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To: Universities and
Colleges;
Appropriations

HOUSE BILL NO. 1347

1 AN ACT TO AMEND SECTION 37-106-29, MISSISSIPPI CODE OF 1972,
2 TO INCREASE THE MAXIMUM AMOUNT OF AWARDS THAT MAY BE GIVEN UNDER
3 THE MISSISSIPPI RESIDENT TUITION ASSISTANCE GRANT PROGRAM; TO
4 CREATE A SPECIAL FUND IN THE STATE TREASURY WHICH SHALL BE USED TO
5 PROVIDE FUNDS FOR THE MISSISSIPPI RESIDENT TUITION ASSISTANCE
6 GRANT PROGRAM; TO CREATE A SPECIAL FUND IN THE STATE TREASURY
7 WHICH SHALL BE USED BY THE BOARD OF TRUSTEES OF STATE INSTITUTIONS
8 OF HIGHER LEARNING FOR THE REPAIR, RENOVATION AND MAINTENANCE OF
9 FACILITIES AT THE THREE HISTORICALLY BLACK INSTITUTIONS OF HIGHER
10 LEARNING IN MISSISSIPPI; TO AMEND SECTION 27-103-203, MISSISSIPPI
11 CODE OF 1972, TO PROVIDE THAT A PORTION OF THE UNENCUMBERED CASH
12 BALANCE IN THE STATE GENERAL FUND AT THE END OF EACH FISCAL YEAR
13 SHALL BE TRANSFERRED INTO THE MISSISSIPPI RESIDENT TUITION
14 ASSISTANCE GRANT PROGRAM FUND; TO PROVIDE THAT ALL INTEREST EARNED
15 ON THE WORKING-CASH STABILIZATION RESERVE FUND IN EXCESS OF THE
16 AMOUNTS NECESSARY TO MAINTAIN THE BALANCE REQUIREMENT IN THE FUND
17 SHALL BE DEPOSITED INTO THE HISTORICALLY BLACK INSTITUTIONS OF
18 HIGHER LEARNING ASSISTANCE FUND; AND FOR RELATED PURPOSES.

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

20 SECTION 1. Section 37-106-29, Mississippi Code of 1972, is
21 amended as follows:

22 37-106-29. (1) There is established the Mississippi
23 Resident Tuition Assistance Grant Program for college or
24 university freshmen, sophomores, juniors and seniors to be
25 administered by the Mississippi Postsecondary Education Financial
26 Assistance Board established under Section 37-106-9, which shall
27 set the dates and deadlines for applying for an award under this
28 section. The board shall establish such rules and regulations as
29 it deems necessary and proper to carry out the purposes and intent
30 of this section.

31 (2) The college or university shall approve grants to
32 full-time freshmen, sophomore, junior and senior Mississippi
33 residents who meet the general requirements for student
34 eligibility as provided in subsection (4) of this section.

35 (3) Mississippi Resident Tuition Assistance Grants shall be

36 for Mississippi students from any Mississippi family whose prior
37 year adjusted gross income (AGI) exceeds the maximum allowed to
38 qualify for full Pell Grant eligibility and campus-based federal
39 aid. Those Mississippi students receiving less than the full Pell
40 Grant award, as determined by the institution, shall receive a
41 Mississippi Resident Tuition Assistance Grant in an amount not to
42 exceed the maximum Pell Grant allowable for that individual
43 student. The award shall be applied to tuition, rooms and meals,
44 books, materials and fees not to exceed Two Thousand Dollars
45 (\$2,000.00) for junior and senior students attending state
46 institutions of higher learning in Mississippi or four-year
47 regionally accredited, state-approved, nonprofit colleges and
48 universities in Mississippi, and One Thousand Dollars (\$1,000.00)
49 for freshmen and sophomores attending state institutions of higher
50 learning or public community or junior colleges in Mississippi, or
51 regionally accredited, state-approved, nonprofit two-year or
52 four-year colleges in Mississippi, which will be prorated per
53 term, semester or quarter of the academic year for costs of
54 attendance, calculated according to the formula specified in
55 subsection (8) of this section.

