By: Senator(s) Hopson, Polk, Blackwell, Norwood, Parks, Simmons (13th)

To: Appropriations

SENATE BILL NO. 2035

AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF THE STATE VETERANS AFFAIRS BOARD AND THE MISSISSIPPI STATE VETERANS HOMES FOR FISCAL YEAR 2026.

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

SECTION 1. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the purpose of defraying the expenses and paying salaries of the State Veterans Affairs Board for the fiscal year beginning July 1, 2025, and ending June 30, 2026..........................$ 5,674,437.00.

SECTION 2. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the special fund in the State Treasury to the credit of the State Veterans Affairs Board which is comprised of special source funds collected by or otherwise available to the board, for the support and maintenance of said board for the fiscal year beginning July 1, 2025, and ending June 30, 2026.........$ 3,629,604.00.

SECTION 3. Of the funds appropriated under the provisions of Section 1 of this act and authorized for expenditure under the provisions of Section 2 of this act, not more than the following amount of funds, with the exception of the provisions in this section, shall be expended only for "Personal Services," which includes "Vacancy Funding," for the following authorized number of employment headcount:

FUNDING:

General Funds:	$ 3,695,116.00
Special Funds:	$ 972,138.00
Total Funds:	$ 4,667,254.00

PERSONAL SERVICES:

Employee Salaries, Wages, and Fringe Benefits:	$ 4,667,254.00
Progressions:	$ 0.00
Vacancy Funding:	$ 0.00
Total Personal Services:	$ 4,667,254.00

AUTHORIZED HEADCOUNT:

Permanent:	40
Time-Limited:	25

As used in this section, the term "Personal Services" shall mean funds provided under the major object of expenditure category Personal Services for Salaries, Wages, and Fringe Benefits. Funds in this category shall not be transferred to any other category.

It is the intention of the Legislature to ensure compliance with the Variable Compensation Plan, as outlined in Section 25-9-147, Mississippi Code of 1972. Payment from these funds shall be in accordance with the Variable Compensation Plan promulgated by the Mississippi State Personnel Board. It is the Legislature's intention that no employee's salary falls below the minimum salary established by the Mississippi State Personnel Board.

The State Personnel Board shall determine and publish the projected annual cost of "Personal Services" based on monthly and year-to-date payroll expenditures in compliance with the provisions of this act.

With the funds herein appropriated, it shall be the agency's responsibility to ensure that no single personnel action or combination of personnel actions, when annualized, exceeds the Fiscal Year 2026 appropriation for "Personal Services" with the exception of escalated funds. Further, it shall be the agency's responsibility to ensure that funds required to be appropriated for "Personal Services" for Fiscal Year 2027 do not exceed Fiscal Year 2026 funds appropriated for that purpose unless programs or positions are added to the agency's Fiscal Year 2026 budget by the Mississippi Legislature.

If, at the time the agency takes any action to change "Personal Services," the State Personnel Board determines that the agency has taken or will take an action that would cause the agency to exceed the funds appropriated in this act when annualized for Fiscal Year 2026 or increase the need for "Personal Services" for Fiscal Year 2027, when annualized, the State Personnel Board shall process no salary actions until such time as the requirements of the provisions of this section are met with the exception of new hires determined to be essential for the agency.

When used in this section, "Vacancy Funding" shall mean funds included in the Total Personal Services amount listed above and designated for approved vacancies in Fiscal Year 2026. These funds are to be utilized to increase the number of filled headcounts that were authorized but unfilled as of the last day of Fiscal Year 2025. If the agency fills additional headcounts after May 1, 2025, until the end of Fiscal Year 2025, the amount of available Vacancy Funding may be proportionally reduced to reflect the updated number of filled headcounts. The agency shall be responsible for ensuring that "Vacancy Funding" is used to increase headcounts and not for promotions, title changes, in-range salary adjustments, or any other mechanism for increasing salaries for current employees.

Any transfers or escalations shall be made in accordance with the terms, conditions, and procedures established by law or allowable under the terms set forth within this act. The State Personnel Board shall not escalate positions without written approval from the Department of Finance and Administration. The Department of Finance and Administration shall not provide written approval to escalate any funds for salaries and/or headcounts without proof of availability of new or additional funds above the appropriated level. Unless specifically noted, all Fiscal Year 2025 escalated headcounts have been accounted for and shall be converted to authorized time-limited headcounts.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

None of the funds herein appropriated shall be used in violation of the Internal Revenue Service's Publication 15-A relating to the reporting of income paid to contract employees, as interpreted by the Office of the State Auditor.

If the agency's total authorized headcount decreases from Fiscal Year 2025 to Fiscal Year 2026, it will be the agency's discretion as to what headcounts are removed.

SECTION 4. In addition to all other sums herein appropriated, the following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the purpose of defraying the operating expenses and paying salaries of the Mississippi State Veterans Homes as established in Section 35-1-19 for the fiscal year beginning July 1, 2025, and ending June 30, 2026................................$ 6,357,359.00.

