

By: Representative McCoy

To: Appropriations

HOUSE BILL NO. 753
(As Passed the House)

1 AN ACT TO PROVIDE THAT EACH STATE AGENCY THAT IS THE ONLY
 2 OCCUPANT OF A CAPITAL FACILITY MUST INCLUDE IN ITS ANNUAL BUDGET
 3 REQUEST AN AMOUNT THAT IS NOT LESS THAN ONE PERCENT OF THE
 4 CONSTRUCTION VALUE OF THE FACILITY FOR PAYMENT OF COSTS OF REPAIR,
 5 RENOVATION OR MAINTENANCE OF THE FACILITY DURING THE NEXT FISCAL
 6 YEAR, AND THE LEGISLATURE MUST ANNUALLY APPROPRIATE FUNDS TO THE
 7 AGENCY IN AN AMOUNT THAT IS NOT LESS THAN ONE PERCENT OF THE
 8 CONSTRUCTION VALUE OF THE FACILITY TO BE USED FOR PAYMENT OF COSTS
 9 OF REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY DURING THE
 10 NEXT FISCAL YEAR; TO PROVIDE THAT THE PRECEDING PROVISION ALSO
 11 APPLIES TO STATE UNIVERSITIES AND COMMUNITY COLLEGES; TO PROVIDE
 12 THAT IF A UNIVERSITY OR COMMUNITY COLLEGE IS THE ONLY OCCUPANT OF
 13 A CAPITAL FACILITY, THE BOARD OF TRUSTEES OF STATE INSTITUTIONS OF
 14 HIGHER LEARNING OR THE STATE BOARD FOR COMMUNITY AND JUNIOR
 15 COLLEGES, AS APPROPRIATE, MUST INCLUDE THE REQUIRED AMOUNT FOR
 16 PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE
 17 FACILITY IN THE ANNUAL BUDGET REQUEST OF THE BOARD ON BEHALF OF
 18 THAT UNIVERSITY OR COMMUNITY COLLEGE, AND THE LEGISLATURE MUST
 19 ANNUALLY APPROPRIATE THE REQUIRED AMOUNT OF FUNDS TO THE BOARD TO
 20 BE USED FOR PAYMENT OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE
 21 OF THE FACILITY ON BEHALF OF THAT UNIVERSITY OR COMMUNITY COLLEGE;
 22 TO PROVIDE THAT FUNDS APPROPRIATED TO A STATE AGENCY FOR PAYMENT
 23 OF COSTS OF REPAIR, RENOVATION OR MAINTENANCE OF THE CAPITAL
 24 FACILITY THAT THE AGENCY OCCUPIES MUST BE EXPENDED EXCLUSIVELY FOR
 25 REPAIR, RENOVATION OR MAINTENANCE OF THE FACILITY; TO PROVIDE THAT
 26 THE EXPENDITURE OF THOSE FUNDS FOR REPAIR OR RENOVATION SHALL BE
 27 SUBJECT TO THE APPROVAL OF THE DEPARTMENT OF FINANCE AND
 28 ADMINISTRATION; TO PROVIDE THAT IF ANY OF THOSE FUNDS APPROPRIATED
 29 TO AN AGENCY ARE NOT EXPENDED DURING THE FISCAL YEAR FOR WHICH
 30 THEY WERE APPROPRIATED, THE LEGISLATURE MUST REAPPROPRIATE THOSE
 31 UNEXPENDED FUNDS TO THE AGENCY FOR PAYMENT OF COSTS OF REPAIR,
 32 RENOVATION OR MAINTENANCE OF THE FACILITY DURING THE NEXT FISCAL
 33 YEAR, IN ADDITION TO THE AMOUNT REQUIRED TO BE ANNUALLY
 34 APPROPRIATED TO THE STATE AGENCY FOR REPAIR, RENOVATION OR
 35 MAINTENANCE OF THE FACILITY; TO AMEND SECTIONS 27-103-123,
 36 27-103-127 AND 27-103-129, MISSISSIPPI CODE OF 1972, TO CONFORM TO
 37 THE PRECEDING PROVISIONS; AND FOR RELATED PURPOSES.

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

39 SECTION 1. (1) For the purposes of this section, the term
 40 "state agency" will have the meaning as defined under Section
 41 27-103-103, and also includes state institutions of higher
 42 learning and public community and junior colleges.

43 (2) (a) Each state agency that is the only occupant of a
44 capital facility shall include in its annual budget request, in a
45 separate line item, an amount that is not less than one percent
46 (1%) of the construction value of the facility, for payment of
47 costs of repair, renovation or maintenance of the facility during
48 the next fiscal year.

