

By: Representative Zuber

To: Appropriations

HOUSE BILL NO. 223

1 AN ACT TO DIRECT ALL STATE AGENCIES, DEPARTMENTS AND  
 2 INSTITUTIONS SUBMITTING BUDGET REQUESTS FOR FISCAL YEAR 2007 AND  
 3 EACH SUBSEQUENT FISCAL YEAR TO DEVELOP THOSE BUDGET REQUESTS  
 4 ACCORDING TO ZERO-BASED BUDGETING PRINCIPLES; TO DIRECT THE JOINT  
 5 LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE TO DEVELOP  
 6 BUDGET RECOMMENDATIONS ACCORDING TO ZERO-BASED BUDGETING  
 7 PRINCIPLES; TO REQUIRE THAT EACH APPROPRIATION BILL ENACTED BY THE  
 8 LEGISLATURE BE DETERMINED ACCORDING TO ZERO-BASED BUDGETING  
 9 PRINCIPLES; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** For fiscal year 2007 and each subsequent fiscal  
 12 year, each state agency, department or institution that is  
 13 required to submit a budget request shall develop the request  
 14 according to zero-based budgeting principles. Those principles  
 15 shall require the agency, department or institution to do the  
 16 following for each budgetary unit:

17 (a) Identify the component programs of the budgetary  
 18 unit, describe the activities conducted by each program, and  
 19 specify the legal basis for each program to conduct each activity  
 20 described;

21 (b) Itemize in detail by object of expenditure the  
 22 budgetary requirements for conducting the activities of each  
 23 program of the budgetary unit with the actual expenditures for the  
 24 prior fiscal year, the estimated expenditures for the current  
 25 fiscal year, and the projected expenditures for the budget fiscal  
 26 year, by starting with a base of zero dollars and adding dollar  
 27 amounts for activities conducted in the prior fiscal year that are  
 28 deemed appropriate in the current fiscal year and requested for  
 29 the budget fiscal year;

30 (c) Identify and itemize in detail by object of  
31 expenditure the changes in the budgetary requirements for  
32 conducting the activities of each program of the budgetary unit  
33 between the actual expenditures for the prior fiscal year and the  
34 estimated expenditures for the current fiscal year, and between  
35 the estimated expenditures for the current fiscal year and the  
36 projected expenditures for the budget fiscal year; and

37 (d) Develop a narrative for each program of the  
38 budgetary unit justifying each line-item of the itemized budgetary  
39 requirements for conducting the activities of the program with the  
40 actual expenditures for the prior fiscal year, and justifying each  
41 line-item of the itemized changes in the budgetary requirements  
42 for conducting the activities of the program between the actual  
43 expenditures for the prior fiscal year and the estimated  
44 expenditures for the current fiscal year, and between the  
45 estimated expenditures for the current fiscal year and the  
46 projected expenditures for the budget fiscal year.

47 **SECTION 2.** The Joint Legislative Budget Committee and the  
48 Governor's Office shall review and evaluate only those budget  
49 requests that are developed as prescribed in Section 1 of this  
50 act, and shall develop budget recommendations to the Legislature  
51 starting with a base of zero dollars for each program in each  
52 budgetary unit and adding dollars as necessary for actual  
53 expenditures on activities approved in the prior fiscal year, and  
54 adding or reducing dollars as necessary for estimated changes in  
55 expenditures approved for the current fiscal year, and adding or  
56 reducing dollars as necessary for recommended changes in the  
57 expenditures deemed appropriate for the budget fiscal year.

58 **SECTION 3.** The Legislature shall determine the amount of  
59 each appropriation for each state agency, department or  
60 institution for fiscal year 2007 and each subsequent fiscal year  
61 by starting with a base of zero dollars for each program in each  
62 budgetary unit and adding dollars as necessary for actual

63 expenditures on activities approved in the prior fiscal year, and  
64 adding or reducing dollars as necessary for estimated changes in  
65 expenditures approved for the current fiscal year, and adding or  
66 reducing dollars as necessary for changes in expenditures deemed  
67 appropriate for the budget fiscal year.

68         **SECTION 4.** This act shall take effect and be in force from  
69 and after July 1, 2005.