

## REPORT OF CONFERENCE COMMITTEE

MR. SPEAKER AND MADAM PRESIDENT:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 776: Budget; abolish diversion to Education Enhancement Fund from unencumbered year-end General Fund cash balance.

We, therefore, respectfully submit the following report and recommendation:

1. That the Senate recede from its Amendment No. 1.

2. That the House and Senate adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. Section 37-61-33, Mississippi Code of 1972, is amended as follows:

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

37-61-33. (1) There is \* \* \* created within the State Treasury a special fund to be designated the "Education Enhancement Fund" into which shall be deposited all the revenues collected pursuant to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b) \* \* \*.

(2) Of the amount deposited into the Education Enhancement Fund, \* \* \* Sixteen Million Dollars (\$16,000,000.00) shall be appropriated each fiscal year to the State Department of Education to be distributed to all school districts. Such money shall be distributed to all school districts in the proportion that the average daily attendance of each school district bears to the average daily attendance of all school districts within the state for the following purposes:

34           (a) Purchasing, erecting, repairing, equipping,  
35 remodeling and enlarging school buildings and related facilities,  
36 including gymnasiums, auditoriums, lunchrooms, vocational training  
37 buildings, libraries, teachers' homes, school barns,  
38 transportation vehicles (which shall include new and used  
39 transportation vehicles) and garages for transportation vehicles,  
40 and purchasing land therefor.

41           (b) Establishing and equipping school athletic fields  
42 and necessary facilities connected therewith, and purchasing land  
43 therefor.

44           (c) Providing necessary water, light, heating, air  
45 conditioning and sewerage facilities for school buildings, and  
46 purchasing land therefor.

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

65 cumulative and supplemental to any existing funding programs or  
66 other authority conferred upon school districts or school boards.

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

70 (3) The remainder of the money deposited into the Education  
71 Enhancement Fund \* \* \* shall be appropriated as follows:

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

73 (i) Eight and thirty-five one-hundredths percent  
74 (8.35%) to be distributed to public school districts for the  
75 support of educational programs authorized by law. The funds  
76 distributed to the school districts under this item shall be in  
77 the proportion that the average daily attendance of each school  
78 district bears to the average daily attendance of all school  
79 districts within the state \* \* \*;

80 (ii) Seven and ninety-seven one-hundredths percent  
81 (7.97%) to assist the funding of transportation operations and  
82 maintenance pursuant to Section 37-19-23;

83 (iii) Eight and twenty-six one-hundredths percent  
84 (8.26%) to assist the funding of the Uniform Millage Assistance  
85 Grant Program pursuant to Section 37-22-1; and

86 (iv) Nine and sixty-one one-hundredths percent  
87 (9.61%), of which Four Million Six Hundred Thousand Dollars  
88 (\$4,600,000.00) shall be allocated for classroom supplies,  
89 instructional materials and equipment, including computers and  
90 computer software, to be distributed to all school districts in  
91 the proportion that the average daily attendance of each school  
92 district bears to the average daily attendance of all school  
93 districts within the state. Classroom supply funds shall not be  
94 expended for administrative purposes. Local school districts shall  
95 allocate classroom supply funds equally among all classroom

teachers in the school district. For purposes of this subparagraph, "teacher" shall mean any employee of the school board of a school district who is required by law to obtain a teacher's license from the State Board of Education and who is assigned to an instructional area of work as defined by the State Department of Education, but shall not include a federally funded teacher. Two (2) or more teachers may agree to pool their classroom supply funds for the benefit of a school within the district pursuant to the development of a spending plan that supports the overall goals of the school which includes the type, quantity and quality of such supplies, instructional materials, equipment, computers or computer software. This plan shall be submitted, in writing, to the school principal for approval. Classroom supply funds allocated under this subparagraph shall supplement, not replace, other local and state funds available for the same purposes. School districts need not fully expend the funds received under this subparagraph in the year in which they are received, but such funds may be carried forward for expenditure in any succeeding school year. The State Board of Education shall develop and promulgate rules and regulations for the administration of this subparagraph consistent with the above criteria, with particular emphasis on allowing the individual teachers to expend funds as they deem appropriate, with minimum input from school principals. The remainder of the funds appropriated to the State Department of Education under this item shall be distributed to public school districts in the proportion that the average daily attendance of each school district bears to the average daily attendance of all school districts in the state for the support of educational programs authorized by law;