49 (b) The Legislature shall include in the annual
50 appropriation to each state agency that is the only occupant of a
51 capital facility, in a separate line item, funds in an amount that
52 is not less than one percent (1%) of the construction value of the
53 facility, to be used for payment of costs of repair, renovation or
54 maintenance of the facility during the next fiscal year.

55 (3) (a) If an institution of higher learning is the only
56 occupant of a capital facility, the Board of Trustees of State
57 Institutions of Higher Learning shall include the amount for
58 payment of costs of repair, renovation or maintenance of the
59 facility, as required by subsection (2)(a), in the annual budget
60 request of the board of trustees on behalf of that institution of
61 higher learning, and the Legislature shall annually appropriate to
62 the Board of Trustees of State Institutions of Higher Learning
63 funds to be used for payment of costs of repair, renovation or
64 maintenance of the facility, as required by subsection (2)(b), on
65 behalf of that institution of higher learning.

66 (b) If a community or junior college is the only
67 occupant of a capital facility, the State Board for Community and
68 Junior Colleges shall include the amount for payment of costs of
69 repair, renovation or maintenance of the facility, as required by
70 subsection (2)(a), in the annual budget request of the board on
71 behalf of that community or junior college, and the Legislature
72 shall annually appropriate to the State Board for Community and
73 Junior Colleges funds to be used for payment of costs of repair,
74 renovation or maintenance of the facility, as required by
75 subsection (2)(b), on behalf of that community or junior college.

76 (4) Funds appropriated to a state agency under the
77 provisions of this section for payment of costs of repair,
78 renovation or maintenance of the capital facility that the state
79 agency occupies must be expended exclusively for repair,
80 renovation or maintenance of the facility. However, the
81 expenditure of such funds for repair or renovation shall be
82 subject to the approval of the Department of Finance and
83 Administration. If any of those funds appropriated to a state
84 agency are not expended during the fiscal year for which they were
85 appropriated, the Legislature shall reappropriate those unexpended
86 funds to the state agency for payment of costs of repair,
87 renovation or maintenance of the facility during the next fiscal
88 year, in addition to the amount required to be annually
89 appropriated to the state agency under the provisions of
90 subsection (2)(b).

91 SECTION 2. Section 27-103-123, Mississippi Code of 1972, is
92 amended as follows:

93 27-103-123. Part 1 of the overall budget shall include
94 therein the requested budget and the recommended budget for each
95 general fund agency and the proposed revenue by means of which the
96 recommended appropriations can be met.

97 The overall budget shall show, for each general fund agency,
98 in addition to such other information as may be prescribed by the
99 Legislative Budget Office, the following:

100 (a) The amount appropriated from the General Fund for
101 the current fiscal year, all special funds receipts already
102 collected and available in the current fiscal year, and an
103 estimate of all special funds which will be collected, or
104 otherwise will become available, by the end of the then current
105 fiscal year;

106 (b) The estimated amount of all expenditures to be made
107 or obligations to be incurred payable from general or special
108 funds during the then current fiscal year;

109 (c) The estimated aggregate amount of funds which will
110 be needed by the agency for the succeeding fiscal year.

111 (i) If any services proposed to be provided by the
112 agency in the succeeding fiscal year are Medicaid reimbursable,
113 any state general matching funds necessary for such reimbursements
114 shall be included in the agency's proposed budget.

115 (ii) If funds are required to be appropriated to
116 the agency under Section 1 of this act for payment of costs of
117 repair, renovation or maintenance of the capital facility that the
118 agency occupies, the required amount of funds for payment of those
119 costs shall be included in the agency's proposed budget;

120 (d) The estimated aggregate amount of special funds, if
121 any, which will be available during the succeeding fiscal year,
122 including any balances which will be on hand at the close of the
123 then current fiscal year;

124 (e) The estimated amount which will be needed and which
125 will require change in existing law or laws;

126 (f) If any new item of expense is included in the
127 proposed budget of any general fund agency, the reason therefor
128 shall be given; and in any case where the Legislative Budget
129 Office shall eliminate or reduce any item or items in the budget
130 request of any general fund agency, it shall note briefly the
131 reasons therefor, together with the reasons advanced by the agency
132 in support of the item or items eliminated or reduced.

