

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

Senate Bill NO. 2404

By Representative(s) Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

10 **SECTION 1.** Section 37-13-63, Mississippi Code of 1972, is
11 amended as follows:

12 37-13-63. (1) All public schools in the state shall be kept
13 in session for at least one hundred eighty (180) days in each
14 scholastic year.

15 (2) If the school board of any school district determines
16 that it is not economically feasible or practicable to operate any
17 school within the district for the full one hundred eighty (180)
18 days required for a scholastic year as contemplated due to an
19 enemy attack, a manmade, technological or natural disaster in
20 which the Governor has declared a disaster emergency under the
21 laws of this state or the President of the United States has
22 declared an emergency or major disaster to exist in this state,
23 the school board may notify the State Department of Education of
24 the disaster and submit a plan for altering the school term. If
25 the State Board of Education finds the disaster to be the cause of
26 the school not operating for the contemplated school term and that
27 the school was in a school district covered by the Governor's or
28 President's disaster declaration, it may permit the school board
29 to operate the schools in its district for less than one hundred

30 eighty (180) days.

31 **SECTION 2.** Section 37-151-7, Mississippi Code of 1972, is
32 amended as follows:

33 37-151-7. The annual allocation to each school district for
34 the operation of the adequate education program shall be
35 determined as follows:

36 (1) **Computation of the basic amount to be included for**
37 **current operation in the adequate education program.** The
38 following procedure shall be followed in determining the annual
39 allocation to each school district:

40 (a) **Determination of average daily attendance.** During
41 months two (2) and three (3) of the current school year, the
42 average daily attendance of a school district shall be computed,
43 or the average daily attendance for the prior school year shall be
44 used, whichever is greater. The district's average daily
45 attendance shall be computed and currently maintained in
46 accordance with regulations promulgated by the State Board of
47 Education.

48 (b) **Determination of base student cost.** The State
49 Board of Education, on or before August 1, with adjusted estimate
50 no later than January 2, shall annually submit to the Legislative
51 Budget Office and the Governor a proposed base student cost
52 adequate to provide the following cost components of educating a
53 pupil in an average school district meeting Level III
54 accreditation standards required by the Commission on School
55 Accreditation: (i) Instructional Cost; (ii) Administrative Cost;
56 (iii) Operation and Maintenance of Plant; and (iv) Ancillary
57 Support Cost. The department shall utilize a statistical
58 methodology which considers such factors as, but not limited to,
59 (i) school size; (ii) assessed valuation per pupil; (iii) the
60 percentage of students receiving free lunch; (iv) the local
61 district maintenance tax levy; (v) other local school district
62 revenues; and (vi) the district's accreditation level, in the
63 selection of the representative Mississippi school districts for
64 which cost information shall be obtained for each of the above

65 listed cost areas.

66 For the instructional cost component, the department shall
67 determine the instructional cost of each of the representative
68 school districts selected above, excluding instructional cost of
69 self-contained special education programs and vocational education
70 programs, and the average daily attendance in the selected school
71 districts. The instructional cost is then totaled and divided by
72 the total average daily attendance for the selected school
73 districts to yield the instructional cost component. For the
74 administrative cost component, the department shall determine the
75 administrative cost of each of the representative school districts
76 selected above, excluding administrative cost of self-contained
77 special education programs and vocational education programs, and
78 the average daily attendance in the selected school districts.
79 The administrative cost is then totaled and divided by the total
80 average daily attendance for the selected school districts to
81 yield the administrative cost component. For the plant and
82 maintenance cost component, the department shall determine the
83 plant and maintenance cost of each of the representative school
84 districts selected above, excluding plant and maintenance cost of
85 self-contained special education programs and vocational education
86 programs, and the average daily attendance in the selected school
87 districts. The plant and maintenance cost is then totaled and
88 divided by the total average daily attendance for the selected
89 school districts to yield the plant and maintenance cost
90 component. For the ancillary support cost component, the
91 department shall determine the ancillary support cost of each of
92 the representative school districts selected above, excluding
93 ancillary support cost of self-contained special education
94 programs and vocational education programs, and the average daily
95 attendance in the selected school districts. The ancillary
96 support cost is then totaled and divided by the total average
97 daily attendance for the selected school districts to yield the
98 ancillary support cost component. The total base cost for each
99 year shall be the sum of the instructional cost component,

100 administrative cost component, plant and maintenance cost
101 component and ancillary support cost component, and any estimated
102 adjustments for additional state requirements as determined by the
103 State Board of Education. Provided, however, that the base
104 student cost in fiscal year 1998 shall be Two Thousand Six Hundred
105 Sixty-four Dollars (\$2,664.00).

