

By: Representative Warren

To: Education;
Appropriations

HOUSE BILL NO. 1439

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,
2 TO DIVERT TO SCHOOL DISTRICTS, UNTIL JULY 1, 2003, EDUCATION
3 ENHANCEMENT FUNDS THAT ARE ALLOCATED FOR CLASSROOM SUPPLIES, BASED
4 ON A CERTAIN FORMULA, TO OFFSET INSUFFICIENT FUNDING BY THE STATE;
5 AND FOR RELATED PURPOSES.

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

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

9 [Through June 30, 2003, this section reads 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; of the funds generated by the percentage
64 set forth in this section for the support of the adequate
65 education program, one and one hundred seventy-eight
66 one-thousandths percent (1.178%) of the funds shall be
67 appropriated to be used by the State Department of Education for
68 the purchase of textbooks to be loaned under Sections 37-43-1
69 through 37-43-59 to approved nonpublic schools, as described in
70 Section 37-43-1. The funds to be distributed to each nonpublic
71 school shall be in the proportion that the average daily
72 attendance of each nonpublic school bears to the total average
73 daily attendance of all nonpublic schools;

74 (ii) Seven and ninety-seven one-hundredths percent
75 (7.97%) to assist the funding of transportation operations and
76 maintenance pursuant to Section 37-19-23; and

77 (iii) Nine and sixty-one one-hundredths percent
78 (9.61%), all of which, except Fifteen Million Dollars
79 (\$15,000,000.00), shall be allocated for classroom supplies,
80 instructional materials and equipment, including computers and
81 computer software, to be distributed to all school districts in
82 the proportion that the average daily attendance of each school
83 district bears to the average daily attendance of all school
84 districts within the state. It is the intent of the Legislature
85 that all classroom teachers shall be involved in the development
86 of a spending plan that addresses individual classroom needs and
87 supports the overall goals of the school regarding supplies,
88 instructional materials, equipment, computers or computer software
89 under the provisions of this subparagraph, including the type,
90 quantity and quality of such supplies, materials and equipment.
91 This plan shall be submitted to the school principal for approval.
92 School districts need not fully expend the funds received under
93 this subparagraph in the year in which they are received, but such



94 funds may be carried forward for expenditure in any succeeding
95 school year. The remainder of the funds appropriated to the State
96 Department of Education under this subparagraph (iii) shall be
97 distributed to public school districts in the proportion that the
98 average daily attendance of each school district bears to the
99 average daily attendance of all school districts in the state,
100 which may be used for any purpose that otherwise would have been
101 funded from funds provided by the state, but for which those state
102 funds are insufficient;

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

106 (c) Fourteen and forty-one one-hundredths percent
107 (14.41%) to the State Board for Community and Junior Colleges for
108 the purpose of providing support to community and junior colleges.

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

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

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

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



127 (a) For subsection (3)(a)(ii) of this section,
128 Thirty-six Million Seven Hundred Thousand Dollars
129 (\$36,700,000.00);

130 (b) For the aggregate of minimum program allotments in
131 the 1997 fiscal year, formerly provided for in Chapter 19, Title
132 37, Mississippi Code of 1972, as amended, excluding those funds
133 for transportation as provided for in subsection (5)(a) in this
134 section.

135 **[From and after July 1, 2003, this section reads as follows:]**

136 37-61-33. (1) There is created within the State Treasury a
137 special fund to be designated the "Education Enhancement Fund"
138 into which shall be deposited all the revenues collected pursuant
139 to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b).

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

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

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



158 (c) Providing necessary water, light, heating, air
159 conditioning and sewerage facilities for school buildings, and
160 purchasing land therefor.

161 (d) As a pledge to pay all or a portion of the debt
162 service on debt issued by the school district under Sections
163 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351
164 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302
165 and 37-41-81, or debt issued by boards of supervisors for
166 agricultural high schools pursuant to Section 37-27-65, if such
167 pledge is accomplished pursuant to a written contract or
168 resolution approved and spread upon the minutes of an official
169 meeting of the district's school board or board of supervisors.
170 The annual grant to such district in any subsequent year during
171 the term of the resolution or contract shall not be reduced below
172 an amount equal to the district's grant amount for the year in
173 which the contract or resolution was adopted. The intent of this
174 provision is to allow school districts to irrevocably pledge a
175 certain, constant stream of revenue as security for long-term
176 obligations issued under the code sections enumerated in this
177 paragraph or as otherwise allowed by law. It is the intent of the
178 Legislature that the provisions of this paragraph shall be
179 cumulative and supplemental to any existing funding programs or
180 other authority conferred upon school districts or school boards.
181 Debt of a district secured by a pledge of sales tax revenue
182 pursuant to this paragraph shall not be subject to any debt
183 limitation contained in the foregoing enumerated code sections.

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

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

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188 (16.61%) to the cost of the adequate education program determined
189 under Section 37-151-7; of the funds generated by the percentage
190 set forth in this section for the support of the adequate



191 education program, one and one hundred seventy-eight
192 one-thousandths percent (1.178%) of the funds shall be
193 appropriated to be used by the State Department of Education for
194 the purchase of textbooks to be loaned under Sections 37-43-1
195 through 37-43-59 to approved nonpublic schools, as described in
196 Section 37-43-1. The funds to be distributed to each nonpublic
197 school shall be in the proportion that the average daily
198 attendance of each nonpublic school bears to the total average
199 daily attendance of all nonpublic schools;

200 (ii) Seven and ninety-seven one-hundredths percent
201 (7.97%) to assist the funding of transportation operations and
202 maintenance pursuant to Section 37-19-23; and

203 (iii) Nine and sixty-one one-hundredths percent
204 (9.61%) for classroom supplies, instructional materials and
205 equipment, including computers and computer software, to be
206 distributed to all school districts in the proportion that the
207 average daily attendance of each school district bears to the
208 average daily attendance of all school districts within the state.
209 It is the intent of the Legislature that all classroom teachers
210 shall be involved in the development of a spending plan that
211 addresses individual classroom needs and supports the overall
212 goals of the school regarding supplies, instructional materials,
213 equipment, computers or computer software under the provisions of
214 this subparagraph, including the type, quantity and quality of
215 such supplies, materials and equipment. This plan shall be
216 submitted to the school principal for approval. School districts
217 need not fully expend the funds received under this subparagraph
218 in the year in which they are received, but such funds may be
219 carried forward for expenditure in any succeeding school year;

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



223 (c) Fourteen and forty-one one-hundredths percent
224 (14.41%) to the State Board for Community and Junior Colleges for
225 the purpose of providing support to community and junior colleges.

226 (4) The amount remaining in the Education Enhancement Fund
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232 such fund reaches the maximum balance of seven and one-half
233 percent (7-1/2%) of the General Fund appropriations in the
234 appropriate fiscal year. After the maximum balance in the Working
235 Cash-Stabilization Reserve Fund is reached, such money shall
236 remain in the Education Enhancement Fund to be appropriated in the
237 manner provided for in paragraph (b) of this subsection.

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239 educational needs.

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241 (3)(a) of this section shall be used to reduce the state's General
242 Fund appropriation for the categories listed in an amount below
243 the following amounts:

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246 (\$36,700,000.00);

247 (b) For the aggregate of minimum program allotments in
248 the 1997 fiscal year, formerly provided for in Chapter 19, Title
249 37, Mississippi Code of 1972, as amended, excluding those funds
250 for transportation as provided for in subsection (5)(a) in this
251 section.

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

