

By: Jennings

To: Education;  
Appropriations

HOUSE BILL NO. 1216

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE SCHOOL DISTRICTS TO USE EDUCATION ENHANCEMENT FUNDS  
3 ALLOWED FOR CLASSROOM SUPPLIES FOR EQUIPMENT MAINTENANCE; AND FOR  
4 RELATED PURPOSES.

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

6 SECTION 1. Section 37-61-33, Mississippi Code of 1972, is  
7 amended as follows:[HS1]

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

9 37-61-33. (1) There is \* \* \* created within the State  
10 Treasury a special fund to be designated the "Education  
11 Enhancement Fund" into which shall be deposited all the revenues  
12 collected pursuant to Sections 27-65-75(8), 27-67-31(b) and  
13 27-103-203(1).

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

23 (a) Purchasing, erecting, repairing, equipping,  
24 remodeling and enlarging school buildings and related facilities,  
25 including gymnasiums, auditoriums, lunchrooms, vocational training  
26 buildings, libraries, teachers' homes, school barns,  
27 transportation vehicles (which shall include new and used

28 transportation vehicles) and garages for transportation vehicles,  
29 and purchasing land therefor.

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

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

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

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

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

63 (i) Eight and thirty-five one-hundredths percent  
64 (8.35%) to be distributed to public school districts for the

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

82 (ii) Seven and ninety-seven one-hundredths percent  
83 (7.97%) to assist the funding of transportation operations and  
84 maintenance pursuant to Section 37-19-23;

85 (iii) Eight and twenty-six one-hundredths percent  
86 (8.26%) to assist the funding of the Uniform Millage Assistance  
87 Grant Program pursuant to Section 37-22-1; and

88 (iv) Nine and sixty-one one-hundredths percent  
89 (9.61%) for classroom supplies, instructional materials,  
90 equipment, including computers and computer software, and  
91 maintenance agreements on equipment to be distributed to all  
92 school districts in the proportion that the average daily  
93 attendance of each school district bears to the average daily  
94 attendance of all school districts within the state.

95 Such funds shall not be expended for administrative purposes.

96 Local school districts, in their discretion, may allocate  
97 classroom supply funds equally among all classroom teachers in the

98 school district or may use all or a portion of the classroom  
99 supply funds for the purpose of purchasing maintenance agreements  
100 for equipment that is purchased by the school district. For  
101 purposes of this subparagraph, "teacher" shall mean any employee  
102 of the school board of a school district who is required by law to  
103 obtain a teacher's license from the State Board of Education and  
104 who is assigned to an instructional area of work as defined by the  
105 State Department of Education, but shall not include a federally  
106 funded teacher. Two (2) or more teachers allotted funds under  
107 this subparagraph may agree to pool their classroom supply funds  
108 for the benefit of a school within the district pursuant to the  
109 development of a spending plan that supports the overall goals of  
110 the school which includes the type, quantity and quality of such  
111 supplies, instructional materials, equipment, computers or  
112 computer software. This plan shall be submitted, in writing, to  
113 the school principal for approval. Classroom supply funds  
114 allocated under this subparagraph shall supplement, not replace,  
115 other local and state funds available for the same purposes.  
116 School districts need not fully expend the funds received under  
117 this subparagraph in the year in which they are received, but such  
118 funds may be carried forward for expenditure in any succeeding  
119 school year. The State Board of Education shall develop and  
120 promulgate rules and regulations for the administration of this  
121 subparagraph consistent with the above criteria, with particular  
122 emphasis on allowing the individual teachers to expend funds  
123 allotted to such teachers as they deem appropriate, with minimum  
124 input from school principals;

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

128 (c) Fourteen and forty-one one-hundredths percent  
129 (14.41%) to the State Board for Community and Junior Colleges for  
130 the purpose of providing support to community and junior colleges.

131           (4) The amount remaining in the Education Enhancement Fund  
132 after funds are distributed as provided in subsections (2) and (3)  
133 of this section, excluding funds deposited pursuant to Section  
134 27-103-203(1), shall be disbursed as follows:

135           (a) Twenty-five Million Dollars (\$25,000,000.00) shall  
136 be deposited into the Working Cash-Stabilization Reserve Fund  
137 created pursuant to Section 27-103-203(1), until the balance in  
138 such fund reaches the maximum balance of seven and one-half  
139 percent (7-1/2%) of the General Fund appropriations in the  
140 appropriate fiscal year. After the maximum balance in the Working  
141 Cash-Stabilization Reserve Fund is reached, such money shall  
142 remain in the Education Enhancement Fund to be appropriated in the  
143 manner provided for in paragraph (b) of this section.

144           (b) The remainder shall be appropriated for other  
145 educational needs.