106 (c) **Determination of the basic adequate education**
107 **program cost.** The basic amount for current operation to be
108 included in the Mississippi Adequate Education Program for each
109 school district shall be computed as follows:

110 Multiply the average daily attendance of the district by the
111 base student cost as established by the Legislature, which yields
112 the total base program cost for each school district.

113 (d) **Adjustment to the base student cost for at-risk**
114 **pupils.** The amount to be included for at-risk pupil programs for
115 each school district shall be computed as follows: Multiply the
116 base student cost for the appropriate fiscal year as determined
117 under paragraph (b) by five percent (5%), and multiply that
118 product by the number of pupils participating in the federal free
119 school lunch program in such school district, which yields the
120 total adjustment for at-risk pupil programs for such school
121 district.

122 (e) **Add-on program cost.** The amount to be allocated to
123 school districts in addition to the adequate education program
124 cost for add-on programs for each school district shall be
125 computed as follows:

126 (i) Transportation cost shall be the amount
127 allocated to such school district for the operational support of
128 the district transportation system from state funds.

129 (ii) Vocational or technical education program
130 cost shall be the amount allocated to such school district from
131 state funds for the operational support of such programs.

132 (iii) Special education program cost shall be the
133 amount allocated to such school district from state funds for the
134 operational support of such programs.

135 (iv) Gifted education program cost shall be the
136 amount allocated to such school district from state funds for the
137 operational support of such programs.

138 (v) Alternative school program cost shall be the
139 amount allocated to such school district from state funds for the
140 operational support of such programs.

141 (vi) Extended school year programs shall be the
142 amount allocated to school districts for those programs authorized
143 by law which extend beyond the normal school year.

144 (vii) University-based programs shall be the
145 amount allocated to school districts for those university-based
146 programs for handicapped children as defined and provided for in
147 Section 37-23-131 et seq., Mississippi Code of 1972.

148 (viii) Bus driver training programs shall be the
149 amount provided for those driver training programs as provided for
150 in Section 37-41-1, Mississippi Code of 1972.

151 The sum of the items listed above (i) transportation, (ii)
152 vocational or technical education, (iii) special education, (iv)
153 gifted education, (v) alternative school, (vi) extended school
154 year, (vii) university-based, and (viii) bus driver training shall
155 yield the add-on cost for each school district.

156 (f) **Total projected adequate education program cost.**

157 The total Mississippi Adequate Education Program Cost shall be the
158 sum of the total basic adequate education program cost (paragraph
159 (c)), and the adjustment to the base student cost for at-risk
160 pupils (paragraph (d)) for each school district.

161 (g) **Supplemental grant to school districts.** In
162 addition to the adequate education program grant, the State
163 Department of Education shall annually distribute an additional
164 amount as follows: Multiply the base student cost for the
165 appropriate fiscal year as determined under paragraph (b) by .13%
166 and multiply that product by the average daily attendance of each
167 school district. Such grant shall not be subject to the local
168 revenue requirement provided in subsection (2).

169 (2) **Computation of the required local revenue in support of**

170 **the adequate education program.** The amount that each district
171 shall provide toward the cost of the adequate education program
172 shall be calculated as follows:

173 (a) The State Board of Education shall certify to each
174 school district that twenty-eight (28) mills, less the estimated
175 amount of the yield of the School Ad Valorem Tax Reduction Fund
176 grants as determined by the State Department of Education, is the
177 millage rate required to provide the district required local
178 effort for that year, or twenty-seven percent (27%) of the basic
179 adequate education program cost for such school district as
180 determined under subsection (c), whichever is a lesser amount. In
181 the case of an agricultural high school the millage requirement
182 shall be set at a level which generates an equitable amount per
183 pupil to be determined by the State Board of Education.

184 (b) The State Board of Education shall determine (i)
185 the total assessed valuation of nonexempt property for school
186 purposes in each school district; (ii) assessed value of exempt
187 property owned by homeowners aged sixty-five (65) or older or
188 disabled as defined in Section 27-33-67(2), Mississippi Code of
189 1972; (iii) the school district's tax loss from exemptions
190 provided to applicants under the age of sixty-five (65) and not
191 disabled as defined in Section 27-33-67(1), Mississippi Code of
192 1972; and (iv) the school district's homestead reimbursement
193 revenues.

