

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2146

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. The general
28 fund revenue estimate shall be the estimate jointly adopted by the
29 Governor and the Joint Legislative Budget Committee. The
30 Legislative Budget Office may recommend additional taxes or
31 sources of revenue if in its judgment those additional funds are
32 necessary to adequately support the functions of the state
33 government.

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

36 27-103-139. On or before November 15 preceding each regular
37 session of the Legislature, except the first regular session of a
38 new term of office, the Governor shall submit to the members of
39 the Legislature, the Legislative Budget Office or the
40 members-elect, as the case may be, and to the executive head of
41 each state agency a balanced budget for the succeeding fiscal
42 year. The budget submitted shall be prepared in a format that
43 will include performance measurement data associated with the
44 various programs operated by each agency. The total proposed
45 expenditures in the balanced budget shall not exceed the amount of



46 estimated revenues that will be available for appropriation or use
47 during the succeeding fiscal year, including any balances other
48 than unencumbered balances in general funds that will be on hand
49 at the close of the then current fiscal year, as determined by the
50 revenue estimate jointly adopted by the Governor and the
51 Legislative Budget Committee. The total proposed expenditures
52 from the State General Fund in the balanced budget shall not
53 exceed ninety-eight percent (98%) of the amount of general fund
54 revenue estimate for the succeeding fiscal year. The general fund
55 revenue estimate shall be the estimate jointly adopted by the
56 Governor and the Joint Legislative Budget Committee.

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



71 The Governor may employ a budget officer for the purpose of
72 receiving information from the State Fiscal Officer and preparing
73 his recommendations on the budget. If the Governor determines
74 that information received from the State Fiscal Officer is not
75 sufficient to enable him to prepare his budget recommendations, he
76 may request an appropriation from the Legislature to provide
77 additional staff within the Governor's office for that purpose.
78 At the first regular session after his election for Governor, the
79 Governor shall submit any budget recommendations plus the required
80 revenue source recommendations no later than January 31 of that
81 year.

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

84 27-103-203. (1) There is created in the State Treasury a
85 special fund, separate and apart from any other fund, to be
86 designated the Working Cash-Stabilization Reserve Fund.

87 (2) The Working Cash-Stabilization Reserve Fund shall not be
88 considered as a surplus or available funds when adopting a
89 balanced budget as required by law. The State Treasurer shall
90 invest all sums in the Working Cash-Stabilization Reserve Fund not
91 needed for the purposes provided for in this section in
92 certificates of deposit, repurchase agreements and other
93 securities as authorized in Section 27-105-33(d) or Section
94 7-9-103, as the State Treasurer may determine to yield the highest
95 market rate available. If the Ayers Settlement Fund is created



96 under Section 37-101-27(5), the first Five Million Dollars
97 (\$5,000,000.00) of interest earned on those sums each fiscal year
98 shall be deposited into that fund until a total of Seventy Million
99 Dollars (\$70,000,000.00) has been deposited into the fund. The
100 interest, or the remaining interest if the Ayers Settlement Fund
101 is created, that is earned on those sums shall be deposited in the
102 Working Cash-Stabilization Reserve Fund until the balance of
103 principal and interest in the fund reaches ten percent (10%) of
104 the total General Fund appropriations for the current fiscal year,
105 and all interest earned in excess of amounts necessary to maintain
106 the ten percent (10%) fund balance requirement shall be deposited
107 by the State Treasurer into the State General Fund.

108 (3) The Working Cash-Stabilization Reserve Fund, except for
109 Fifteen Million Dollars (\$15,000,000.00) and the amount of the
110 interest and income earned on the principal of the Ayers Endowment
111 Trust created by Section 37-101-27, shall be used by the State
112 Treasurer for cash flow needs throughout the year when the
113 Executive Director of the Department of Finance and Administration
114 certifies that in his opinion there will be cash flow deficiencies
115 in the State General Fund. No borrowing of monies from other
116 special funds for such purposes as authorized by Section 31-17-101
117 et seq., shall be made as long as an unencumbered balance in
118 excess of Fifteen Million Dollars (\$15,000,000.00) and the
119 interest and income earned on the principal of the Ayers Endowment
120 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 brought forward 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 brought forward 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.



