

By: Senator(s) Burton

To: Appropriations

SENATE BILL NO. 2754

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

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

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

8 37-101-27. (1) There is created within the Working
9 Cash-Stabilization Reserve Fund in the State Treasury a trust to
10 be known as the Ayers Endowment Trust, which shall be used as
11 provided in this section. On July 1, 1997, Fifteen Million
12 Dollars (\$15,000,000.00) in the Working Cash-Stabilization Reserve
13 Fund shall be set aside and placed in the Ayers Endowment Trust.

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

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



28 including recruitment of white students and scholarships for white
29 applicants.

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

39 (5) If the United States District Court for the Northern
40 District of Mississippi approves and directs the implementation of
41 a settlement agreement in the case of Ayers v. Musgrove (Civil
42 Action No. 4:75CV9-B-D, in the United States District Court for
43 the Northern District of Mississippi), and if the agreement
44 becomes final and effective according to its terms (including, but
45 not limited to, the exhaustion of all rights of appeal) before the
46 first day of the 2004 Regular Session of the Legislature, there
47 shall be created in the State Treasury a fund to be known as the
48 Ayers Settlement Fund. Monies deposited into the Ayers Settlement
49 Fund under Section 27-103-203(2) shall be appropriated by the
50 Legislature to the Board of Trustees of State Institutions of
51 Higher Learning for the purpose of establishing a public endowment
52 for the benefit of Jackson State University, Alcorn State
53 University and Mississippi Valley State University in compliance
54 with the settlement agreement.

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

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