(b) Twenty-two and nine one-hundredths percent (22.09%) to the Board of Trustees of State Institutions of Higher Learning

for the purpose of supporting institutions of higher learning; and

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

(4) The amount remaining in the Education Enhancement Fund after funds are distributed as provided in subsections (2) and (3) of this section \* \* \* shall be disbursed as follows:

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

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

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

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

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

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

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

\* \* \*

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

37-61-33. (1) There is \* \* \* created within the State Treasury a special fund to be designated the "Education Enhancement Fund" into which shall be deposited all the revenues collected pursuant to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b) \* \* \*.

(2) Of the amount deposited into the Education Enhancement Fund, \* \* \* Sixteen Million Dollars (\$16,000,000.00) shall be appropriated each fiscal year to the State Department of Education to be distributed to all school districts. Such money shall be distributed to all school districts in the proportion that the average daily attendance of each school district bears to the average daily attendance of all school districts within the state for the following purposes:

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

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

(c) Providing necessary water, light, heating, air conditioning and sewerage facilities for school buildings, and

189 purchasing land therefor.

190           (d) As a pledge to pay all or a portion of the debt  
191 service on debt issued by the school district under Sections  
192 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351  
193 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302  
194 and 37-41-81, or debt issued by boards of supervisors for  
195 agricultural high schools pursuant to Section 37-27-65, if such  
196 pledge is accomplished pursuant to a written contract or  
197 resolution approved and spread upon the minutes of an official  
198 meeting of the district's school board or board of supervisors.  
199 The annual grant to such district in any subsequent year during  
200 the term of the resolution or contract shall not be reduced below  
201 an amount equal to the district's grant amount for the year in  
202 which the contract or resolution was adopted. The intent of this  
203 provision is to allow school districts to irrevocably pledge a  
204 certain, constant stream of revenue as security for long-term  
205 obligations issued under the code sections enumerated in this  
206 paragraph or as otherwise allowed by law. It is the intent of the  
207 Legislature that the provisions of this paragraph shall be  
208 cumulative and supplemental to any existing funding programs or  
209 other authority conferred upon school districts or school boards.  
210 Debt of a district secured by a pledge of sales tax revenue  
211 pursuant to this paragraph shall not be subject to any debt  
212 limitation contained in the foregoing enumerated code sections.

213           (3) The remainder of the money deposited into the Education  
214 Enhancement Fund \* \* \* shall be appropriated as follows:

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

216                   (i) Sixteen and sixty-one one-hundredths percent  
217 (16.61%) to the cost of the adequate education program determined  
218 under Section 37-151-7;

219                   (ii) Seven and ninety-seven one-hundredths percent

(7.97%) to assist the funding of transportation operations and maintenance pursuant to Section 37-19-23; and

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

It is the intent of the Legislature that all classroom teachers shall be involved in the development of a spending plan that addresses individual classroom needs and supports the overall goals of the school regarding supplies, instructional materials, equipment, computers or computer software under the provisions of this subparagraph, including the type, quantity and quality of such supplies, materials and equipment. This plan shall be submitted to the school principal for approval. School districts need not fully expend the funds received under this subparagraph in the year in which they are received, but such funds may be carried forward for expenditure in any succeeding school year;

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

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

(4) The amount remaining in the Education Enhancement Fund after funds are distributed as provided in subsections (2) and (3) of this section \* \* \* shall be disbursed as follows:

(a) Twenty-five Million Dollars (\$25,000,000.00) shall be deposited into the Working Cash-Stabilization Reserve Fund created pursuant to Section 27-103-203(1), until the balance in

such fund reaches the maximum balance of seven and one-half percent (7-1/2%) of the General Fund appropriations in the appropriate fiscal year. After the maximum balance in the Working Cash-Stabilization Reserve Fund is reached, such money shall remain in the Education Enhancement Fund to be appropriated in the manner provided for in paragraph (b) of this section.

