEGISLATION; TO PROVIDE THAT THE EXECUTIVE DIRECTOR OF THE  
11 DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL CARRY OUT THE  
12 RESPONSIBILITIES VESTED IN THE STATE PERSONNEL BOARD, THE  
13 DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES, THE STATE PERSONNEL  
14 DIRECTOR AND EXECUTIVE DIRECTOR OF THE DEPARTMENT OF INFORMATION  
15 TECHNOLOGY SERVICES; TO AMEND SECTIONS 27-104-3, 27-104-5,  
16 27-104-6, 27-104-101, 27-104-103, 25-9-109, 25-9-119, 25-53-1,  
17 25-53-7 AND 25-53-19, MISSISSIPPI CODE OF 1972, IN CONFORMITY; TO  
18 REPEAL SECTION 25-9-111, 25-9-113, 25-53-11, 25-53-13, 25-53-15  
19 AND 25-53-17, MISSISSIPPI CODE OF 1972, WHICH PERTAIN TO THE  
20 OPERATIONS OF THE STATE PERSONNEL BOARD AND DEPARTMENT OF  
21 INFORMATION TECHNOLOGY AUTHORITY; AND FOR RELATED PURPOSES.

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

23 **SECTION 1.** From and after July 1 , 2027, the Department of  
24 Finance and Administration shall be the Department of Information  
25 Technology and the State Personnel Board. Any references in law  
26 to the Department of Information Technology, the Department of  
27 Information Technology Authority, the State Personnel Board, the



State Personnel Board Director or the Executive Director of the Department of Information Technology Services shall mean the Department of Finance and Administration.

(2) The Executive Director of the Department of Finance and Administration shall have the power to establish any offices, bureaus, divisions, or branches necessary to administer any programs or responsibilities transferred to it by authority of this act.

**SECTION 2.** From and after July 1, 2025, the Executive Directors of the Department of Finance and Administration, the Department of Information Technology Services, and the State Personnel Director shall plan the consolidation of the agencies with a goal of increasing efficiency in the administration of government. The plan shall be submitted to the Lieutenant Governor, the Speaker of the House, the Chairs of the Senate and House Appropriations Committees, the Chairs of the Senate and House Accountability, Efficiency, and Transparency Committees, and the Executive Director of the PEER Committee no later than November 1, 2026. The plan shall consist of, but not be limited to:

(a) A proposed organization structure and budget for the consolidated agency;

(b) The identification of positions to be abolished because of the consolidation;



(c) Recommendations for changes to existing law to make the future delivery of services under the authority of the Department of Finance and Administration more efficient;

(d) Recommendations for the implementation of shared services plans for the administration of administrative support services and office space for professional regulatory boards and other agencies;

(e) Recommendations to the Legislature on how the department can provide information technology, personnel services, and other support service to state agencies thereby reducing or eliminating the need for such agencies to have in-house personnel and technology staff; and

(f) Criteria for determining which agencies should receive shared or consolidated services set out in paragraphs (d) and (e) of this section.

**SECTION 3.** Section 27-104-3, Mississippi Code of 1972, is amended as follows:

27-104-3. In addition to other powers and duties prescribed by statute, the Department of Finance and Administration shall have the following powers and duties, with regard to fiscal management:

(a) Provide direct technical assistance and training to state agencies and departments in implementing generally accepted accounting principles, in preparing financial statements as required by law, and in management and executive development.



77           (b) Provide temporary administrative services in  
78 financial accounting and public administration to any state  
79 agency, department or institution upon request of the governing  
80 board of the state agency, department or institution.

81           (c) Prepare and issue a comprehensive reference manual  
82 or manuals of policies and procedures for each state agency and  
83 department to use, which may include chapters on purchasing,  
84 personnel, payroll, travel, chart of accounts, fund  
85 classifications, receipts, warrants, expenditures, fixed assets,  
86 property inventory, and maintaining financial records and  
87 preparing financial reports as required and prescribed by law.  
88 The manual shall be revised on a continuing basis. The manual  
89 shall be prepared and revised in consultation with the State  
90 Auditor's office.

