

By: Representative Compretta

To: Appropriations

HOUSE BILL NO. 1399

1 AN ACT TO AMEND SECTION 27-103-127, MISSISSIPPI CODE OF 1972,  
2 TO REMOVE THE REQUIREMENT THAT THE ANNUAL APPROPRIATION TO THE  
3 DEPARTMENT OF TRANSPORTATION FOR THE STATE HIGHWAY FUND BE  
4 SEPARATED INTO FOUR PROGRAM BUDGET AREAS; AND FOR RELATED  
5 PURPOSES.

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

7 SECTION 1. Section 27-103-127, Mississippi Code of 1972, is  
8 amended as follows:

9 27-103-127. To the end that the overall budget shall present  
10 in comparable terms a complete summary of all financial operations  
11 of all state agencies, Part 2 of the overall budget shall include  
12 therein the requested budget and the recommended budget for each  
13 special fund agency. The overall budget shall show for each  
14 special fund agency, in addition to such other information as may  
15 be prescribed by the Legislative Budget Office, the following:

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

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

23 (c) The estimated aggregate amount of special funds  
24 which will be needed by the agency for the succeeding fiscal year;  
25 beginning with the 1995 fiscal year and in the event that any  
26 services proposed to be provided by the agency in the succeeding  
27 fiscal year are Medicaid reimbursable, any state general matching  
28 funds necessary for such reimbursement shall be included in the

29 agency's proposed budget, and the appropriation to the Division of  
30 Medicaid in the 1995 fiscal year shall be adjusted accordingly;

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

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

37 (f) If any new item of expense is included in the  
38 proposed budget of any special fund agency, the reason therefor  
39 shall be given; and in any case where the Legislative Budget  
40 Office shall eliminate or reduce any item or items in the proposed  
41 budget of any special fund agency, it shall note briefly the  
42 reasons therefor, together with the reasons advanced by the agency  
43 in support of the item or items eliminated or reduced;

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

47 Proposed expenditures for any agency in Part 2 of the overall  
48 budget shall not exceed the amount of estimated revenues which  
49 will be available to it. Provided, that the Legislative Budget  
50 Office may recommend changes in existing law so as to decrease or  
51 increase the revenues available to any agency if in its judgment  
52 such changes are necessary or desirable.

53 Provided further, that expenditures approved or authorized by  
54 the Legislature for any special fund agency or special funds  
55 approved for general fund agency shall constitute a maximum to be  
56 expended or encumbered by such agency, and shall not constitute  
57 authority to expend or encumber more than the amount of revenue  
58 actually collected or otherwise received.

59 No special fund agency or general fund agency shall make  
60 expenditures from special funds available to such agency unless  
61 such expenditures are set forth in a budget approved by the

62 Legislature. Such legislative approval shall be set forth in an  
63 appropriation act. Provided, however, that special funds derived  
64 from the collection of taxes for any political subdivision of the  
65 state shall be excepted from the foregoing provisions. The  
66 executive head of the state agency shall be liable on his official  
67 bond for expenditures or encumbrances which exceed the total  
68 amount of the budget or the amount received if receipts are less  
69 than the approved budget.

70        Provided, however, that each university and college shall  
71 submit through the Board of Trustees of State Institutions of  
72 Higher Learning an annual budget to the Legislative Budget Office  
73 prior to the beginning of each fiscal year with such information  
74 and in such form, and in such detail, as may be required by the  
75 Legislative Budget Office. If the Legislative Budget Office  
76 determines that sufficient funds will be available during the  
77 fiscal year to fund the proposed budget as submitted, then and in  
78 that event the proposed budget shall be approved. However, if the  
79 Legislative Budget Office determines that, in its judgment,  
80 sufficient funds will not be available to fund the proposed  
81 budget, the affected institution or institutions and the Board of  
82 Trustees of State Institutions of Higher Learning shall be  
83 promptly notified and given an opportunity to either justify the  
84 proposed budget or proposed amendments which can be mutually  
85 agreed upon. The Legislative Budget Office shall then approve the  
86 proposed budget or budgets of the several universities and  
87 colleges. The total amount approved for each institution shall  
88 constitute the maximum funds which may be expended during the  
89 fiscal year.

90        The municipal, county or combined municipal and county port  
91 and harbor commissions, authorities or other port or harbor  
92 agencies not owned or operated by the state, shall submit annual  
93 or amended budgets of their estimated receipts and expenditures to  
94 the governing bodies of such municipality, county or municipality

95 and county, for their approval, and a copy of such budget as  
96 approved by such governing body or bodies shall be filed with the  
97 Legislative Budget Office. Such budget shall itemize all  
98 estimated receipts and expenditures, and the Legislative Budget  
99 Office may require particularization, explanation or audit  
100 thereof, and shall report such information to the Legislature.

101 To the end that the overall budget shall present in  
102 comparable terms a complete summary of all financial operations of  
103 all state agencies, Part 3 of such overall budget shall consist of  
104 an estimated preliminary annual budget of the Department of  
105 Transportation and the Division of State Aid Road Construction of  
106 the Department of Transportation and such information for the  
107 current fiscal year as is necessary to make presentation  
108 comparable to that specified for Part 2 special fund agencies.

109 The annual budget request of the Department of Transportation  
110 shall be divided into the following program budgets: (a)  
111 administration and other expenses, (b) construction, (c)  
112 maintenance, and (d) debt service. \* \* \* For the purposes of this  
113 paragraph, "administration and other expenses" shall be construed  
114 to mean those expenses incurred due to departmental support  
115 activities which cannot be assigned to a specific construction or  
116 maintenance project, and shall be construed to include expenses  
117 incurred for office machines, furniture, fixtures, automobiles,  
118 station wagons, truck and other vehicles, road machinery, farm  
119 equipment and other working equipment, data processing and  
120 computer equipment, all other equipment, and replacements for  
121 equipment. "Construction" shall be construed to mean those  
122 expenses associated with the creation and development of the state  
123 highway system and its related facilities; "maintenance" shall be  
124 construed to mean those expenses incurred due to activities  
125 associated with preservation of safe and aesthetically acceptable  
126 highways in an attempt to maintain them in as close to the  
127 original condition as possible; and "debt service" shall be

128 construed to mean amounts needed to pay bonds and interest coming  
129 due, bank service charges, and bond debt service.

130 SECTION 2. This act shall take effect and be in force from  
131 and after its passage.