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

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

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

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

\* \* \*

SECTION 2. Section 37-47-33, Mississippi Code of 1972, is amended as follows:

37-47-33. For the purpose of (a) providing funds to enable the State Board of Education to make loans or advances to school districts as provided by Section 37-47-25, and for the purpose of (b) providing funds for the payment and redemption of certificates of credit issued to school districts under Section 37-47-23, when such funds are not otherwise available, or for the purpose of (c) providing funds in an amount not exceeding Twenty Million Dollars (\$20,000,000.00) for the payment of allocations of Mississippi

282 Adequate Education Program funds to school districts for capital  
283 expenditures approved by the State Board of Education which have  
284 not been pledged for debt by the school district, when such funds  
285 are not otherwise available, or for any of such purposes, the  
286 State Bond Commission is \* \* \* authorized and empowered to issue  
287 state school bonds under the conditions prescribed in this  
288 chapter. The aggregate principal amount of such bonds outstanding  
289 at any one (1) time, after deducting the amount of the sinking  
290 fund provided for the retirement of bonds issued for such  
291 purposes, shall never exceed the sum of One Hundred Million  
292 Dollars (\$100,000,000.00). Within such limits, however, state  
293 school bonds may be issued from time to time under the conditions  
294 prescribed in this chapter. None of such bonds so issued shall  
295 have a maturity date later than July 1, 2021.

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

298 27-103-203. (1) There is created in the State Treasury a  
299 special fund, separate and apart from any other fund, to be  
300 designated the Working Cash-Stabilization Reserve Fund, into which  
301 shall be deposited one hundred percent (100%) of the unencumbered  
302 General Fund cash balance at the close of each fiscal year until  
303 such time as the balance in the fund reaches Forty Million Dollars  
304 (\$40,000,000.00). After the balance in the fund reaches Forty  
305 Million Dollars (\$40,000,000.00), fifty percent (50%) of the  
306 unencumbered General Fund cash balance at the close of each fiscal  
307 year, not to exceed seven and one-half percent (7-1/2%) of the  
308 General Fund appropriations for such fiscal year, shall be  
309 deposited into the fund. The remainder of the year-end  
310 unencumbered cash after transfer to the Working Cash-Stabilization  
311 Reserve Fund shall remain in the General Fund \* \* \*. Unencumbered  
312 cash in the General Fund may be used for new year cash flow needs

and may also be used for deficit appropriations or regular appropriations.

(2) The Working Cash-Stabilization Reserve Fund shall not be considered as a surplus or available funds when adopting a balanced budget as required by law. The State Treasurer shall invest all sums in the Working Cash-Stabilization Reserve Fund not needed for the purposes provided for in this section in certificates of deposit, repurchase agreements and other securities as authorized in Sections 27-105-33(d) or 7-9-103, as the State Treasurer may determine to yield the highest market rate available. The interest earned on such sums shall be deposited in the fund until the balance of principal and interest therein reaches seven and one-half percent (7-1/2%) of the total General Fund appropriations for the current fiscal year, and all interest earned in excess of amounts necessary to maintain the seven and one-half percent (7-1/2%) fund balance requirement shall be deposited by the State Treasurer into the State General Fund.

(3) The Working Cash-Stabilization Reserve Fund, except for Nineteen Million Dollars (\$19,000,000.00) and the amount of the interest and income earned on the principal of the Ayers Endowment Trust created by Section 37-101-27, shall be used by the State Treasurer for cash flow needs throughout the year when the Executive Director of the Department of Finance and Administration certifies that in his opinion there will be cash flow deficiencies in the State General Fund. No borrowing of monies from other special funds for such purposes as authorized by Section 31-17-101 et seq. shall be made as long as an unencumbered balance in excess of Nineteen Million Dollars (\$19,000,000.00) and the interest and income earned on the principal of the Ayers Endowment Trust created by Section 37-101-27 remains in the fund. The State Treasurer shall reimburse the fund for all sums borrowed for such

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

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

(5) The Working Cash-Stabilization Reserve Fund also shall be used to provide funds for the Disaster Assistance Trust Fund when such funds are immediately needed to provide for disaster assistance under Sections 33-15-301 through 33-15-317. Any transfer of funds from the Working Cash-Stabilization Reserve Fund

375 to the Disaster Assistance Trust Fund shall be made in accordance  
376 with the provisions of subsection (5) of Section 33-15-307.