133 SECTION 3. Section 27-103-127, Mississippi Code of 1972, is
134 amended as follows:

135 27-103-127. To the end that the overall budget shall present
136 in comparable terms a complete summary of all financial operations
137 of all state agencies, Part 2 of the overall budget shall include
138 therein the requested budget and the recommended budget for each
139 special fund agency. The overall budget shall show for each
140 special fund agency, in addition to such other information as may
141 be prescribed by the Legislative Budget Office, the following:

142 (a) The amount by source of all special fund receipts
143 collected or otherwise available in the current fiscal year, and
144 an estimate by source of all special funds which will be collected
145 or become available by the end of the then current fiscal year;

146 (b) The estimated amount of all expenditures to be made
147 or obligations to be incurred payable from such special funds
148 during the then current fiscal year;

149 (c) The estimated aggregate amount of special funds
150 which will be needed by the agency for the succeeding fiscal year.

151 (i) If any services proposed to be provided by the
152 agency in the succeeding fiscal year are Medicaid reimbursable,
153 any state general matching funds necessary for such reimbursement
154 shall be included in the agency's proposed budget;

155 (ii) If funds are required to be appropriated
156 under Section 1 of this act to the agency for payment of costs of
157 repair, renovation or maintenance of the capital facility that the
158 agency occupies, the required amount of funds for payment of those
159 costs shall be included in the agency's proposed budget;

160 (d) The estimated amount by source of special funds
161 which will be available under existing laws during the succeeding
162 fiscal year, including any balances which will be on hand at the
163 close of the then current fiscal year;

164 (e) The estimated amount which will be needed and which
165 will require change in existing law or laws;

166 (f) If any new item of expense is included in the
167 proposed budget of any special fund agency, the reason therefor
168 shall be given; and in any case where the Legislative Budget
169 Office shall eliminate or reduce any item or items in the proposed
170 budget of any special fund agency, it shall note briefly the
171 reasons therefor, together with the reasons advanced by the agency
172 in support of the item or items eliminated or reduced;

173 (g) The proposed budget of each special fund agency
174 shall show the amounts required for operating expenses separately
175 from the amounts required for permanent improvements.

176 Proposed expenditures for any agency in Part 2 of the overall
177 budget shall not exceed the amount of estimated revenues which
178 will be available to it. However, the Legislative Budget Office
179 may recommend changes in existing law so as to decrease or
180 increase the revenues available to any agency if in its judgment
181 such changes are necessary or desirable.

182 * * * Expenditures approved or authorized by the Legislature
183 for any special fund agency or special funds approved for general
184 fund agency shall constitute a maximum to be expended or
185 encumbered by such agency, and shall not constitute authority to
186 expend or encumber more than the amount of revenue actually
187 collected or otherwise received.

188 No special fund agency or general fund agency shall make
189 expenditures from special funds available to such agency unless
190 such expenditures are set forth in a budget approved by the
191 Legislature. Such legislative approval shall be set forth in an
192 appropriation act. * * * However, * * * special funds derived
193 from the collection of taxes for any political subdivision of the
194 state shall be excepted from the foregoing provisions. The
195 executive head of the state agency shall be liable on his official
196 bond for expenditures or encumbrances which exceed the total
197 amount of the budget or the amount received if receipts are less
198 than the approved budget.

199 * * * Each university and college shall submit through the
200 Board of Trustees of State Institutions of Higher Learning an
201 annual budget to the Legislative Budget Office prior to the
202 beginning of each fiscal year with such information and in such
203 form, and in such detail, as may be required by the Legislative
204 Budget Office. If a university or college is the only occupant of
205 a capital facility and the Board of Trustees of State Institutions

206 of Higher Learning is required under Section 1 of this act to pay
207 the costs of repair, renovation or maintenance of the facility on
208 behalf of that university or college, the university or college,
209 in its proposed annual budget submitted through the board of
210 trustees, shall include the required amount for payment of costs
211 of repair, renovation or maintenance of the facility. If the
212 Legislative Budget Office determines that sufficient funds will be
213 available during the fiscal year to fund the proposed budget as
214 submitted, then and in that event the proposed budget shall be
215 approved. However, if the Legislative Budget Office determines
216 that, in its judgment, sufficient funds will not be available to
217 fund the proposed budget, the affected institution or institutions
218 and the Board of Trustees of State Institutions of Higher Learning
219 shall be promptly notified and given an opportunity to either
220 justify the proposed budget or proposed amendments which can be
221 mutually agreed upon. The Legislative Budget Office shall then
222 approve the proposed budget or budgets of the several universities
223 and colleges. The total amount approved for each institution
224 shall constitute the maximum funds which may be expended during
225 the fiscal year.