56 (4) The general requirements for initial eligibility of
57 students for Mississippi Resident Tuition Assistance Grants
58 consist of the following:

59 (a) Member of a Mississippi family whose prior year
60 adjusted gross income (AGI) exceeds the maximum allowed to qualify
61 for Pell Grant eligibility and campus-based federal aid.

62 (b) Acceptance for enrollment at any state institution
63 of higher learning or public community or junior college located
64 in Mississippi, or any regionally accredited, state-approved,
65 nonprofit four- or two-year college or university located in
66 Mississippi as listed in subsection (d) of this Section

67 37-106-29(4): (i) a minimum grade point average of 2.5 calculated
68 on a 4.0 scale after seven (7) semesters certified by the high
69 school counselor or other authorized school official on the

70 application and graduation from high school verified by the
71 institution before disbursement of award and has scored fifteen
72 (15) on the American College Test Program (ACT); or (ii) has
73 attended a home education program during grade levels 9 through
74 12, and has scored fifteen (15) on the American College Testing
75 Program; or (iii) satisfactory completion of the General
76 Educational Development Test (GED) or have successfully completed
77 the International Baccalaureate Program and has scored fifteen
78 (15) on the American College Testing Program; * * * however, * * *
79 any student entering a vocational or technical program of study,
80 or who has satisfactorily completed the General Education
81 Development Test and attends a community or junior college will
82 not be required to have a test score under the American College
83 Testing Program except those students enrolled in courses of
84 academic study. Any student currently enrolled in any qualified
85 institution shall have to only meet the same requirements as
86 students who are applying for a renewal award.

87 (c) Resident status for purposes of receiving grants
88 under this section shall be determined in the same manner as
89 resident status for tuition purposes as set forth in Sections
90 37-103-1 through 37-103-29, with the exception of Section
91 37-103-17.

92 (d) Must attend one of the following institutions of
93 higher learning: Alcorn State University, Delta State University,
94 Jackson State University, Mississippi State University,
95 Mississippi University for Women, Mississippi Valley State
96 University, University of Mississippi, University of Southern
97 Mississippi, Coahoma Community College, Copiah-Lincoln Community
98 College, East Central Community College, East Mississippi
99 Community College, Hinds Community College, Holmes Community
100 College, Itawamba Community College, Jones County Junior College,
101 Meridian Community College, Mississippi Delta Community College,
102 Mississippi Gulf Coast Community College, Northeast Mississippi
103 Community College, Northwest Mississippi Community College, Pearl

104 River Community College, Southwest Mississippi Community College,
105 Belhaven College, Blue Mountain College, Millsaps College,
106 Mississippi College, Rust College, Tougaloo College, William Carey
107 College, Mary Holmes College, Magnolia Bible College and Wood
108 College.

109 (5) By accepting a Mississippi Resident Tuition Assistance
110 Grant, the student is attesting to the accuracy, completeness and
111 correctness of information provided to demonstrate the student's
112 eligibility. Falsification of such information shall result in
113 the denial of any pending grant and revocation of any award
114 currently held to the extent that no further payments shall be
115 made. Any student knowingly making false statements in order to
116 receive a grant shall be guilty of a misdemeanor punishable, upon
117 conviction thereof, by a fine of up to Ten Thousand Dollars
118 (\$10,000.00), a prison sentence of up to one (1) year in the
119 county jail, or both, and shall be required to return all
120 Mississippi Resident Tuition Assistance Grants wrongfully
121 obtained.

122 (6) Eligibility for renewal of Mississippi Resident Tuition
123 Assistance Grants shall be evaluated at the end of each semester,
124 or term, of each academic year. As a condition for renewal, a
125 student shall:

126 (a) Make steady academic progress toward a certificate
127 or degree, as outlined in the school Satisfactory Academic
128 Progress Standards and certified by the institution's registrar.

