

By: Representatives Warren, Gadd, Peranich

To: Education;
AppropriationsHOUSE BILL NO. 663
(As Passed the House)

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,
2 TO CLARIFY THE METHOD OF DISTRIBUTION AND ADMINISTRATION OF STATE
3 FUNDED CLASSROOM SUPPLY FUNDS; AND FOR RELATED PURPOSES.

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

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

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

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

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



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

29 (c) Providing necessary water, light, heating, air
30 conditioning and sewerage facilities for school buildings, and
31 purchasing land therefor.

32 (d) As a pledge to pay all or a portion of the debt
33 service on debt issued by the school district under Sections
34 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351
35 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302
36 and 37-41-81, or debt issued by boards of supervisors for
37 agricultural high schools pursuant to Section 37-27-65, if such
38 pledge is accomplished pursuant to a written contract or
39 resolution approved and spread upon the minutes of an official
40 meeting of the district's school board or board of supervisors.
41 The annual grant to such district in any subsequent year during
42 the term of the resolution or contract shall not be reduced below
43 an amount equal to the district's grant amount for the year in
44 which the contract or resolution was adopted. The intent of this
45 provision is to allow school districts to irrevocably pledge a
46 certain, constant stream of revenue as security for long-term
47 obligations issued under the code sections enumerated in this
48 paragraph or as otherwise allowed by law. It is the intent of the
49 Legislature that the provisions of this paragraph shall be
50 cumulative and supplemental to any existing funding programs or
51 other authority conferred upon school districts or school boards.
52 Debt of a district secured by a pledge of sales tax revenue
53 pursuant to this paragraph shall not be subject to any debt
54 limitation contained in the foregoing enumerated code sections.

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

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



(i) Sixteen and sixty-one one-hundredths percent (16.61%) to the cost of the adequate education program determined under Section 37-151-7; of the funds generated by the percentage set forth in this section for the support of the adequate education program, one and one hundred seventy-eight one-thousandths percent (1.178%) of the funds shall be appropriated to be used by the State Department of Education for the purchase of textbooks to be loaned under Sections 37-43-1 through 37-43-59 to approved nonpublic schools, as described in Section 37-43-1. The funds to be distributed to each nonpublic school shall be in the proportion that the average daily attendance of each nonpublic school bears to the total average daily attendance of all nonpublic schools;

(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. Classroom supply funds shall not be expended for administrative purposes. Local school districts shall allocate classroom supply funds equally among all classroom teachers in the school district. For purposes of this subparagraph, "teacher" means any employee of the school board of a school district who is required by law to obtain a teacher's license from the State Department of Education and who is assigned to an instructional area of work as defined by the department, 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. 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 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;

(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



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

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

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

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

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

140 **SECTION 2.** This act shall take effect and be in force from
141 and after July 1, 2003.

