

By: Senator(s) Harden

To: Education; Judiciary

SENATE BILL NO. 2306

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,
2 TO PRESCRIBE CRIMINAL PENALTIES FOR ANY SCHOOL ADMINISTRATOR USING
3 OR ATTEMPTING TO USE EDUCATION ENHANCEMENT FUNDS DESIGNATED FOR
4 THE CLASSROOM INSTRUCTIONAL MATERIALS CATEGORY WITHOUT FOLLOWING
5 THE GUIDELINES OF THE STATE DEPARTMENT OF EDUCATION; AND FOR
6 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:

10 37-61-33. (1) There is created within the State Treasury a
11 special fund to be designated the "Education Enhancement Fund"
12 into which shall be deposited all the revenues collected pursuant
13 to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b).

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

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



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

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

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

58 (3) The remainder of the money deposited into the Education
59 Enhancement Fund shall be appropriated as follows:

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



61 (i) Sixteen and sixty-one one-hundredths percent
62 (16.61%) to the cost of the adequate education program determined
63 under Section 37-151-7;

64 (ii) Seven and ninety-seven one-hundredths percent
65 (7.97%) to assist the funding of transportation operations and
66 maintenance pursuant to Section 37-19-23; and

67 (iii) Nine and sixty-one one-hundredths percent
68 (9.61%) for classroom supplies, instructional materials and
69 equipment, including computers and computer software, to be
70 distributed to all school districts in the proportion that the
71 average daily attendance of each school district bears to the
72 average daily attendance of all school districts within the state.

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

84 Any superintendent, supervisor, principal, administrator or
85 designee of any of these persons shall not take from any teacher
86 or other entitled person those funds designated for the recipients
87 as Education Enhancement Funds for classroom supplies designated
88 hereunder. Neither shall the teacher or other entitled person be
89 required to use such funds for the ordinary expenditures allocated
90 for those supplies necessary for instruction. These include, but
91 are not limited to, paper, staples, chalk, pens, bulletin boards,
92 art supplies, technology equipment and/or other items as
93 designated as ordinary expenditures in the Department of Audit



94 guidelines. The State Department of Education shall be
95 responsible for promulgating and disseminating the Education
96 Enhancement Fund expenditure guidelines to each school district.
97 Any administrator or other person who expends or attempts to
98 expend any of the funds designated for a teacher or other entitled
99 person as Education Enhancement Fund supply funds under this
100 paragraph shall be guilty of a misdemeanor, and upon conviction,
101 shall be fined no less than One Thousand Dollars (\$1,000.00) per
102 reported incident, and shall be required to make restitution to
103 those entitled to the Education Enhancement Fund supply funds. In
104 addition to such fine and restitution, any principal found to be
105 in violation of the department's guidelines issued hereunder shall
106 be assessed One Thousand Dollars (\$1,000.00) per occurrence by the
107 State Department of Audit, to be deposited into the Education
108 Enhancement Fund account and expended exclusively for classroom
109 supplies and instructional materials.

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

113 (c) Fourteen and forty-one one-hundredths percent
114 (14.41%) to the State Board for Community and Junior Colleges for
115 the purpose of providing support to community and junior colleges.

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

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



126 remain in the Education Enhancement Fund to be appropriated in the
127 manner provided for in paragraph (b) of this subsection.

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

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

134 (a) For subsection (3)(a)(ii) of this section,
135 Thirty-six Million Seven Hundred Thousand Dollars
136 (\$36,700,000.00);

137 (b) For the aggregate of minimum program allotments in
138 the 1997 fiscal year, formerly provided for in Chapter 19, Title
139 37, Mississippi Code of 1972, as amended, excluding those funds
140 for transportation as provided for in subsection (5)(a) in this
141 section.

142 **SECTION 2.** This act shall take effect and be in force from
143 and after July 1, 2002.