91           (d) Provide assistance to any state agency, department  
92 or institution in collecting a fee or other valid obligation that  
93 another agency, department or institution has failed to pay to it.  
94 For purposes of this paragraph, the agency, department or  
95 institution seeking to collect the funds shall be referred to as  
96 the "creditor agency," and the agency, department or institution  
97 that has not paid the creditor agency shall be referred to as the  
98 "delinquent agency." A valid obligation may be evidenced by an  
99 invoice or any other documentation as may be required by the  
100 Department of Finance and Administration, hereinafter referred to  
101 as the department. A creditor agency may request assistance from



the department, and the department may require the creditor agency to furnish detailed information regarding the obligation. Upon determining that the delinquent agency owes the creditor agency a specific amount, the State Fiscal Officer shall pay to the creditor agency that amount out of any funds in the State Treasury to the credit of the delinquent agency. The State Fiscal Officer shall notify the creditor agency and the delinquent agency of the total amount of funds transferred. Either agency may appeal the transfer of funds or the failure to transfer funds, under rules and regulations promulgated by the department and approved by the Office of the State Auditor. The Department of Finance and Administration shall report any actions taken under this paragraph (d) to the Chairmen of the Appropriations Committees of the House of Representatives and the Senate on a quarterly basis.

(e) To issue a request for an ACA-compliant health insurance policy, or policies, to offer health insurance coverage to the full-time equivalent employees not otherwise eligible to participate in the State and School Employees' Health Insurance Plan; and to issue a request for administrative support in order to meet reporting requirements under Internal Revenue Code Section 6056 and to comply with the Patient Protection and Affordable Care Act of 2010.

(f) The Department of Finance and Administration shall have as additional responsibilities, the administration of the Mississippi Association of Independent Colleges and Universities



(MAICU) Infrastructure Grant Program Act of 2022 and shall promulgate necessary rules and regulations relating to the application of eligible colleges and universities for grant funds and the awarding of such grants.

(g) The department shall have all powers necessary to carry out the duties provided for in this act.

**SECTION 4.** Section 27-104-5, Mississippi Code of 1972, is amended as follows:

27-104-5. (1) The Executive Director of the Department of Finance and Administration shall receive an annual salary to be set by the \* \* \* Governor. He shall devote his full time to the office and shall not pursue any other business or occupation or hold any other office of profit. The executive director (a) shall be a certified public accountant; or (b) shall possess a master's degree in business, public administration or a related field; or (c) shall have at least ten (10) years' experience in fiscal management in the private or public sector and a minimum of five (5) years' experience in a high-level management position with a documented record of management. \* \* \*

The executive director shall execute a bond in some surety company authorized to do business in the state, to be approved by the Governor, and filed in the Office of the Secretary of State in the penal sum of One Hundred Thousand Dollars (\$100,000.00), conditioned for the faithful and impartial discharge of the duties of his office. The premium on such bond shall be paid as provided



by law out of funds appropriated to the Department of Finance and Administration.

(2) The executive director shall have the following powers and responsibilities:

(a) Employment of such professional, administrative, stenographic, secretarial, clerical and technical assistance as may be necessary to perform the duties and responsibilities of the department subject to the rules and regulations of the State Personnel Board;

(b) Developing accurate and timely revenue forecasts;

(c) Allotting appropriated funds consistent with agency appropriations;

(d) Prescribing and implementing an accounting system using generally accepted accounting principles;

(e) From and after October 1, 1986, preaudit and payment of funds which shall be in accordance with all laws and regulations;

(f) Development and implementation of fiscal management training;

(g) Development of short- and long-range planning pertaining to matters of revenue forecasting;

(h) Providing assistance and expertise to state agency and institution governing bodies or other agency management, pursuant to Section 27-104-3;



(i) Cooperation and coordination with the State Auditor, State Treasurer, Commissioner of Revenue, University Research Center and the Mississippi Legislature on all matters pertaining to the fiscal matters of Mississippi state government; and

(j) The authority to establish training courses in programs for the personnel of the various governmental entities under the jurisdiction of the department. The training courses and programs shall include, but not be limited to, topics on internal control of funds, governmental accounting and financial reporting, internal auditing, and budgeting. The executive director is authorized to charge a fee from the participants of these courses and programs, which fee shall be deposited into a special fund created for these deposits. State and local governmental entities are authorized to pay such fee, and any travel expenses, out of their general funds or any available funds from which such payment is not prohibited by law.

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

27-104-6. (1) The Executive Director of the Department of Finance and Administration shall be the State Fiscal Officer and shall carry out all powers and duties assigned to the State Fiscal Officer and wherever the term "State Fiscal Officer" appears in any law the same shall mean Executive Director of the Department of Finance and Administration.