226 The municipal, county or combined municipal and county port
227 and harbor commissions, authorities or other port or harbor
228 agencies not owned or operated by the state, shall submit annual
229 or amended budgets of their estimated receipts and expenditures to
230 the governing bodies of such municipality, county or municipality
231 and county, for their approval, and a copy of such budget as
232 approved by such governing body or bodies shall be filed with the
233 Legislative Budget Office. Such budget shall itemize all
234 estimated receipts and expenditures, and the Legislative Budget
235 Office may require particularization, explanation or audit
236 thereof, and shall report such information to the Legislature.

237 To the end that the overall budget shall present in
238 comparable terms a complete summary of all financial operations of

239 all state agencies, Part 3 of such overall budget shall consist of
240 an estimated preliminary annual budget of the Department of
241 Transportation and the Division of State Aid Road Construction of
242 the Department of Transportation and such information for the
243 current fiscal year as is necessary to make presentation
244 comparable to that specified for Part 2 special fund agencies.
245 The annual budget request of the Department of Transportation
246 shall be divided into the following program budgets: (a)
247 administration and other expenses, (b) construction, (c)
248 maintenance, and (d) debt service. In making its annual
249 appropriation to the Department of Transportation from the State
250 Highway Fund, the Legislature shall separate the appropriation
251 bill into the four (4) program budget areas herein specified. For
252 the purposes of this paragraph, "administration and other
253 expenses" shall be construed to mean those expenses incurred due
254 to departmental support activities which cannot be assigned to a
255 specific construction or maintenance project, and shall be
256 construed to include expenses incurred for office machines,
257 furniture, fixtures, automobiles, station wagons, truck and other
258 vehicles, road machinery, farm equipment and other working
259 equipment, data processing and computer equipment, all other
260 equipment, and replacements for equipment. "Construction" shall
261 be construed to mean those expenses associated with the creation
262 and development of the state highway system and its related
263 facilities; "maintenance" shall be construed to mean those
264 expenses incurred due to activities associated with preservation
265 of safe and aesthetically acceptable highways in an attempt to
266 maintain them in as close to the original condition as possible;
267 and "debt service" shall be construed to mean amounts needed to
268 pay bonds and interest coming due, bank service charges, and bond
269 debt service.

270 SECTION 4. Section 27-103-129, Mississippi Code of 1972, is
271 amended as follows:

272 27-103-129. (1) To enable the Legislative Budget Office to
273 prepare the overall budget, it shall have full and plenary power
274 and authority to require all general-fund and special-fund
275 agencies and the Mississippi Department of Transportation and the
276 Division of State Aid Road Construction of the Mississippi
277 Department of Transportation to file a budget request with such
278 information and in such form and in such detail as it may deem
279 necessary and advisable. The Legislative Budget Office shall have
280 the further power and authority to reduce or eliminate any item or
281 items of requested appropriation by any state agency in the
282 Legislative Budget Office's recommended budget to the Legislature.
283 However, where any item of requested appropriation shall be so
284 reduced or eliminated, the head of the agency involved shall have
285 the right to appear before the appropriate legislative committee
286 to urge a revision of the budget to restore the item reduced or
287 eliminated.

288 (2) * * * The budget requests shall include a definition of
289 the mission of the agency, a description of the duties and
290 responsibilities of the agency, financial data relative to the
291 various programs operated by the agency and performance measures
292 associated with each program of the agency. The performance
293 measures to be contained within the agency budget request shall be
294 developed by cooperative efforts of the Legislative Budget Office,
295 the Department of Finance and Administration and the agency itself
296 and shall be approved jointly by the Legislative Budget Office and
297 the Department of Finance and Administration prior to inclusion
298 within the agency budget request.

299 (3) * * * The budget requests shall also include in an
300 addendum format a five-year strategic plan for the agency which
301 shall include, but not be limited to, the following items of
302 information: (a) a comprehensive mission statement, (b)
303 performance effectiveness objectives for each program of the
304 agency for each of the five (5) years covered by the plan, (c) a

305 description of significant external factors which may affect the
306 projected levels of performance, (d) a description of the agency's
307 internal management system utilized to evaluate its performance
308 achievements in relationship to the targeted performance levels,
309 (e) an evaluation by the agency of the agency's performance
310 achievements in relationship to the targeted performance levels
311 for the two (2) preceding fiscal years for which accounting
312 records have been finalized.

313 (4) If an agency is required under Section 1 of this act to
314 pay the costs of repair, renovation or maintenance of the capital
315 facility that the agency occupies, the agency's budget request
316 also shall include, in a separate line item, the required amount
317 for payment of costs of repair, renovation or maintenance of the
318 facility.

319 SECTION 5. This act shall take effect and be in force from
320 and after July 1, 2001.