377 (6) The Department of Finance and Administration shall  
378 immediately send notice of any transfers made, or other action  
379 taken under authority of this section, to the Legislative Budget  
380 Office.

381 (7) Funds deposited in the Working Cash-Stabilization  
382 Reserve Fund shall be used only for the purposes specified in this  
383 section and as long as the provisions of this section remain in  
384 effect, no other expenditure, appropriation or transfer of funds  
385 in the Working Cash-Stabilization Reserve Fund shall be made  
386 except by act of the Legislature making specific reference to the  
387 Working Cash-Stabilization Reserve Fund as the source of such  
388 funds.

389 SECTION 4. Section 27-103-125, Mississippi Code of 1972, is  
390 amended as follows:

391 27-103-125. The proposed budget of each state agency shall  
392 show the amounts required for operating expenses separately from  
393 the amounts required for permanent improvements. The overall  
394 budget shall show, separately by each source, the estimated amount  
395 of general fund revenue and of special fund revenues of general  
396 fund agencies. The total proposed expenditures in Part 1 of the  
397 overall budget shall not exceed the amount of estimated revenues  
398 which will be available in the general and special funds for  
399 appropriation or use during the succeeding fiscal year, including  
400 any balances which will be on hand in the general and special  
401 funds at the close of the then current fiscal year. Beginning  
402 with the budget for fiscal year 1994, the total proposed  
403 expenditures from the General Fund in Part 1 of the overall budget  
404 shall not exceed ninety-eight percent (98%) of the amount of  
405 General Fund revenue estimate for the succeeding fiscal year, plus

406 any unencumbered balances in general funds that will be available  
407 and on hand at the close of the then current fiscal year. The  
408 General Fund revenue estimate shall be the estimate jointly  
409 adopted by the Governor and the Joint Legislative Budget  
410 Committee. Unencumbered balances in general funds that will be  
411 available and on hand at the close of the current fiscal year  
412 shall not include projected amounts required to be deposited into  
413 the Working Cash-Stabilization Reserve Fund \* \* \* pursuant to  
414 Section 27-103-203. The Legislative Budget Office may recommend  
415 additional taxes or sources of revenue if in its judgment such  
416 additional funds are necessary to adequately support the functions  
417 of the state government.

418 SECTION 5. Section 27-103-211, Mississippi Code of 1972, is  
419 amended as follows:

420 27-103-211. Beginning with the appropriations for fiscal  
421 year 1994, the total sum appropriated by the Legislature from the  
422 State General Fund for any fiscal year shall not exceed  
423 ninety-eight percent (98%) of the General Fund revenue estimate  
424 for that fiscal year developed by the Tax Commission and the  
425 University Research Center and adopted by the Joint Legislative  
426 Budget Committee, plus any unencumbered balances in general funds  
427 that will be available and on hand at the close of the then  
428 current fiscal year. The unencumbered balances in general funds  
429 that will be available and on hand at the close of the fiscal year  
430 shall not include projected amounts required to be deposited into  
431 the Working Cash-Stabilization Reserve Fund \* \* \* pursuant to  
432 Section 27-103-203 \* \* \*.

433 SECTION 6. Section 31-7-14.1, Mississippi Code of 1972, is  
434 amended as follows:

435 31-7-14.1. (1) Any agency as defined in this chapter that  
436 receives state budgetary consideration and has submitted a

437 detailed energy management plan to the Energy Division of the  
438 Department of Economic and Community Development, referred to in  
439 this section as "division," as required under Section 57-39-111  
440 shall undertake energy efficiency projects for the purpose of  
441 producing energy and/or dollar savings whereby a portion of the  
442 savings may be retained by the participating agency. The plan  
443 shall describe specific measures to be implemented to reduce the  
444 agency's energy consumption by energy unit measure or energy cost.

