

By: Moore (60th)

To: Education;
Appropriations

HOUSE BILL NO. 464

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,
2 TO MAKE CERTAIN TECHNICAL REVISIONS IN ORDER TO CLARIFY THAT THE
3 CURRENT POLICIES AND PROCEDURES RELATING TO THE DISTRIBUTION OF
4 CLASSROOM SUPPLIES FUNDS FROM THE EDUCATION ENHANCEMENT FUND ARE
5 CONTINUED WHEN THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM IS FULLY
6 IMPLEMENTED ON JULY 1, 2002; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 37-61-33, Mississippi Code of 1972, is
9 amended as follows:[LH1]

10 **[Until July 1, 2002, this section reads as follows:]**

11 37-61-33. (1) There is * * * created within the State
12 Treasury a special fund to be designated the "Education
13 Enhancement Fund" into which shall be deposited all the revenues
14 collected pursuant to Sections 27-65-75(8), 27-67-31(b) and
15 27-103-203(1).

16 (2) Of the amount deposited into the Education Enhancement
17 Fund, excluding revenues deposited pursuant to Section
18 27-103-203(1), Sixteen Million Dollars (\$16,000,000.00) shall be
19 appropriated each fiscal year to the State Department of Education
20 to be distributed to all school districts. Such money shall be
21 distributed to all school districts in the proportion that the
22 average daily attendance of each school district bears to the
23 average daily attendance of all school districts within the state

24 for the following purposes:

25 (a) Purchasing, erecting, repairing, equipping,
26 remodeling and enlarging school buildings and related facilities,
27 including gymnasiums, auditoriums, lunchrooms, vocational training
28 buildings, libraries, teachers' homes, school barns,
29 transportation vehicles (which shall include new and used
30 transportation vehicles) and garages for transportation vehicles,
31 and purchasing land therefor.

32 (b) Establishing and equipping school athletic fields
33 and necessary facilities connected therewith, and purchasing land
34 therefor.

35 (c) Providing necessary water, light, heating, air
36 conditioning and sewerage facilities for school buildings, and
37 purchasing land therefor.

38 (d) As a pledge to pay all or a portion of the debt
39 service on debt issued by the school district under Sections
40 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351
41 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302
42 and 37-41-81, or debt issued by boards of supervisors for
43 agricultural high schools pursuant to Section 37-27-65, if such
44 pledge is accomplished pursuant to a written contract or
45 resolution approved and spread upon the minutes of an official
46 meeting of the district's school board or board of supervisors.
47 The annual grant to such district in any subsequent year during
48 the term of the resolution or contract shall not be reduced below
49 an amount equal to the district's grant amount for the year in
50 which the contract or resolution was adopted. The intent of this
51 provision is to allow school districts to irrevocably pledge a
52 certain, constant stream of revenue as security for long-term
53 obligations issued under the code sections enumerated in this
54 paragraph or as otherwise allowed by law. It is the intent of the

55 Legislature that the provisions of this paragraph shall be
56 cumulative and supplemental to any existing funding programs or
57 other authority conferred upon school districts or school boards.

58 Debt of a district secured by a pledge of sales tax revenue
59 pursuant to this paragraph shall not be subject to any debt
60 limitation contained in the foregoing enumerated code sections.

61 (3) The remainder of the money deposited into the Education
62 Enhancement Fund, excluding funds deposited pursuant to Section
63 27-103-203(1), shall be appropriated as follows:

64 (a) To the State Department of Education as follows:

65 (i) Eight and thirty-five one-hundredths percent
66 (8.35%) to be distributed to public school districts for the
67 funding of textbooks and other educational materials and to be
68 used by the State Department of Education for the purchase of
69 textbooks to be loaned under Sections 37-43-1 through 37-43-59 to
70 approved nonpublic schools, as described under Section 37-43-1.
71 The amount of funds under this item to be used by the department
72 for purchasing textbooks to loan to approved nonpublic schools
73 shall be in the proportion that the average daily attendance of
74 the nonpublic schools that are loaned textbooks by the state bears
75 to the average daily attendance of all school districts in the
76 state. The funds distributed to the school districts under this
77 item shall be in the proportion that the average daily attendance
78 of each school district bears to the average daily attendance of
79 all school districts within the state and shall be used to assist
80 in the funding of textbooks and other educational materials, to
81 include not more than Two Million Dollars (\$2,000,000.00) each
82 year for technology enhancement projects for elementary and

