

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

To: Appropriations

SENATE BILL NO. 2040

1 AN ACT MAKING AN APPROPRIATION TO DEFRAY THE EXPENSES OF THE
2 STATE TREASURER'S OFFICE FOR FISCAL YEAR 2026.

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

4 **SECTION 1.** The following sum of money, or so much thereof as
5 may be necessary, is hereby appropriated out of any money in the
6 special fund in the State Treasury to the credit of the State
7 Treasurer's office which are collected by or otherwise become
8 available, to defray the expenses of the Office of the State
9 Treasurer for the fiscal year beginning July 1, 2025, and ending
10 June 30, 2026.....\$ 6,808,433.00.

11 **SECTION 2.** Of the funds appropriated under the provisions of
12 this act, not more than the following amount of funds, with the
13 exception of the provisions in this section, shall be expended
14 only for "Personal Services," which includes "Vacancy Funding,"
15 for the following authorized number of employment headcount:

16 FUNDING:

| | | |
|----|----------------|-----------------|
| 17 | General Funds: | \$ 0.00 |
| 18 | Special Funds: | \$ 3,569,544.00 |



19 Total Funds: \$ 3,569,544.00

20 PERSONAL SERVICES:

21 Employee Salaries, Wages, and

22 Fringe Benefits: \$ 3,473,110.00

23 Progressions: \$ 0.00

24 Vacancy Funding: \$ 96,434.00

25 Total Personal Services: \$ 3,569,544.00

26 AUTHORIZED HEADCOUNT:

27 Permanent: 37

28 Time-Limited: 0

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

33 It is the intention of the Legislature to ensure compliance
34 with the Variable Compensation Plan, as outlined in Section
35 25-9-147, Mississippi Code of 1972. Payment from these funds shall
36 be in accordance with the Variable Compensation Plan promulgated
37 by the Mississippi State Personnel Board. It is the Legislature's
38 intention that no employee's salary falls below the minimum salary
39 established by the Mississippi State Personnel Board.

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



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

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

64 When used in this section, "Vacancy Funding" shall mean funds
65 included in the Total Personal Services amount listed above and
66 designated for approved vacancies in Fiscal Year 2026. These funds
67 are to be utilized to increase the number of filled headcounts
68 that were authorized but unfilled as of the last day of Fiscal



69 Year 2025. If the agency fills additional headcounts after May 1,
70 2025, until the end of Fiscal Year 2025, the amount of available
71 Vacancy Funding may be proportionally reduced to reflect the
72 updated number of filled headcounts. The agency shall be
73 responsible for ensuring that "Vacancy Funding" is used to
74 increase headcounts and not for promotions, title changes,
75 in-range salary adjustments, or any other mechanism for increasing
76 salaries for current employees.

77 Any transfers or escalations shall be made in accordance with
78 the terms, conditions, and procedures established by law or
79 allowable under the terms set forth within this act. The State
80 Personnel Board shall not escalate positions without written
81 approval from the Department of Finance and Administration. The
82 Department of Finance and Administration shall not provide written
83 approval to escalate any funds for salaries and/or headcounts
84 without proof of availability of new or additional funds above the
85 appropriated level. Unless specifically noted, all Fiscal Year
86 2025 escalated headcounts have been accounted for and shall be
87 converted to authorized time-limited headcounts.

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

92 None of the funds herein appropriated shall be used in
93 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 3. 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 Treasury to the credit of the Education Improvement Trust Fund No. 3219 for the purpose of investing funds for the fiscal year beginning July 1, 2025, and ending June 30, 2026.....\$ 150,000.00.

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 Treasury to the credit of the Mississippi Prepaid Affordable College Tuition Trust Fund for the purpose of paying all amounts due for prepaid tuition contracts of the Mississippi Prepaid Affordable College Tuition Program, for the fiscal year beginning July 1, 2025, and ending June 30, 2026.....\$ 35,000,000.00.

It is the intention of the Legislature that the State Treasurer is hereby authorized to accept, budget and expend an amount not to exceed One Million Dollars (\$1,000,000.00) from any funds authorized for the Mississippi Prepaid Affordable College Tuition Program, for paying amounts due for prepaid tuition



contracts of the Mississippi Prepaid Affordable College Tuition Program. Such funds shall be escalated in accordance with the rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

SECTION 5. No part of the funds appropriated herein shall be used in the payment of attorney's fees, nor shall any of said funds be used either directly or indirectly, for the purpose of paying any clerk, stenographer, assistant, deputy or other person who may be related by blood or marriage within the third degree, computed by the rules of the civil law, to the official employing or having the right of employment or selection thereof; and in the event of any such payment, then the official or person approving and making or receiving such payment shall be jointly and severally liable to return to the State of Mississippi and to pay into the State Treasury three (3) times any such amount so paid or received, to be recovered at suit of the Attorney General; provided that when the relationship is by affinity and the person through whom the relationship was established is dead, this provision shall not apply.

SECTION 6. It is the intention of the Legislature that the Office of the State Treasurer 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 7. 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 8. Of the funds appropriated to the State Treasury under the provisions of Section 1 of this act, the following amounts shall be available for expenditure in the following program budgets:

| | |
|---|------------------|
| (a) Mississippi Prepaid Affordable College Tuition program..... | \$ 1,854,655.00. |
| (b) Mississippi Affordable College Savings program..... | \$ 177,860.00. |
| (c) Treasury Office - Support programs..... | \$ 4,775,918.00. |

Further, no funds to the credit of the Mississippi Prepaid Affordable College Tuition Administrative Fund shall be expended



for purposes related to any program other than the Mississippi
Prepaid Affordable College Tuition program.

SECTION 9. 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 10. This act shall take effect and be in force from
and after July 1, 2025.

