To: Appropriations

MISSISSIPPI LEGISLATURE
REGULAR SESSION 2002

By: Representative Ford

HOUSE BILL NO. 1446

AN ACT TO AMEND SECTION 37-101-27, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE BY WHICH THE AYERS SETTLEMENT AGREEMENT MUST BE FINALIZED IN ORDER FOR THE AYERS SETTLEMENT FUND TO BE CREATED IN THE STATE TREASURY; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 37-101-27, Mississippi Code of 1972, is amended as follows:

37-101-27. (1) There is created within the Working Cash-Stabilization Reserve Fund in the State Treasury a trust to be known as the Ayers Endowment Trust, which shall be used as provided in this section. On July 1, 1997, Fifteen Million Dollars ($15,000,000.00) in the Working Cash-Stabilization Reserve Fund shall be set aside and placed in the Ayers Endowment Trust.

(2) The principal of the Ayers Endowment Trust shall remain inviolate within the Working Cash-Stabilization Reserve Fund, and shall be invested in the same manner as the remainder of the Working Cash-Stabilization Reserve Fund.

(3) The interest and income earned from the investment of the principal of the Ayers Endowment Trust shall be appropriated by the Legislature to the Board of Trustees of State Institutions of Higher Learning for the benefit of Jackson State University, Alcorn State University and Mississippi Valley State University, the historically black institutions of higher learning in Mississippi, with one-third (1/3) of the amount of the interest and income earned being allocated for the benefit of each of those universities. The money allotted for each university shall be used for continuing educational enhancement and racial diversity,
including recruitment of white students and scholarships for white applicants.

(4) The creation of the Ayers Endowment Trust and the appropriation of the interest and income for the purposes specified in this section shall be to comply with the order of the United States District Court in the case of Ayers v. Fordice, 879 F.Supp. 1419 (N.D. Miss. 1995), with regard to Jackson State University and Alcorn State University, and to provide Mississippi Valley State University with an equal amount of funding for the same purposes as for the other historically black institutions of higher learning.

(5) If the United States District Court for the Northern District of Mississippi approves and directs the implementation of a settlement agreement in the case of Ayers v. Musgrove (Civil Action No. 4:75CV9-B-D, in the United States District Court for the Northern District of Mississippi), and if the agreement becomes final and effective according to its terms (including, but not limited to, the exhaustion of all rights of appeal) before the first day of the 2003 Regular Session of the Legislature, there shall be created in the State Treasury a fund to be known as the Ayers Settlement Fund. Monies deposited into the Ayers Settlement Fund under Section 27-103-203(2) shall be appropriated by the Legislature to the Board of Trustees of State Institutions of Higher Learning for the purpose of establishing a public endowment for the benefit of Jackson State University, Alcorn State University and Mississippi Valley State University in compliance with the settlement agreement.

(6) If the Ayers Settlement Fund is created under subsection (5) of this section, subsection (1) through (4) of this section shall be repealed when the Ayers Endowment Trust reaches Zero Dollars ($0.00) in accordance with Section 27-103-203(3).

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