194 (c) The amount of the total adequate education program
195 funding which shall be contributed by each school district shall
196 be the sum of the ad valorem receipts generated by the millage
197 required under this subsection plus the following local revenue
198 sources for the appropriate fiscal year which are or may be
199 available for current expenditure by the school district:

200 One hundred percent (100%) of Grand Gulf income as prescribed
201 in Section 27-35-309.

202 (3) **Computation of the required state effort in support of**
203 **the adequate education program.**

204 (a) The required state effort in support of the

205 adequate education program shall be determined by subtracting the
206 sum of the required local tax effort as set forth in subsection
207 (2) (a) of this section and the other local revenue sources as set
208 forth in subsection (2) (c) of this section in an amount not to
209 exceed twenty-seven percent (27%) of the total projected adequate
210 education program cost as set forth in subsection (1) (f) of this
211 section from the total projected adequate education program cost
212 as set forth in subsection (1) (f) of this section.

213 (b) Provided, however, that in fiscal year 1998 and in
214 the fiscal year in which the adequate education program is fully
215 funded by the Legislature, any increase in the said state
216 contribution, including the supplemental grant to school districts
217 provided under subsection (1) (g), to any district calculated under
218 this section shall be not less than eight percent (8%) in excess
219 of the amount received by said district from state funds for the
220 fiscal year immediately preceding. For purposes of this paragraph
221 (b), state funds shall include minimum program funds less the
222 add-on programs, state Uniform Millage Assistance Grant funds,
223 Education Enhancement Funds appropriated for Uniform Millage
224 Assistance Grants and state textbook allocations, and State
225 General Funds allocated for textbooks.

226 (c) If the appropriation is less than full funding for
227 fiscal year 2003, allocations for state contributions to school
228 districts in support of the adequate education program will be
229 determined by the State Department of Education in the following
230 manner:

231 (i) Calculation of the full funding amount under
232 this chapter, with proportionate reductions as required by the
233 appropriation level.

234 (ii) Calculation of the amount equal to the state
235 funds allocated to school districts for fiscal year 2002 plus the
236 estimated amount to fund the adequate education program salary
237 schedule for fiscal year 2003. For purposes of this item (ii),
238 state funds shall be those described in paragraph (b) and an
239 amount equal to the allocation for the adequate education program

240 in fiscal year 2002, plus any additional amount required to
241 satisfy fiscal year 2003 pledges in accordance with paragraphs
242 (d), (e) and (f) of subsection (5) of this section. If a school
243 district's fiscal year 2003 pledge is different than the pledge
244 amount for fiscal year 2002, the district shall receive an amount
245 equal to the fiscal year 2003 pledge or the amount of funds
246 calculated under the adequate education formula for fiscal year
247 2002 before any pledge guarantee for fiscal year 2002, whichever
248 is greater. If the pledge is no longer in effect, the district
249 shall receive the amount of funds calculated under the formula for
250 fiscal year 2002 before any pledge guarantee for fiscal year 2002.

251 (iii) The portion of any district's allocation
252 calculated in item (i) of this paragraph which exceeds amounts as
253 calculated in item (ii) shall be reduced by an amount not to
254 exceed twenty-one percent (21%). The amount of funds generated by
255 this reduction of funds shall be redistributed proportionately
256 among those districts receiving insufficient funds to meet the
257 amount calculated in item (ii). In no case may any district
258 receive funds in an amount greater than the amount that the
259 district would have received under full funding of the program for
260 fiscal year 2003.

261 (d) If the school board of any school district
262 determines that it is not economically feasible or practicable to
263 operate any school within the district for the full one hundred
264 eighty (180) days required for a school term of a scholastic year
265 as required in Section 37-13-63, Mississippi Code of 1972, due to
266 an enemy attack, a manmade, technological or natural disaster in
267 which the Governor has declared a disaster emergency under the
268 laws of this state or the President of the United States has
269 declared an emergency or major disaster to exist in this state,
270 the school board may notify the State Department of Education of
271 the disaster and submit a plan for altering the school term. If
272 the State Board of Education finds the disaster to be the cause of
273 the school not operating for the contemplated school term and that
274 the school was in a school district covered by the Governor's or

275 President's disaster declaration, it may permit the school board
276 to operate the schools in its district for less than one hundred
277 eighty (180) days and, in that case, the State Department of
278 Education shall not reduce the state contributions to the adequate
279 education program allotment for the district because of the
280 failure to operate the schools for one hundred eighty (180) days.