(2) The Executive Director of the Department of Finance and Administration shall carry out all responsibilities vested in the State Personnel Board, the Department of Information Technology Services Authority, the State Personnel Director, and the Executive Director of the Department of Information Technology Services from and after the effective date of this act.

**SECTION 6.** Section 27-104-101, Mississippi Code of 1972, is amended as follows:

27-104-101. (1) There is hereby created the Mississippi Department of Finance and Administration, whose offices shall be located in Jackson, Mississippi.

(2) The department shall be headed by an executive director, who shall be appointed by and serve at the pleasure of the Governor. The appointment of the executive director shall be made with the advice and consent of the Senate. The executive director may assign to deputy directors such powers and duties as deemed appropriate to carry out the department's lawful functions.

(3) The executive director of the department shall appoint officers, who shall serve at the pleasure of the executive director. The executive director shall have the authority to organize the department as deemed appropriate to carry out the responsibilities of the department. The organization charts of the department shall be presented annually with the budget request of the Governor for review by the Legislature.



225           **SECTION 7.** Section 27-104-103, Mississippi Code of 1972, is  
226 amended as follows:

227           27-104-103. (1) The Department of Finance and  
228 Administration shall have the following duties and powers:

229                   (a) To provide administrative guidance to the various  
230 departments and agencies of state government;

231                   (b) To facilitate the expedient delivery of services  
232 and programs for the benefit of the citizens of the state;

233                   (c) To analyze and develop efficient management  
234 practices and assist departments and agencies in implementing  
235 effective and efficient work management systems;

236                   (d) To conduct management review of state agencies and  
237 departments and recommend a management plan to state departments  
238 and agencies when corrective action is required;

239                   (e) To, at least annually, report to the Governor and  
240 the Legislature on programs and actions taken to improve the  
241 conduct of state operations and to prepare and recommend  
242 management programs for effective and efficient management of the  
243 operations of state government;

244                   (f) To allocate the federal-state programs funds to the  
245 departments responsible for the delivery of the programs and  
246 services for which the appropriation was made;

247                   (g) To coordinate the planning functions of all  
248 agencies in the executive branch of government and review any and  
249 all plans which are developed by those agencies and departments;



(h) To collect and maintain the necessary data on which to base budget and policy development issues;

(i) To develop and analyze policy recommendations to the Governor;

(j) To develop and manage the executive budget process;

(k) To prepare the executive branch budget recommendations;

(l) To review and monitor the expenditures of the executive agencies and departments of government;

(m) To manage the state's fiscal affairs;

(n) To administer programs relating to general services, public procurement, insurance and the Bond Advisory Division;

(o) To administer the state's aircraft operation.

(2) The department shall have the following additional powers and duties under Chapter 18 of Title 17:

(a) It shall acquire the site submitted by the Mississippi Hazardous Waste Facility Siting Authority and, if determined necessary, design, finance, construct and operate a state commercial hazardous waste management facility;

(b) It may acquire by deed, purchase, lease, contract, gift, devise or otherwise any real or personal property, structures, rights-of-way, franchises, easements and other interest in land which is necessary and convenient for the construction or operation of the state commercial hazardous waste



management facility, upon such terms and conditions as it deems advisable, hold, mortgage, pledge or otherwise encumber the same, and lease, sell, convey or otherwise dispose of the same in such a manner as may be necessary or advisable to carry out the purposes of Chapter 18 of Title 17;

(c) It shall develop and implement, in consultation with the Department of Environmental Quality, schedules of user fees, franchise fees and other charges, including nonregulatory penalties and surcharges applicable to the state commercial hazardous waste management facility;

(d) It may employ consultants and contractors to provide services, including site acquisition, design, construction, operation, closure, post-closure and perpetual care of the state commercial hazardous waste management facility;

(e) It may apply for and accept loans, grants and gifts from any federal or state agency or any political subdivision or any private or public organization;

(f) It shall make plans, surveys, studies and investigations as may be necessary or desirable with respect to the acquisition, development and use of real property and the design, construction, operation, closure and long-term care of the state commercial hazardous waste management facility;

(g) It shall have the authority to preempt any local ordinance or restriction which prohibits or has the effect of



prohibiting the establishment or operation of the state commercial hazardous waste management facility;