SECTION 5. In addition to all other sums herein appropriated, the following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the special fund in the State Treasury to the credit of the State Veterans Affairs Board, which is comprised of special source funds collected by or otherwise available to the board, for the purpose of defraying the expenses and paying salaries of the Mississippi State Veterans Homes as established in Section 35-1-19 for the fiscal year beginning July 1, 2025, and ending June 30, 2026...... .... $ 54,539,660.00.

SECTION 6. Of the funds appropriated under the provisions of Section 4 of this act and authorized for expenditure under the provision of Section 5 of this act, the following positions are authorized:

AUTHORIZED HEADCOUNT:

Permanent:	265
Time Limited:	317

Any transfers or escalations shall be made in accordance with the terms, conditions, and procedures established by law.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds which are being used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

None of the funds herein appropriated shall be used in violation of Internal Revenue Service's Publication 15-A relating to the reporting of income paid to contract employees, as interpreted by the Office of the State Auditor.

SECTION 7. It is the intention of the Legislature that the Executive Director of the State Veterans Affairs Board has the authority to transfer spending authority between and within the budgets of the State Veterans Affairs Board and the Mississippi State Veterans Homes, in an amount not to exceed twenty-five percent (25%) of the authorized budgets in the aggregate. The purpose of this authority is to use available cash reserves more efficiently. It is further the intention of the Legislature that the State Veterans Affairs Board shall submit written justification for the transfer to the Legislative Budget Office and the Department of Finance and Administration on or before the fifteenth of the month prior to the effective date of the transfer.

SECTION 8. Of the funds appropriated under the provisions of Sections 1 and 2 of this act, funds in the amount of Two Hundred Fifty Thousand Dollars ($250,000.00) are provided to defray the cost of providing care to indigent/low-income Mississippi veterans and the nonveteran surviving spouses of Mississippi veterans if the surviving spouse was a resident of a state veterans home at the time of the veteran's death and who, subsequent to the veteran's death, meets the indigent/low-income criteria established by the State Veterans Affairs Board in the state veterans homes. It is the intention of the Legislature that the provision pertaining to use of indigent/low-income surviving spouses be retroactive for any such period, prior to the effective date of this act, that a current surviving spouse may have met the criteria. This section and its provisions shall be known and cited as the "Hilton R. 'Jack' Vance Act of 1997."

SECTION 9. The State Veterans Affairs Board shall have continued authority for all actions related to the planning, development, construction, and outfitting of the Mississippi Veterans Memorial Cemeteries, pursuant to Section 35-1-41.

SECTION 10. It is the intention of the Legislature that the State Veterans Affairs Board shall maintain complete accounting and personnel records related to the expenditure of all funds appropriated under the provisions of this act and that such records shall be in the same format and level of details as maintained for Fiscal Year 2025. It is further the intention of the Legislature that the budget request for Fiscal Year 2027 shall be submitted to the Joint Legislative Budget Committee in a format and level of detail comparable to the format and level of detail provided during the Fiscal Year 2026 budget request process.

SECTION 11. It is the intention of the Legislature that the State Veterans Affairs Board and the Mississippi State Veterans Homes are hereby authorized to escalate, budget and expend funds from fund number 3373200000, in an amount not to exceed Five Million Dollars ($5,000,000.00), for the purpose of operating the state veterans homes as authorized by law, in accordance with rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

SECTION 12. It is the intention of the Legislature that whenever two (2) or more bids are received by this agency for the purchase of commodities or equipment, and whenever all things stated in such received bids are equal with respect to price, quality and service, the Mississippi Industries for the Blind shall be given preference. A similar preference shall be given to the Mississippi Industries for the Blind whenever purchases are made without competitive bids.

SECTION 13. Of the funds appropriated in Section 2, Three Hundred Seventy-five Thousand Dollars ($375,000.00), or so much thereof, shall be derived out of any money in the State Treasury to the credit of the Capital Expense Fund, as created in Section 27-103-303, Mississippi Code of 1972, and allocated in a manner as determined by the Treasurer's Office. These funds are provided for the replacement of the Gulf War Memorial at the State Veterans Cemetery in Newton, Mississippi.

SECTION 14. Of the funds appropriated in Section 5, Six Million Dollars ($6,000,000.00), or so much thereof, shall be derived out of any money in the State Treasury to the credit of the Capital Expense Fund, as created in Section 27-103-303, Mississippi Code of 1972, and allocated in a manner as determined by the Treasurer's Office. These funds are provided for start-up and stand-up operating costs at the Tradition State Veterans Home. The State Veterans Affairs Board may only expend these funds if the Veterans Affairs Under Secretary of Health does not perform the Veterans Affairs Recognition survey before the effective date of this act or if the State Veterans Affairs is unable to pass the Veterans Affairs Recognition survey.

SECTION 15. The money herein appropriated shall be paid by the State Treasurer out of any money in the State Treasury to the credit of the proper fund or funds as set forth in this act, upon warrants issued by the State Fiscal Officer; and the State Fiscal Officer shall issue his warrants upon requisitions signed by the proper person, officer or officers in the manner provided by law.

SECTION 16. This act shall take effect and be in force from and after July 1, 2025.