281 (4) If during the year for which adequate education program
282 funds are appropriated, any school district experiences a three
283 percent (3%) or greater increase in average daily attendance
284 during the second and third month over the preceding year's second
285 and third month, an additional allocation of adequate education
286 program funds calculated in the following manner shall be granted
287 to that district, using any additional funds available to the
288 Department of Education that exceed the amount of funds due to the
289 school districts under the basic adequate education program
290 distribution as provided for in this chapter:

291 (a) Determine the percentage increase in average daily
292 attendance for the second and third months of the year for which
293 adequate education program funds are appropriated over the
294 preceding year's second and third month average daily attendance.

295 (b) For those districts that have a three percent (3%)
296 or greater increase as calculated in paragraph (a) of this
297 subsection, multiply the total increase in students in average
298 daily attendance for the second and third months of the year for
299 which adequate education program funds are appropriated over the
300 preceding year's second and third month average daily attendance
301 times the base student cost used in the appropriation.

302 (c) Subtract the percentage of the district's local
303 contribution arrived at in subsection (2) of this section from the
304 amount calculated in paragraph (b) of this subsection. The
305 remainder is the additional allocation in adequate education
306 program funds for that district.

307 If the funds available to the Department of Education are not
308 sufficient to fully fund the additional allocations to school
309 districts eligible for those allocations, then the department

310 shall prorate the available funds among the eligible school
311 districts, using the same percentage of the total funds that the
312 school district would have received if the allocations were fully
313 funded.

314 (5) The State Adequate Education Program Fund is hereby
315 established in the State Treasury which shall be used to
316 distribute any funds specifically appropriated by the Legislature
317 to such fund, to school districts entitled to increased
318 allocations of state funds under the adequate education program
319 funding formula prescribed in Sections 37-151-3, 37-151-5 and
320 37-151-7 of this article. If the Legislature provides less funds
321 than the total state funds needed for support of such increased
322 allocations under the adequate education program, the State
323 Department of Education shall reduce all elements of the cost of
324 the adequate education program proportionately. Any such adequate
325 education program funds shall be transferred to the school
326 district maintenance fund of such district in the manner
327 prescribed in Section 37-19-47, Mississippi Code of 1972, and
328 shall be expended in the manner provided by law.

329 (6) The Interim School District Capital Expenditure Fund is
330 hereby established in the State Treasury which shall be used to
331 distribute any funds specifically appropriated by the Legislature
332 to such fund to school districts entitled to increased allocations
333 of state funds under the adequate education program funding
334 formula prescribed in Sections 37-151-3 through 37-151-7,
335 Mississippi Code of 1972, until such time as the said adequate
336 education program is fully funded by the Legislature. The
337 following percentages of the total state cost of increased
338 allocations of funds under the adequate education program funding
339 formula shall be appropriated by the Legislature into the Interim
340 School District Capital Expenditure Fund to be distributed to all
341 school districts under the formula: Nine and two-tenths percent
342 (9.2%) shall be appropriated in fiscal year 1998, twenty percent
343 (20%) shall be appropriated in fiscal year 1999, forty percent
344 (40%) shall be appropriated in fiscal year 2000, sixty percent

345 (60%) shall be appropriated in fiscal year 2001, eighty percent
346 (80%) shall be appropriated in fiscal year 2002, and one hundred
347 percent (100%) shall be appropriated in fiscal year 2003 into the
348 State Adequate Education Program Fund created in subsection (5).
349 Until July 1, 2002, such money shall be used by school districts
350 for the following purposes:

351 (a) Purchasing, erecting, repairing, equipping,
352 remodeling and enlarging school buildings and related facilities,
353 including gymnasiums, auditoriums, lunchrooms, vocational training
354 buildings, libraries, school barns and garages for transportation
355 vehicles, school athletic fields and necessary facilities
356 connected therewith, and purchasing land therefor. Any such
357 capital improvement project by a school district shall be approved
358 by the State Board of Education, and based on an approved
359 long-range plan. The State Board of Education shall promulgate
360 minimum requirements for the approval of school district capital
361 expenditure plans.

362 (b) Providing necessary water, light, heating, air
363 conditioning, and sewerage facilities for school buildings, and
364 purchasing land therefor.