(h) It may negotiate any agreement for site acquisition, design, construction, operation, closure, post-closure and perpetual care of the state commercial hazardous waste management facility and may negotiate any agreement with any local governmental unit pursuant to Chapter 18 of Title 17;

(i) It may promulgate rules and regulations necessary to effectuate the purposes of Chapter 18 of Title 17 not inconsistent therewith;

(j) If funds are not appropriated or if the appropriated funds are insufficient to carry out the provisions of Chapter 18 of Title 17, the department shall expend any funds available to it from any source to defray its costs to implement Chapter 18 of Title 17 through February 1, 1991;

(k) To carry out such duties and responsibilities assigned to it by the Public Procurement Review Board as provided in Section 27-104-7(2)(f);

(l) To establish, with the approval of the Public Procurement Review Board, rules and regulations that prohibit agencies from requiring that a vendor be located in the same municipality or surrounding area as the agency. Such rules and regulations shall further prohibit agencies from giving preference to any vendor based on location. Such rules and regulations shall provide that a winning bidder without a local office shall be



given a reasonable opportunity to open an office in Mississippi when such local office is necessary to deliver the relevant services.

The provisions of this paragraph (1) shall stand repealed on June 30, 2027.

(3) From and after July 1, 2016, the expenses of the Department of Finance and Administration shall be defrayed by appropriation from the State General Fund and all user charges and fees authorized under law such as rents, MAGIC fees, and other fees for services shall be deposited into the State General Fund as authorized by law.

(4) From and after July 1, 2016, the Department of Finance and Administration shall not charge another state agency a fee, assessment, rent or other charge for services or resources received by that state agency from the department.

(5) To perform all personnel management and information technology functions required by this act.

**SECTION 8.** Section 25-9-109, Mississippi Code of 1972, is amended as follows:

25-9-109. \* \* \* As provided for in Section 1 of this act, the Department of Finance and Administration shall be the State Personnel Board. Any references in law to the State Personnel Board means the Department of Finance and Administration.

**SECTION 9.** Section 25-9-119, Mississippi Code of 1972, is amended as follows:



25-9-119. (1) \* \* \* The Executive Director of the Department of Finance and Administration shall be the State Personnel Director. Any reference in law to the State Personnel Director shall mean the Executive Director of the Department of Finance and Administration.

(2) The duties and responsibilities of the director shall be:

(a) To serve as executive secretary to the board, to attend meetings as directed by the board and to provide such professional, technical and other supportive assistance as may be required by the board in the performance of its duties;

(b) Consistent with board policy, to administer the operations of the State Personnel System and to otherwise act in the capacity of Chief Executive Officer to the State Personnel Board;

(c) To submit for board approval proposed rules and regulations which shall require a uniform system of personnel administration within all agencies included in this chapter. Such rules and regulations, when approved by the board, shall be binding upon the state departments, agencies and institutions covered by this chapter and shall include provisions for the establishment and maintenance of classification and compensation plans, the conduct of examinations, employee recruiting, employee selection, the certification of eligible persons, appointments, promotions, transfers, demotions, separations, reinstatement,



374 appeals, reports of performance, payroll certification, employee  
375 training, vacation and sick leave, compensatory leave,  
376 administrative leave, standardized recordkeeping forms and  
377 procedures for leave earned, accrued and used, and all other  
378 phases of personnel administration. Such rules and regulations  
379 shall not be applicable to the emergency hiring of employees by  
380 the Public Employees' Retirement System pursuant to Section  
381 25-11-15(7). Copies of the rules and regulations, or  
382 modifications thereto, as are approved by the State Personnel  
383 Board, shall be provided to the Chairmen of the Accountability,  
384 Efficiency and Transparency Committees of the Senate and \* \* \*  
385 House of Representatives, the Lieutenant Governor and the Governor  
386 at least sixty (60) days before their effective date. The  
387 respective parties may submit comments to the board regarding such  
388 rules and regulations before their effective date;

389 (i) Compensation plans and modifications thereto  
390 promulgated under rules and regulations shall become effective as  
391 adopted, upon appropriation therefor by the State Legislature;

392 (ii) The director and the board shall provide for:

- 393 1. Cost-of-living adjustments;
- 394 2. Salary increases for outstanding  
395 performance based upon documented employee productivity and  
396 exceptional performance in assigned duties; and
- 397 3. Plans to compensate employees for  
398 suggestions which result in improved management in technical or