129 (b) Maintain continuous enrollment for not less than
130 two (2) semesters or three (3) quarters in each successive
131 academic year, unless granted an exception for cause by the
132 administering agency; examples of cause may include student
133 participation in a cooperative program, internship program or
134 foreign study program. If a student fails to maintain continuous
135 enrollment, and is not granted an exception for cause by the
136 administering agency, the student is ineligible to receive the
137 Mississippi Resident Tuition Assistance Grant during the following

138 semester or trimester or term of the regular academic year.

139 (c) Have a cumulative grade point average of at least
140 2.50 calculated on a 4.0 scale at the end of each semester or
141 trimester or term.

142 (7) Each student, each year, must complete a Free
143 Application for Federal Student Aid form or a Statement of
144 Certification as designed by the administering board to determine
145 his/her eligibility for a Mississippi Resident Tuition Assistance
146 Grant.

147 (8) (a) The amount of the Mississippi Resident Tuition
148 Assistance Grant awarded to any one (1) student, up to the maximum
149 amount provided in subsection (3) of this section, shall be the
150 difference of the student's cost of attendance at his accredited
151 college of choice and the amount of federal aid such student may
152 receive, not to supplant but to supplement the amount of any
153 federal aid awarded to the student. Cost of attendance is the
154 tuition and fees of the applicable institution plus an allowance
155 for room and meals and books and materials.

156 (b) Payment of the Mississippi Resident Tuition
157 Assistance Grant shall be made payable to the recipient and the
158 educational institution and mailed directly to the institution, to
159 be applied first to tuition.

160 (9) In order for an institution to remain eligible for its
161 students to participate in the Mississippi Resident Tuition
162 Assistance Grant Program, the institution shall comply with the
163 following requirements:

164 (a) A complete and accurate roster of the eligibility
165 status of each awarded student shall be made to the board for each
166 term, semester or quarter of the academic year the student
167 receives a Mississippi Resident Tuition Assistance Grant.

168 (b) The institution is required to make refunds to the
169 Mississippi Resident Tuition Assistance Grant Fund for any funds
170 which have not been disbursed to the recipient, in the case of
171 students who have received a grant but who terminate enrollment

172 during the academic term, semester or quarter of the academic year
173 if an institution's refund policies permit a student to receive a
174 refund in such instance. The recipient shall be responsible for
175 the refund of any funds which have been disbursed by the
176 institution in such instance.

177 (c) If a student drops below full-time status but does
178 not terminate all enrollment during the term, semester or quarter
179 of the academic year no refund will be required for that term.
180 However, that student is ineligible to receive the Mississippi
181 Resident Tuition Assistance Grant during the following term,
182 semester or quarter of the regular academic year.

183 (d) The board may conduct its own annual audits of any
184 institution participating in the Mississippi Resident Tuition
185 Assistance Grant Program. The board may suspend or revoke an
186 institution's eligibility to receive future monies under the
187 program if it finds that the institution has not complied with the
188 provisions of this section. In determining a student's initial
189 eligibility, the number of prior semesters enrolled will not be
190 counted against the student.

191 (10) No student may receive a Mississippi Resident Tuition
192 Assistance Grant for more than the equivalent semesters or
193 quarters required to complete one (1) baccalaureate degree or one
194 (1) certificate or associate degree program per institution.

195 (11) Subject to the availability of funds specifically
196 appropriated therefor, it is the intent of the Legislature to
197 fully fund grant awards to eligible students. If funds are
198 insufficient to fully fund grant awards to eligible students,
199 grant awards shall be prorated among all eligible students. No
200 student shall receive any combination of student financial aid in
201 excess of the cost of attendance as defined in subsection (8)(a).

202 (12) No student receiving a Mississippi Eminent Scholars
203 Grant as provided in Section 37-106-31 shall be eligible to
204 receive the Mississippi Resident Tuition Assistance Grant pursuant
205 to Section 37-106-29 unless he is eligible for such award after

206 the Mississippi Eminent Scholars Grant has been considered by the
207 board when conducting an assessment of the financial resources
208 available to the student. In no case shall any student receive
209 any combination of student financial aid that would exceed the
210 cost of attendance, as defined in subsection (8)(a).