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

211 (3) If any unencumbered General Fund cash balance is
212 available for distribution under this section, the distribution of
213 those funds shall be made by the Executive Director of the
214 Department of Finance and Administration in the following order:

215 (a) To the Municipal Revolving Fund, an amount equal to
216 Seven Hundred Fifty Thousand Dollars (\$750,000.00); however, if
217 the amount of the unencumbered General Fund cash balance is less
218 than Seven Hundred Fifty Thousand Dollars (\$750,000.00), then the
219 total amount of the unencumbered General Fund cash balance shall
220 be distributed to the Municipal Revolving Fund.



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

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

233 **SECTION 6.** Section 27-103-303, Mississippi Code of 1972, is
234 brought forward as follows:

235 27-103-303. (1) There is created in the State Treasury a
236 special fund, separate and apart from any other fund, to be
237 designated the Capital Expense Fund.

238 (2) The Capital Expense Fund shall not be considered as a
239 surplus or available funds when adopting a balanced budget as
240 required by law. The State Treasurer shall invest all sums in the
241 Capital Expense Fund not needed for the purposes provided for in
242 this section in certificates of deposit, repurchase agreements and
243 other securities as authorized in Section 27-105-33(d) or Section
244 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 57-119-9, Mississippi Code of 1972, is brought forward as follows:

57-119-9. (1) Applicants who are eligible for assistance under this section include, but are not limited to, local units of government, nongovernmental organizations, institutions of higher learning, community colleges, public schools, ports, airports, public-private partnerships, private for-profit entities, private nonprofit entities and local economic development entities. Projects that are eligible for assistance under this section are projects that have the potential to generate increased economic activity in the region, as described in Section 57-119-11(3).

(2) MDA shall establish criteria, rules, and procedures for accepting and reviewing applications for assistance under this section. MDA, with advice from the Gulf Coast Restoration Fund Advisory Board, shall review, compile and score all timely received applications, and shall present the applications and its recommendations for assistance to individual projects under this



section to the Legislature no later than December 1 of the year. The Legislature shall determine individual projects that will be funded under this section by separate line items in an appropriation bill.

(3) Applications for assistance under this section will be received through web portals set up by MDA. MDA shall set criteria for the web portal which may include protection of the confidentiality of any or all of the applications.

(4) The project described in paragraph (m) of Section 18, Chapter 106, Laws of 2020 (Senate Bill No. 2977), to assist George County with a rail connection project, shall not be required to meet the criteria established by the Mississippi Development Authority for the selection and recommendation of projects under this section in order to receive the funds allocated for that project under Chapter 106.

SECTION 8. Section 57-119-13, Mississippi Code of 1972, is brought forward as follows:

57-119-13. (1) Assistance provided under this chapter may not be used to finance one hundred percent (100%) of the cost of any project; however, this limitation shall not apply to projects for public schools.

(2) Contracts executed by MDA with recipients of assistance under this chapter must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include



provisions for recovery of assistance if the assistance was based upon fraudulent information or the recipient of the assistance is not meeting the performance requirements established by MDA of the assistance. Recipients of assistance under this chapter must regularly report to MDA the status of the project on a schedule determined by MDA.

SECTION 9. During fiscal year 2026, the State Fiscal Officer shall transfer to the Capital Expense Fund out of the following enumerated funds, the amounts listed below from each fund:

FUND	FUND NUMBER	AMOUNT
General Fund	2999000000	\$1.00
Treasurer's Office		
Abandoned Property	3317800000	\$1.00
TOTAL		\$2.00

SECTION 10. This act shall take effect and be in force from and after July 1, 2025.

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

AN ACT TO BRING FORWARD SECTIONS 27-103-125, 27-103-139, 27-103-203, 27-103-211, 27-103-213 AND 27-103-303, MISSISSIPPI CODE OF 1972, WHICH RELATE TO VARIOUS ASPECTS OF THE BUDGET PROCESS, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTIONS 57-119-9 AND 57-119-13, MISSISSIPPI CODE OF 1972, WHICH RELATE TO VARIOUS ASPECTS OF THE GULF COAST RESTORATION FUND, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO DIRECT THE STATE FISCAL OFFICER TO MAKE CERTAIN TRANSFERS TO THE CAPITAL EXPENSE FUND DURING FISCAL YEAR 2026; AND FOR RELATED PURPOSES.