83 secondary education programs;

84 (ii) Seven and ninety-seven one-hundredths percent
85 (7.97%) to assist the funding of transportation operations and
86 maintenance pursuant to Section 37-19-23;

87 (iii) Eight and twenty-six one-hundredths percent
88 (8.26%) to assist the funding of the Uniform Millage Assistance
89 Grant Program pursuant to Section 37-22-1; and

90 (iv) Nine and sixty-one one-hundredths percent
91 (9.61%) for classroom supplies, instructional materials and
92 equipment, including computers and computer software, to be
93 distributed to all school districts in the proportion that the
94 average daily attendance of each school district bears to the
95 average daily attendance of all school districts within the state.
96 Such funds shall not be expended for administrative purposes.
97 Local school districts shall allocate classroom supply funds
98 equally among all classroom teachers in the school district. For
99 purposes of this subparagraph, "teacher" shall mean any employee
100 of the school board of a school district who is required by law to
101 obtain a teacher's license from the State Board of Education and
102 who is assigned to an instructional area of work as defined by the
103 State Department of Education, but shall not include a federally
104 funded teacher. Two (2) or more teachers may agree to pool their
105 classroom supply funds for the benefit of a school within the
106 district pursuant to the development of a spending plan that
107 supports the overall goals of the school which includes the type,
108 quantity and quality of such supplies, instructional materials,
109 equipment, computers or computer software. This plan shall be
110 submitted, in writing, to the school principal for approval.

111 Classroom supply funds allocated under this subparagraph shall
112 supplement, not replace, other local and state funds available for
113 the same purposes. School districts need not fully expend the
114 funds received under this subparagraph in the year in which they
115 are received, but such funds may be carried forward for
116 expenditure in any succeeding school year. The State Board of
117 Education shall develop and promulgate rules and regulations for
118 the administration of this subparagraph consistent with the above
119 criteria, with particular emphasis on allowing the individual
120 teachers to expend funds as they deem appropriate, with minimum
121 input from school principals;

122 (b) Twenty-two and nine one-hundredths percent (22.09%)
123 to the Board of Trustees of State Institutions of Higher Learning
124 for the purpose of supporting institutions of higher learning; and

125 (c) Fourteen and forty-one one-hundredths percent
126 (14.41%) to the State Board for Community and Junior Colleges for
127 the purpose of providing support to community and junior colleges.

128 (4) The amount remaining in the Education Enhancement Fund
129 after funds are distributed as provided in subsections (2) and (3)
130 of this section, excluding funds deposited pursuant to Section
131 27-103-203(1), shall be disbursed as follows:

132 (a) Twenty-five Million Dollars (\$25,000,000.00) shall
133 be deposited into the Working Cash-Stabilization Reserve Fund
134 created pursuant to Section 27-103-203(1), until the balance in
135 such fund reaches the maximum balance of seven and one-half
136 percent (7-1/2%) of the General Fund appropriations in the
137 appropriate fiscal year. After the maximum balance in the Working
138 Cash-Stabilization Reserve Fund is reached, such money shall

139 remain in the Education Enhancement Fund to be appropriated in the
140 manner provided for in paragraph (b) of this section.

141 (b) The remainder shall be appropriated for other
142 educational needs.

143 (5) None of the funds appropriated pursuant to subsection
144 (3)(a) of this section shall be used to reduce the state's general
145 fund appropriation for the categories listed in an amount below
146 the following amounts:

147 (a) For subsection (3)(a)(i) of this section, Six
148 Million Three Hundred Thirty Thousand Nine Hundred Twenty Dollars
149 (\$6,330,920.00);

150 (b) For subsection (3)(a)(ii) of this section
151 Thirty-six Million Seven Hundred Thousand Dollars
152 (\$36,700,000.00);

153 (c) For subsection (3)(a)(iii) of this section,
154 Twenty-one Million Four Hundred Thousand Dollars (\$21,400,000.00);
155 and

156 (d) For the aggregate of minimum program allotments
157 provided for in Chapter 19, Title 37, Mississippi Code of 1972, as
158 amended, excluding those funds for transportation as provided for
159 in subsection (5)(b) herein.

