

By: Representative Compretta (By Request)

To: Transportation;
Appropriations

HOUSE BILL NO. 1584

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.