211 For purposes of this section, certificated shall mean but not
212 be limited to all postsecondary vocational programs in eligible
213 institutions as identified in subsection (4)(d) of this section.

214 (13) There is created in the State Treasury a special fund
215 to be known as the Mississippi Resident Tuition Assistance Grant
216 Program Fund, into which shall be deposited the monies specified
217 in Section 27-103-203(1), and such other monies as may be
218 authorized or required by law to be deposited into the fund. The
219 monies in the fund shall be used, upon appropriation by the
220 Legislature, to provide funds for the Mississippi Resident Tuition
221 Assistance Grant Program established under this section.
222 Unexpended amounts remaining in the fund at the end of the state
223 fiscal year shall not lapse into the State General Fund, and any
224 interest earned on amounts in the fund shall be deposited to the
225 credit of the fund.

226 SECTION 2. There is created in the State Treasury a special
227 fund to be known as the Historically Black Institutions of Higher
228 Learning Assistance Fund, into which shall be deposited the monies
229 specified in Section 27-103-203(2), and such other monies as may
230 be authorized or required by law to be deposited into the fund.
231 The monies in the fund shall be used by the Board of Trustees of
232 State Institutions of Higher Learning, upon appropriation by the
233 Legislature, for the repair, renovation and maintenance of
234 facilities at Jackson State University, Alcorn State University
235 and Mississippi Valley State University, the historically Black
236 institutions of higher learning in Mississippi. Unexpended
237 amounts remaining in the fund at the end of the state fiscal year
238 shall not lapse into the State General Fund, and any interest
239 earned on amounts in the fund shall be deposited to the credit of

240 the fund.

241 SECTION 3. Section 27-103-203, Mississippi Code of 1972, is
242 amended as follows:

243 27-103-203. (1) There is created in the State Treasury a
244 special fund, separate and apart from any other fund, to be
245 designated the Working Cash-Stabilization Reserve Fund, into which
246 shall be deposited one hundred percent (100%) of the unencumbered
247 General Fund cash balance at the close of each fiscal year until
248 such time as the balance in the fund reaches Forty Million Dollars
249 (\$40,000,000.00). After the balance in the fund reaches Forty
250 Million Dollars (\$40,000,000.00), fifty percent (50%) of the
251 unencumbered General Fund cash balance at the close of each fiscal
252 year, not to exceed seven and one-half percent (7-1/2%) of the
253 General Fund appropriations for such fiscal year, shall be
254 deposited into the fund. The remainder of the year-end
255 unencumbered cash after transfer to the Working Cash-Stabilization
256 Reserve Fund shall remain in the General Fund; * * * however, if
257 the balance of the Working Cash-Stabilization Reserve Fund reaches
258 seven and one-half percent (7-1/2%) of the General Fund
259 appropriations for the fiscal year, fifty percent (50%) of the
260 unencumbered cash balance shall be transferred into the Education
261 Enhancement Fund and thirty percent (30%) of the unencumbered cash
262 balance shall be transferred into the Mississippi Resident Tuition
263 Assistance Grant Program Fund created by Section 37-106-29(13).
264 Unencumbered cash in the General Fund may be used for new year
265 cash flow needs and may also be used for deficit appropriations or
266 regular appropriations.

267 (2) The Working Cash-Stabilization Reserve Fund shall not be
268 considered as a surplus or available funds when adopting a
269 balanced budget as required by law. The State Treasurer shall
270 invest all sums in the Working Cash-Stabilization Reserve Fund not
271 needed for the purposes provided for in this section in
272 certificates of deposit, repurchase agreements and other
273 securities as authorized in Sections 27-105-33(d) or 7-9-103, as

274 the State Treasurer may determine to yield the highest market rate
275 available. The interest earned on such sums shall be deposited in
276 the fund until the balance of principal and interest therein
277 reaches seven and one-half percent (7-1/2%) of the total General
278 Fund appropriations for the current fiscal year, and all interest
279 earned in excess of amounts necessary to maintain the seven and
280 one-half percent (7-1/2%) fund balance requirement shall be
281 deposited by the State Treasurer into the Historically Black
282 Institutions of Higher Learning Assistance Fund created by Section
283 2 of this act.