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

150           (a) For subsection (3)(a)(i) of this section, Six  
151 Million Three Hundred Thirty Thousand Nine Hundred Twenty Dollars  
152 (\$6,330,920.00);

153           (b) For subsection (3)(a)(ii) of this section  
154 Thirty-six Million Seven Hundred Thousand Dollars  
155 (\$36,700,000.00);

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

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

163           (6) At the end of a fiscal year such amounts as required by

164 Section 27-103-203(1) to be transferred to the Education  
165 Enhancement Fund shall be deposited into said Education  
166 Enhancement Fund and shall be kept separate from other monies in  
167 the fund by the State Treasurer. Beginning with the 1994 fiscal  
168 year the monies in such special fund deposited pursuant to said  
169 Section 27-103-203(1) shall be subject to appropriation by the  
170 Legislature in the following manner: (a) fifty percent (50%) to  
171 support public education, including but not limited to, Grades K  
172 through 12, Mississippi Educational Television and/or the  
173 Mississippi Library Commission; (b) twenty-five percent (25%) to  
174 support institutions of higher learning; and (c) twenty-five  
175 percent (25%) to support the junior or community colleges. Any  
176 amount of such monies transferred into the separate fund pursuant  
177 to Section 27-103-203(1) which is not appropriated by the  
178 Legislature shall not lapse but shall carry over and be subject to  
179 appropriation by the Legislature in the succeeding fiscal year in  
180 the same manner provided in this subsection \* \* \*. The interest  
181 earned on the investment of such monies transferred pursuant to  
182 Section 27-103-203(1) shall be paid into the separate fund within  
183 the Education Enhancement Fund.

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

185 37-61-33. (1) There is \* \* \* created within the State  
186 Treasury a special fund to be designated the "Education  
187 Enhancement Fund" into which shall be deposited all the revenues  
188 collected pursuant to Sections 27-65-75(8), 27-67-31(b) and  
189 27-103-203(1).

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

197 average daily attendance of all school districts within the state  
198 for the following purposes:

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

206 (b) Establishing and equipping school athletic fields  
207 and necessary facilities connected therewith, and purchasing land  
208 therefor.

209 (c) Providing necessary water, light, heating, air  
210 conditioning and sewerage facilities for school buildings, and  
211 purchasing land therefor.

212 (d) As a pledge to pay all or a portion of the debt  
213 service on debt issued by the school district under Sections  
214 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351  
215 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302  
216 and 37-41-81, or debt issued by boards of supervisors for  
217 agricultural high schools pursuant to Section 37-27-65, if such  
218 pledge is accomplished pursuant to a written contract or  
219 resolution approved and spread upon the minutes of an official  
220 meeting of the district's school board or board of supervisors.  
221 The annual grant to such district in any subsequent year during  
222 the term of the resolution or contract shall not be reduced below  
223 an amount equal to the district's grant amount for the year in  
224 which the contract or resolution was adopted. The intent of this  
225 provision is to allow school districts to irrevocably pledge a  
226 certain, constant stream of revenue as security for long-term  
227 obligations issued under the code sections enumerated in this  
228 paragraph or as otherwise allowed by law. It is the intent of the  
229 Legislature that the provisions of this paragraph shall be

230 cumulative and supplemental to any existing funding programs or  
231 other authority conferred upon school districts or school boards.  
232 Debt of a district secured by a pledge of sales tax revenue  
233 pursuant to this paragraph shall not be subject to any debt  
234 limitation contained in the foregoing enumerated code sections.

235 (3) The remainder of the money deposited into the Education  
236 Enhancement Fund, excluding funds deposited pursuant to Section  
237 27-103-203(1), shall be appropriated as follows:

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

239 (i) Sixteen and sixty-one one-hundredths percent  
240 (16.61%) to the cost of the adequate education program determined  
241 under Section 37-151-7;

242 (ii) Seven and ninety-seven one-hundredths percent  
243 (7.97%) to assist the funding of transportation operations and  
244 maintenance pursuant to Section 37-19-23; and

245 (iii) Nine and sixty-one one-hundredths percent  
246 (9.61%) for classroom supplies, instructional materials,  
247 equipment, including computers and computer software, and  
248 maintenance agreements on equipment to be distributed to all  
249 school districts in the proportion that the average daily  
250 attendance of each school district bears to the average daily  
251 attendance of all school districts within the state. Local school  
252 districts, in their discretion, may allocate classroom supply  
253 funds equally among all classroom teachers or may use all or a  
254 portion of the classroom supply funds for the purpose of  
255 purchasing maintenance agreements for equipment that is purchased  
256 by the school district. It is the intent of the Legislature that  
257 if any such funds are allocated among all classroom teachers, then  
258 all classroom teachers shall be involved in the development of a  
259 spending plan that addresses individual classroom needs and  
260 supports the overall goals of the school regarding supplies,  
261 instructional materials, equipment, computers or computer software  
262 under the provisions of this subparagraph, including the type,



263 quantity and quality of such supplies, materials and equipment.  
264 This spending plan shall be submitted to the school principal for  
265 approval. School districts need not fully expend the funds  
266 received under this subparagraph in the year in which they are  
267 received, but such funds may be carried forward for expenditure in  
268 any succeeding school year.

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

272 (c) Fourteen and forty-one one-hundredths percent  
273 (14.41%) to the State Board for Community and Junior Colleges for  
274 the purpose of providing support to community and junior colleges.

275 (4) The amount remaining in the Education Enhancement Fund  
276 after funds are distributed as provided in subsections (2) and (3)  
277 of this section, excluding funds deposited pursuant to Section  
278 27-103-203(1), shall be disbursed as follows:

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

288 (b) The remainder shall be appropriated for other  
289 educational needs.

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

294 (a) For subsection (3)(a)(ii) of this section  
295 Thirty-six Million Seven Hundred Thousand Dollars

296 (\$36,700,000.00);

297 (b) For the aggregate of minimum program allotments in  
298 the 1997 fiscal year, formerly provided for in Chapter 19, Title  
299 37, Mississippi Code of 1972, as amended, excluding those funds  
300 for transportation as provided for in subsection (5)(a) herein.

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

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