445 The division shall provide assistance in preparing the detailed  
446 energy management plan according to prescribed guidelines and  
447 reporting procedures. The plan shall specify a project  
448 description of the energy efficiency measures to be undertaken,  
449 including, but not limited to, type of measure, cost, estimated  
450 savings in dollars and energy units, project and measure location,  
451 and terms and conditions of project financing.

452 (2) (a) Utilizing data submitted under Sections 57-39-107  
453 and 57-39-109, the division shall develop and approve energy  
454 consumption baselines before project implementation, if feasible,  
455 and measure energy consumption after project implementation  
456 considering adjustments for any agency growth or reduction and  
457 seasonal variances, and calculate total energy savings. The  
458 division shall derive a baseline use allocation to be utilized and  
459 submitted in each participating agency's annual budget.

460 (b) For purposes of this section, "net savings" and  
461 "net revenues" mean any funds remaining after payment of project  
462 capital costs, including debt service, and other payments and  
463 reserves as required by a bond resolution, loan agreement or other  
464 financing agreement and payment of project operating and  
465 maintenance expenses.

466 (3) Net savings and net revenues generated from projects  
467 shall be apportioned as follows:

468           (a) Any agency initiating energy savings through the  
469 implementation of an energy efficiency project may retain one-half  
470 (1/2) of all such net savings which may be used for any  
471 nonrecurring capital projects; and

472           (b) The remaining net savings and net revenues from  
473 conservation projects shall be remitted to the State General  
474 Fund. \* \* \*

475           The Energy Division shall verify the net savings and net  
476 revenues on an annual basis.

477           (4) The use by an agency of net savings and net revenues  
478 from energy efficiency projects shall be in addition to, and shall  
479 not supplant or replace, funding from traditional sources for  
480 their normal operations and maintenance or capital budgets. It is  
481 the intent of this subsection to ensure that the agencies receive  
482 the full benefit intended by this section, and that the effect  
483 will not be diminished by budget adjustments inconsistent with  
484 this intent.

485           SECTION 7. This act shall take effect and be in force from  
486 and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1           AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,  
2 TO DIVERT, UNTIL JULY 1, 2002, EDUCATION ENHANCEMENT FUNDS THAT  
3 ARE ALLOCATED FOR THE PURCHASE OF TEXTBOOKS AND A PORTION OF SUCH  
4 FUNDS ALLOCATED FOR CLASSROOM SUPPLIES TO THE SUPPORT OF  
5 EDUCATIONAL PROGRAMS AUTHORIZED BY LAW; TO AMEND SECTION 37-47-33,  
6 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT STATE GENERAL OBLIGATION  
7 BONDS MAY BE ISSUED FOR THE PURPOSE OF PROVIDING FUNDS FOR THE  
8 PAYMENT OF ALLOCATIONS OF ADEQUATE EDUCATION PROGRAM FUNDS TO  
9 SCHOOL DISTRICTS FOR CAPITAL EXPENDITURES WHICH HAVE NOT BEEN  
10 PLEDGED FOR DEBT; TO AMEND SECTIONS 27-103-203, 27-103-125,  
11 27-103-211 AND 31-7-14.1, MISSISSIPPI CODE OF 1972, TO DELETE THE  
12 "HOUSE BILL 400" PROVISION WHICH REQUIRES THAT 50% OF THE  
13 UNENCUMBERED YEAR-END CASH BALANCE BE TRANSFERRED INTO THE  
14 EDUCATION ENHANCEMENT FUND, AND TO PROVIDE THAT ANY SUCH  
15 UNENCUMBERED YEAR-END CASH SHALL REMAIN IN THE STATE GENERAL FUND;  
16 AND FOR RELATED PURPOSES.

CONFEREES FOR THE HOUSE

X \_\_\_\_\_  
Charlie Capps, Jr.

X \_\_\_\_\_  
Joseph L. Warren

X \_\_\_\_\_  
Herb Frierson

CONFEREES FOR THE SENATE

X \_\_\_\_\_  
Jack Gordon

X \_\_\_\_\_  
Mike Chaney

X \_\_\_\_\_  
Ron Farris