284 (3) The Working Cash-Stabilization Reserve Fund, except for
285 Nineteen Million Dollars (\$19,000,000.00) and the amount of the
286 interest and income earned on the principal of the Ayers Endowment
287 Trust created by Section 37-101-27, shall be used by the State
288 Treasurer for cash flow needs throughout the year when the State
289 Fiscal Officer certifies that in his opinion there will be cash
290 flow deficiencies in the State General Fund. No borrowing of
291 monies from other special funds for such purposes as authorized by
292 Section 31-17-101 et seq. shall be made as long as an unencumbered
293 balance in excess of Nineteen Million Dollars (\$19,000,000.00) and
294 the interest and income earned on the principal of the Ayers
295 Endowment Trust created by Section 37-101-27 remains in the fund.

296 The State Treasurer shall reimburse the fund for all sums
297 borrowed for such purposes from General Fund revenues collected
298 during the fiscal year in which such funds are used. The State
299 Treasurer shall immediately notify the Legislative Budget Office
300 and the State Department of Finance and Administration of each
301 transfer into and out of such fund. Four Million Dollars
302 (\$4,000,000.00) in the Working Cash-Stabilization Reserve Fund
303 shall remain available for use pursuant to Section 27-103-81.
304 Fifteen Million Dollars (\$15,000,000.00) in the Working
305 Cash-Stabilization Reserve Fund shall remain available for
306 exclusive use of the Ayers Endowment Trust created by Section
307 37-101-27.

308 (4) The Working Cash-Stabilization Reserve Fund, except for
309 Forty Million Dollars (\$40,000,000.00), shall also be used for the
310 purpose of covering any projected deficits that may occur in the
311 General Fund at the end of a fiscal year as a result of revenue
312 shortfalls. If the Governor determines that a deficit in revenues
313 from all sources may occur, it shall be the duty of the State
314 Fiscal Officer to transfer such funds as necessary to the General
315 Fund to alleviate the deficit in accordance with Sections
316 27-104-13 and 31-17-123; however, not more than Fifty Million
317 Dollars (\$50,000,000.00) may be transferred from the fund for such
318 purpose in any one (1) fiscal year. If it becomes necessary to
319 apply a part of the fund to this purpose, the amount so applied
320 shall be restored to the Working Cash-Stabilization Reserve Fund
321 out of future annual surpluses, as provided in subsection (1) of
322 this section, until the seven and one-half percent (7-1/2%)
323 maximum is again attained.

324 (5) The Working Cash-Stabilization Reserve Fund also shall
325 be used to provide funds for the Disaster Assistance Trust Fund
326 when such funds are immediately needed to provide for disaster
327 assistance under Sections 33-15-103 through 33-15-317. Any
328 transfer of funds from the Working Cash-Stabilization Reserve Fund
329 to the Disaster Assistance Trust Fund shall be made in accordance
330 with the provisions of subsection (5) of Section 33-15-307.

331 (6) The Department of Finance and Administration shall
332 immediately send notice of any transfers made, or other action
333 taken under authority of this section, to the Legislative Budget
334 Office.

335 (7) Funds deposited in the Working Cash-Stabilization
336 Reserve Fund shall be used only for the purposes specified in this
337 section and as long as the provisions of this section remain in
338 effect, no other expenditure, appropriation or transfer of funds
339 in the Working Cash-Stabilization Reserve Fund shall be made
340 except by act of the Legislature making specific reference to the
341 Working Cash-Stabilization Reserve Fund as the source of such

342 funds.

343 SECTION 4. This act shall take effect and be in force from
344 and after July 1, 1999.