160 (6) At the end of a fiscal year such amounts as required by
161 Section 27-103-203(1) to be transferred to the Education
162 Enhancement Fund shall be deposited into said Education
163 Enhancement Fund and shall be kept separate from other monies in
164 the fund by the State Treasurer. Beginning with the 1994 fiscal
165 year the monies in such special fund deposited pursuant to * * *
166 Section 27-103-203(1) shall be subject to appropriation by the

167 Legislature in the following manner: (a) fifty percent (50%) to
168 support public education, including but not limited to, Grades K
169 through 12, Mississippi Educational Television and/or the
170 Mississippi Library Commission; (b) twenty-five percent (25%) to
171 support institutions of higher learning; and (c) twenty-five
172 percent (25%) to support the junior or community colleges. Any
173 amount of such monies transferred into the separate fund pursuant
174 to Section 27-103-203(1) which is not appropriated by the
175 Legislature shall not lapse but shall carry over and be subject to
176 appropriation by the Legislature in the succeeding fiscal year in
177 the same manner provided in this subsection * * *. The interest
178 earned on the investment of such monies transferred pursuant to
179 Section 27-103-203(1) shall be paid into the separate fund within
180 the Education Enhancement Fund.

181 **[From and after July 1, 2002, this section reads as follows:]**

182 37-61-33. (1) There is * * * created within the State
183 Treasury a special fund to be designated the "Education
184 Enhancement Fund" into which shall be deposited all the revenues
185 collected pursuant to Sections 27-65-75(8), 27-67-31(b) and
186 27-103-203(1).

187 (2) Of the amount deposited into the Education Enhancement
188 Fund, excluding revenues deposited pursuant to Section
189 27-103-203(1), Sixteen Million Dollars (\$16,000,000.00) shall be
190 appropriated each fiscal year to the State Department of Education
191 to be distributed to all school districts. Such money shall be
192 distributed to all school districts in the proportion that the
193 average daily attendance of each school district bears to the
194 average daily attendance of all school districts within the state

195 for the following purposes:

196 (a) Purchasing, erecting, repairing, equipping,
197 remodeling and enlarging school buildings and related facilities,
198 including gymnasiums, auditoriums, lunchrooms, vocational training
199 buildings, libraries, teachers' homes, school barns,
200 transportation vehicles (which shall include new and used
201 transportation vehicles) and garages for transportation vehicles,
202 and purchasing land therefor.

203 (b) Establishing and equipping school athletic fields
204 and necessary facilities connected therewith, and purchasing land
205 therefor.

206 (c) Providing necessary water, light, heating, air
207 conditioning and sewerage facilities for school buildings, and
208 purchasing land therefor.

209 (d) As a pledge to pay all or a portion of the debt
210 service on debt issued by the school district under Sections
211 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351
212 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302
213 and 37-41-81, or debt issued by boards of supervisors for
214 agricultural high schools pursuant to Section 37-27-65,
215 Mississippi Code of 1972, if such pledge is accomplished pursuant
216 to a written contract or resolution approved and spread upon the
217 minutes of an official meeting of the district's school board or
218 board of supervisors. The annual grant to such district in any
219 subsequent year during the term of the resolution or contract
220 shall not be reduced below an amount equal to the district's grant
221 amount for the year in which the contract or resolution was
222 adopted. The intent of this provision is to allow school

223 districts to irrevocably pledge a certain, constant stream of
224 revenue as security for long-term obligations issued under the
225 code sections enumerated in this paragraph or as otherwise allowed
226 by law. It is the intent of the Legislature that the provisions
227 of this paragraph shall be cumulative and supplemental to any
228 existing funding programs or other authority conferred upon school
229 districts or school boards. Debt of a district secured by a
230 pledge of sales tax revenue pursuant to this paragraph shall not
231 be subject to any debt limitation contained in the foregoing
232 enumerated code sections.

233 (3) The remainder of the money deposited into the Education
234 Enhancement Fund, excluding funds deposited pursuant to Section
235 27-103-203(1), shall be appropriated as follows:

236 (a) To the State Department of Education as follows:

237 (i) Sixteen and sixty-one one-hundredths percent
238 (16.61%) to the cost of the adequate education program determined
239 under Section 37-151-7;

240 (ii) Seven and ninety-seven one-hundredths percent
241 (7.97%) to assist the funding of transportation operations and
242 maintenance pursuant to Section 37-19-23; and

243 (iii) Nine and sixty-one one-hundredths percent
244 (9.61%) for classroom supplies, instructional materials and
245 equipment, including computers and computer software, to be
246 distributed to all school districts in the proportion that the
247 average daily attendance of each school district bears to the
248 average daily attendance of all school districts within the state.