365 (c) Paying debt service on existing capital improvement
366 debt of the district or refinancing outstanding debt of a district
367 if such refinancing will result in an interest cost savings to the
368 district.

369 (d) From and after October 1, 1997, through June 30,
370 1998, pursuant to a school district capital expenditure plan
371 approved by the State Department of Education, a school district
372 may pledge such funds until July 1, 2002, plus funds provided for
373 in paragraph (e) of this subsection (6) that are not otherwise
374 permanently pledged under such paragraph (e) to pay all or a
375 portion of the debt service on debt issued by the school district
376 under Sections 37-59-1 through 37-59-45, 37-59-101 through
377 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,
378 37-7-301, 37-7-302 and 37-41-81, Mississippi Code of 1972, or debt
379 issued by boards of supervisors for agricultural high schools

380 pursuant to Section 37-27-65, Mississippi Code of 1972, or
381 lease-purchase contracts entered into pursuant to Section 31-7-13,
382 Mississippi Code of 1972, or to retire or refinance outstanding
383 debt of a district, if such pledge is accomplished pursuant to a
384 written contract or resolution approved and spread upon the
385 minutes of an official meeting of the district's school board or
386 board of supervisors. It is the intent of this provision to allow
387 school districts to irrevocably pledge their Interim School
388 District Capital Expenditure Fund allotments as a constant stream
389 of revenue to secure a debt issued under the foregoing code
390 sections. To allow school districts to make such an irrevocable
391 pledge, the state shall take all action necessary to ensure that
392 the amount of a district's Interim School District Capital
393 Expenditure Fund allotments shall not be reduced below the amount
394 certified by the department or the district's total allotment
395 under the Interim Capital Expenditure Fund if fully funded, so
396 long as such debt remains outstanding.

397 (e) From and after October 1, 1997, through June 30,
398 1998, in addition to any other authority a school district may
399 have, any school district may issue State Aid Capital Improvement
400 Bonds secured in whole by a continuing annual pledge of any
401 Mississippi Adequate Education Program funds available to the
402 district, in an amount not to exceed One Hundred Sixty Dollars
403 (\$160.00) per pupil based on the latest completed average daily
404 attendance count certified by the department prior to the issuance
405 of the bonds. Such State Aid Capital Improvement Bonds may be
406 issued for the purposes enumerated in subsections (a), (b), (c)
407 and (g) of this section. Prior to issuing such bonds, the school
408 board of the district shall adopt a resolution declaring the
409 necessity for and its intention of issuing such bonds and
410 borrowing such money, specifying the approximate amount to be so
411 borrowed, how such money is to be used and how such indebtedness
412 is to be evidenced. Any capital improvement project financed with
413 State Aid Capital Improvement Bonds shall be approved by the
414 department, and based on an approved long-range plan. The State

415 Board of Education shall promulgate minimum requirements for the
416 approval of such school district capital expenditure plans. The
417 State Board of Education shall not approve any capital expenditure
418 plan for a pledge of funds under this paragraph unless it
419 determines (i) that the quality of instruction in such district
420 will not be reduced as a result of this pledge, and (ii) the
421 district has other revenue available to attain and maintain at
422 least Level III accreditation.

423 A district issuing State Aid Capital Improvement Bonds may
424 pledge for the repayment of such bonds all funds received by the
425 district from the state, in an amount not to exceed One Hundred
426 Sixty Dollars (\$160.00) per pupil in average daily attendance in
427 the school district as set forth above, and not otherwise
428 permanently pledged under paragraph (d) of this subsection or
429 under Section 37-61-33(2)(d), Mississippi Code of 1972. The
430 district's school board shall specify by resolution the amount of
431 state funds, which are being pledged by the district for the
432 repayment of the State Aid Capital Improvement Bonds. Once such a
433 pledge is made to secure the bonds, the district shall notify the
434 department of such pledge. Upon making such a pledge, the school
435 district may request the department which may agree to irrevocably
436 transfer a specified amount or percentage of the district's state
437 revenue pledged to repay the district's State Aid Capital
438 Improvement Bonds directly to a state or federally chartered bank
439 serving as a trustee or paying agent on such bonds for the payment
440 of all or portion of such State Aid Capital Improvement Bonds.
441 Such instructions shall be incorporated into a resolution by the
442 school board for the benefit of holders of the bonds and may
443 provide that such withholding and transfer of such other available
444 funds shall be made only upon notification by a trustee or paying
445 agent on such bonds that the amounts available to pay such bonds
446 on any payment date will not be sufficient. It is the intent of
447 this provision to allow school districts to irrevocably pledge a
448 certain, constant stream of revenue as security for State Aid
449 Capital Improvement Bonds issued hereunder. To allow school

