

By: Representative Warren

To: Education; Ways and Means

HOUSE BILL NO. 1347

1 AN ACT TO AMEND SECTION 37-57-108, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE SCHOOL DISTRICTS TO ISSUE PROMISSORY NOTES TO COVER  
3 DEFICITS IN THEIR ALLOTMENTS UNDER THE MINIMUM EDUCATION PROGRAM  
4 AND THE EDUCATION ENHANCEMENT FUND; AND FOR RELATED PURPOSES.

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

6 SECTION 1. Section 37-57-108, Mississippi Code of 1972, is  
7 amended as follows:

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

9 37-57-108. If the amount of revenue collected or estimated  
10 to be collected from local sources, on behalf of a school district  
11 during a fiscal year, is less than the amount provided for in the  
12 duly adopted budget of that school district for the fiscal year,  
13 then the school district may issue promissory notes in an amount  
14 and in the manner set forth in Section 27-39-333, not to exceed  
15 the estimated shortfall of revenue from local sources, but in no  
16 event to exceed twenty-five percent (25%) of its budget  
17 anticipated to be funded from the sources of the shortfall for the  
18 fiscal year. In addition, if a deficit exists in a school  
19 district's Minimum Education Program or Education Enhancement Fund  
20 allotment and the Legislature does not appropriate additional  
21 funds to cover the deficit during the fiscal year in which the  
22 deficit occurs, then the school district may issue promissory  
23 notes in the same manner and in an amount not exceeding the amount  
24 of the deficit in the Minimum Education Program allotment or  
25 Education Enhancement Fund allotment, or both, for that fiscal  
26 year.

27 A school district issuing notes under the provisions of this  
28 section shall not be required to publish notice of its intention  
29 to do so or to secure the consent of the qualified electors or the  
30 tax levying authority of such school district.

31 **[Beginning on July 1, 2002, this section will read as**  
32 **follows:]**

33 37-57-108. If the amount of revenue collected or estimated  
34 to be collected from local sources, on behalf of a school district  
35 during a fiscal year, is less than the amount provided for in the  
36 duly adopted budget of that school district for the fiscal year,  
37 then the school district may issue promissory notes in an amount  
38 and in the manner set forth in Section 27-39-333, not to exceed  
39 the estimated shortfall of revenue from local sources, but in no  
40 event to exceed twenty-five percent (25%) of its budget  
41 anticipated to be funded from the sources of the shortfall for the  
42 fiscal year. In addition, if a deficit exists in a school  
43 district's Adequate Education Program or Education Enhancement  
44 Fund allotment and the Legislature does not appropriate additional  
45 funds to cover the deficit during the fiscal year in which the  
46 deficit occurs, then the school district may issue promissory  
47 notes in the same manner and in an amount not exceeding the amount  
48 of the deficit in the Adequate Education Program allotment or  
49 Education Enhancement Fund allotment, or both, for that fiscal  
50 year.

51 A school district issuing notes under the provisions of this  
52 section shall not be required to publish notice of its intention  
53 to do so or to secure the consent of the qualified electors or the  
54 tax levying authority of such school district.

55 SECTION 2. This act shall take effect and be in force from  
56 and after its passage.