249 Such funds shall not be expended for administrative purposes.

250 Local school districts shall allocate classroom supply funds

251 equally among all classroom teachers in the school district. For
252 purposes of this subparagraph, "teacher" shall mean any employee
253 of the school board of a school district who is required by law to
254 obtain a teacher's license from the State Board of Education and
255 who is assigned to an instructional area of work as defined by the
256 State Department of Education, but shall not include a federally
257 funded teacher. Two (2) or more teachers may agree to pool their
258 classroom supply funds for the benefit of a school within the
259 district pursuant to the development of a spending plan that * * *
260 supports the overall goals of the school which includes the type,
261 quantity and quality of such supplies, instructional materials,
262 equipment, computers or computer software * * *. This plan shall
263 be submitted, in writing, to the school principal for approval.
264 Classroom supply funds allocated under this subparagraph shall
265 supplement, not replace, other local and state funds available for
266 the same purposes. School districts need not fully expend the
267 funds received under this subparagraph in the year in which they
268 are received, but such funds may be carried forward for
269 expenditure in any succeeding school year. The State Board of
270 Education shall develop and promulgate rules and regulations for
271 the administration of this subparagraph consistent with the above
272 criteria, with particular emphasis on allowing the individual
273 teachers to expend funds as they deem appropriate, with minimum
274 input from school principals.

275 (b) Twenty-two and nine one-hundredths percent (22.09%)
276 to the Board of Trustees of State Institutions of Higher Learning
277 for the purpose of supporting institutions of higher learning; and

278 (c) Fourteen and forty-one one-hundredths percent

279 (14.41%) to the State Board for Community and Junior Colleges for
280 the purpose of providing support to community and junior colleges.

281 (4) The amount remaining in the Education Enhancement Fund
282 after funds are distributed as provided in subsections (2) and (3)
283 of this section, excluding funds deposited pursuant to Section
284 27-103-203(1), shall be disbursed as follows:

285 (a) Twenty-five Million Dollars (\$25,000,000.00) shall
286 be deposited into the Working Cash-Stabilization Reserve Fund
287 created pursuant to Section 27-103-203(1), until the balance in
288 such fund reaches the maximum balance of seven and one-half
289 percent (7-1/2%) of the General Fund appropriations in the
290 appropriate fiscal year. After the maximum balance in the Working
291 Cash-Stabilization Reserve Fund is reached, such money shall
292 remain in the Education Enhancement Fund to be appropriated in the
293 manner provided for in paragraph (b) of this section.

294 (b) The remainder shall be appropriated for other
295 educational needs.

296 (5) None of the funds appropriated pursuant to subsection
297 (3)(a) of this section shall be used to reduce the state's general
298 fund appropriation for the categories listed in an amount below
299 the following amounts:

300 (a) For subsection (3)(a)(ii) of this section
301 Thirty-six Million Seven Hundred Thousand Dollars
302 (\$36,700,000.00);

303 (b) For the aggregate of minimum program allotments in
304 the 1997 fiscal year, formerly provided for in Chapter 19, Title
305 37, Mississippi Code of 1972, as amended, excluding those funds
306 for transportation as provided for in subsection (5)(a) herein.

307 (6) At the end of a fiscal year such amounts as required by
308 Section 27-103-203(1) to be transferred to the Education
309 Enhancement Fund shall be deposited into said Education
310 Enhancement Fund and shall be kept separate from other monies in
311 the fund by the State Treasurer. Beginning with the 1994 fiscal
312 year the monies in such special fund deposited pursuant to said
313 Section 27-103-203(1) shall be subject to appropriation by the
314 Legislature in the following manner: (a) fifty percent (50%) to
315 support public education, including but not limited to, Grades K
316 through 12, Mississippi Educational Television and/or the
317 Mississippi Library Commission; (b) twenty-five percent (25%) to
318 support institutions of higher learning; and (c) twenty-five
319 percent (25%) to support the junior or community colleges. Any
320 amount of such monies transferred into the separate fund pursuant
321 to Section 27-103-203(1) which are not appropriated by the
322 Legislature shall not lapse but shall carry over and be subject to
323 appropriation by the Legislature in the succeeding fiscal year in
324 the same manner provided in this subsection * * *. The interest
325 earned on the investment of such monies transferred pursuant to
326 Section 27-103-203(1) shall be paid into the separate fund within
327 the Education Enhancement Fund.

328 SECTION 2. This act shall take effect and be in force from
329 and after July 1, 2000.