450 districts to make such an irrevocable pledge, the state shall take
451 all action necessary to ensure that the amount of a district's
452 state revenues up to an amount equal to One Hundred Sixty Dollars
453 (\$160.00) per pupil as set forth above which have been pledged to
454 repay debt as set forth herein shall not be reduced so long as any
455 State Aid Capital Improvement Bonds are outstanding.

456 Any such State Aid Capital Improvement bonds shall mature as
457 determined by the district's school bond over a period not to
458 exceed twenty (20) years. Such bonds shall not bear a greater
459 overall maximum interest rate to maturity than that allowed in
460 Section 75-17-101, Mississippi Code of 1972. The further details
461 and terms of such bonds shall be as determined by the school board
462 of the district.

463 The provisions of this subsection shall be cumulative and
464 supplemental to any existing funding programs or other authority
465 conferred upon school districts or school boards. Debt of a
466 school district secured in whole by a pledge of revenue pursuant
467 to this section shall not be subject to any debt limitation.

468 For purposes of this paragraph (e), "State Aid Capital
469 Improvement Bond" shall mean any bond, note, or other certificate
470 of indebtedness issued by a school district under the provisions
471 hereof.

472 This paragraph (e) shall stand repealed from and after June
473 30, 1998.

474 (f) As an alternative to the authority granted under
475 paragraph (e), a school district, in its discretion, may authorize
476 the State Board of Education to withhold an amount of the
477 district's adequate education program allotment equal to up to One
478 Hundred Sixty Dollars (\$160.00) per student in average daily
479 attendance in the district to be allocated to the State Public
480 School Building Fund to the credit of such school district. A
481 school district may choose the option provided under this
482 paragraph (e) or paragraph (f), but not both. In addition to the
483 grants made by the state pursuant to Section 37-47-9, a school
484 district shall be entitled to grants based on the allotments to

485 the State Public School Building Fund credited to such school
486 district under this paragraph. This paragraph (f) shall stand
487 repealed from and after June 30, 1998.

488 (g) The State Board of Education may authorize the
489 school district to expend not more than twenty percent (20%) of
490 its annual allotment of such funds or Twenty Thousand Dollars
491 (\$20,000.00), whichever is greater, for technology needs of the
492 school district, including computers, software,
493 telecommunications, cable television, interactive video, film
494 low-power television, satellite communications, microwave
495 communications, technology-based equipment installation and
496 maintenance, and the training of staff in the use of such
497 technology-based instruction. Any such technology expenditure
498 shall be reflected in the local district technology plan approved
499 by the State Board of Education under Section 37-151-17,
500 Mississippi Code of 1972.

501 (h) To the extent a school district has not utilized
502 twenty percent (20%) of its annual allotment for technology
503 purposes under paragraph (g), a school district may expend not
504 more than twenty percent (20%) of its annual allotment or Twenty
505 Thousand Dollars (\$20,000.00), whichever is greater, for
506 instructional purposes. The State Board of Education may
507 authorize a school district to expend more than said twenty
508 percent (20%) of its annual allotment for instructional purposes
509 if it determines that such expenditures are needed for
510 accreditation purposes.

511 (i) The State Department of Education or the State
512 Board of Education may require that any project commenced pursuant
513 to this act with an estimated project cost of not less than Five
514 Million Dollars (\$5,000,000.00) shall be done only pursuant to
515 program management of the process with respect to design and
516 construction. Any individuals, partnerships, companies or other
517 entities acting as a program manager on behalf of a local school
518 district and performing program management services for projects
519 covered under this subsection shall be approved by the State

520 Department of Education.

521 Any interest accruing on any unexpended balance in the
522 Interim School District Capital Expenditure Fund shall be invested
523 by the State Treasurer and placed to the credit of each school
524 district participating in such fund in its proportionate share.

525 The provisions of this subsection (6) shall be cumulative and
526 supplemental to any existing funding programs or other authority
527 conferred upon school districts or school boards.

528 **SECTION 3.** This act shall take effect and be in force from
529 and after its passage.