399 administrative procedures and result in documented cost savings  
400 for the state. In certifying promotions, the director shall  
401 ensure that an employee's anniversary date remains the same  
402 regardless of the date of his promotion;

403 (d) To submit to the board any proposed legislation as  
404 may be necessary to bring existing statutes relating to the  
405 administration of public employees into uniformity;

406 (e) To administer the rules and regulations and all  
407 other operational aspects of the State Personnel System and to  
408 assure compliance therewith in all the departments, agencies and  
409 institutions covered by the State Personnel System;

410 (f) To appoint and prescribe the duties of the State  
411 Personnel System staff, all positions of which shall be included  
412 in the state service;

413 (g) To prepare an annual budget for the board covering  
414 all the costs of operating the State Personnel System, including  
415 the State Personnel Board, and the costs of administering such  
416 federal laws relating to personnel administration as the board may  
417 direct, including the Intergovernmental Personnel Act of 1970;

418 (h) To assist state agencies, departments and  
419 institutions in complying with all applicable state and federal  
420 statutes and regulations concerning discrimination in employment,  
421 personnel administration and related matters;



(i) To recommend procedures for the establishment and abolishment of employment positions within those departments, agencies and institutions not excluded from this chapter; and

(j) To cooperate with appointing authorities in the administration of this chapter in order to promote public service and establish conditions of service which will attract and retain employees of character and capacity and to increase efficiency and economy in governmental departments by the improvement of methods of personnel administration with full recognition of the requirements and needs of management.

(3) From and after July 1, 2016, the State Personnel Board shall not charge another state agency a fee, assessment, or other charge for services or resources received by that agency from the State Personnel Board.

(4) From and after July 1, 2016, the expenses of this agency shall be defrayed by appropriation from the State General Fund and all user charges and fees authorized under this section shall be deposited into the State General Fund as authorized by law.

**SECTION 10.** Section 25-53-1, Mississippi Code of 1972, is amended as follows:

25-53-1. (1) The Legislature recognizes that in order for the State of Mississippi to receive the maximum use and benefit from information technology and services now in operation or which will in the future be placed in operation, there should be full cooperation and cohesive planning and effort by and between the



several state agencies and that it is the responsibility of the Legislature to provide statutory authority therefor. The Legislature, therefore, declares and determines that for these and other related purposes there is hereby established an agency of state government to be known as the Mississippi Department of Information Technology Services (MDITS). The Legislature further declares that the Mississippi Department of Information Technology Services (MDITS) shall provide statewide services that facilitate cost-effective information processing and telecommunication solutions. State agencies shall work in full cooperation with the board of MDITS to identify opportunities to minimize duplication, reduce costs and improve the efficiency of providing common technology services across agency boundaries. The provisions of this chapter shall not apply to the Department of Human Services for a period of three (3) years beginning July 1, 2017. The provisions of this chapter shall not apply to the Department of Child Protection Services for a period of three (3) years beginning July 1, 2017. Through June 30, 2024, the provisions of this chapter shall not apply to the Department of Health and the Department of Revenue for the purposes of implementing, administering and enforcing the provisions of the Mississippi Medical Cannabis Act.

(2) As provided in Section 1 of this act, the Department of Finance and Administration shall be the Department of Information Technology Services. Any references to the Department of



Information Technology Services in law shall mean the Department of Finance and Administration.

**SECTION 11.** Section 25-53-7, Mississippi Code of 1972, is amended as follows:

25-53-7. \* \* \* The Department of Finance and Administration shall be the Department of Information Technology Authority. Any reference to the authority in law shall mean the Department of Finance and Administration.

**SECTION 12.** Section 25-53-19, Mississippi Code of 1972, is amended as follows:

25-53-19. \* \* \* The Executive Director of the Department of Finance and Administration shall be the Executive Director of the Department of Information Technology Services. Any reference in law to the Executive Director of the Department of Information Technology Services shall mean the Executive Director of the Department of Finance and Administration.

**SECTION 13.** Sections 25-9-111, 25-9-113, 25-53-11, 25-53-13, 25-53-15 and 25-53-17, Mississippi Code of 1972, which pertain to the operations of the State Personnel Board and the Department of Information Technology Authority, are hereby repealed.

**SECTION 14.** Section 1 and Sections 3 through 12 of this act shall take effect and be in force from and after July 1, 2027. Section 2 of this act shall take effect and be in force from and after July 1, 2025.

