

By: Representative Eads

To: Appropriations

HOUSE BILL NO. 271

1 AN ACT TO REQUIRE EACH STATE AGENCY TO DESIGNATE THE RELATIVE
2 NEED FOR EACH PROGRAM OR ITEM IN ITS BUDGET REQUEST TO THE JOINT
3 LEGISLATIVE BUDGET COMMITTEE USING SPECIFIED CATEGORIES, AND TO
4 RANK ITS PRIORITY OF EACH PROGRAM OR ITEM WITHIN EACH CATEGORY
5 USING A NUMERICAL RANKING; TO REQUIRE EACH STATE AGENCY, AFTER THE
6 JOINT LEGISLATIVE BUDGET COMMITTEE HAS PREPARED ITS OVERALL BUDGET
7 AND SPECIFIED THE AMOUNT OF FUNDS RECOMMENDED FOR THE PROPOSED
8 BUDGETS OF THE INDIVIDUAL STATE AGENCIES, TO SPECIFY THE PROGRAMS
9 OR ITEMS THAT IT INTENDS TO IMPLEMENT USING THE TOTAL AMOUNT OF
10 FUNDS RECOMMENDED FOR THE AGENCY'S PROPOSED BUDGET, TO DESIGNATE
11 THE RELATIVE NEED FOR EACH OF THOSE PROGRAMS OR ITEMS USING THE
12 SPECIFIED CATEGORIES, TO RANK THE AGENCY'S PRIORITY OF EACH
13 PROGRAM OR ITEM WITHIN EACH CATEGORY USING A NUMERICAL RANKING,
14 AND TO PROVIDE THAT INFORMATION TO THE LEGISLATURE IN SUCH FORM AS
15 SPECIFIED BY THE LEGISLATIVE BUDGET OFFICE; TO AMEND SECTION
16 27-103-129, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING
17 PROVISIONS; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** (1) (a) Each state agency shall designate the
20 relative need for each program or item for which funds are
21 requested in its budget request using the following categories:

22 (i) Immediate need programs or items: These
23 programs or items are essential for the agency to carry out its
24 basic mission and duties at an adequate level of performance.
25 Funding of these programs or items is essential for the next
26 fiscal year.

27 (ii) Secondary need programs or items: These
28 programs or items would enhance the ability of the agency to carry
29 out its basic mission and duties at a higher level of performance
30 or in a more efficient or productive manner. Funding of these
31 programs or items is desired, but is not essential, for the next
32 fiscal year.

33 (iii) Long range need programs or items: These
34 programs or items would expand the basic mission and duties of the



35 agency by providing for services or functions that the agency is
36 not currently performing, or by significantly expanding any
37 existing services or functions of the agency. Funding of these
38 programs or items is requested for the next fiscal year, but could
39 be deferred to a later year.

40 (b) In addition to designating the relative need for
41 the programs or items in the categories specified in paragraph
42 (a), the state agency shall rank its priority of each program or
43 item within each category using a numerical ranking from the
44 highest to the lowest priority.

45 (2) After the Joint Legislative Budget Committee has
46 prepared its overall budget and specified the amount of funds
47 recommended for the proposed budgets of the individual state
48 agencies, each state agency shall:

49 (a) Specify the programs or items that it intends to
50 implement using the total amount of funds recommended for the
51 agency's proposed budget;

52 (b) Designate the relative need for each of those
53 programs or items using the categories specified in subsection
54 (1) (a);

55 (c) Rank the agency's priority of each program or item
56 within each category using a numerical ranking from the highest to
57 the lowest priority; and

58 (d) Provide the information required by paragraphs (a)
59 through (c) to the Legislature before the third Monday in January,
60 in such form as specified by the Legislative Budget Office.

61 **SECTION 2.** Section 27-103-129, Mississippi Code of 1972, is
62 amended as follows:

63 27-103-129. (1) To enable the Legislative Budget Office to
64 prepare the overall budget, it shall have full and plenary power
65 and authority to require all general-fund and special-fund
66 agencies and the Mississippi Department of Transportation and the
67 Division of State Aid Road Construction of the Mississippi



68 Department of Transportation to file a budget request with such
69 information and in such form and in such detail as it may deem
70 necessary and advisable. The Legislative Budget Office shall have
71 the further power and authority to reduce or eliminate any item or
72 items of requested appropriation by any state agency in the
73 Legislative Budget Office's recommended budget to the Legislature.
74 However, where any item of requested appropriation shall be so
75 reduced or eliminated, the head of the agency involved shall have
76 the right to appear before the appropriate legislative committee
77 to urge a revision of the budget to restore the item reduced or
78 eliminated.

79 (2) The budget requests shall include a definition of the
80 mission of the agency, a description of the duties and
81 responsibilities of the agency, financial data relative to the
82 various programs operated by the agency and performance measures
83 associated with each program of the agency. The performance
84 measures to be contained within the agency budget request shall be
85 developed by cooperative efforts of the Legislative Budget Office,
86 the Department of Finance and Administration and the agency itself
87 and shall be approved jointly by the Legislative Budget Office and
88 the Department of Finance and Administration prior to inclusion
89 within the agency budget request.

90 (3) The budget requests shall also include in an addendum
91 format a five-year strategic plan for the agency which shall
92 include, but not be limited to, the following items of
93 information: (a) a comprehensive mission statement, (b)
94 performance effectiveness objectives for each program of the
95 agency for each of the five (5) years covered by the plan, (c) a
96 description of significant external factors which may affect the
97 projected levels of performance, (d) a description of the agency's
98 internal management system utilized to evaluate its performance
99 achievements in relationship to the targeted performance levels,
100 (e) an evaluation by the agency of the agency's performance



101 achievements in relationship to the targeted performance levels
102 for the two (2) preceding fiscal years for which accounting
103 records have been finalized.

104 (4) The budget requests also shall include the agency's
105 designation of the relative need for each program or item for
106 which funds are requested in its budget request using the
107 specified categories, and the agency's numerical ranking of the
108 priority of each program or item within each category, as required
109 by Section 1 of this act.

110 **SECTION 3.** This act shall take effect and be in force from
111 and after July 1, 2002.

