

By: Senator(s) Harden

To: Education

SENATE BILL NO. 2978

1 AN ACT TO AMEND SECTION 37-57-108, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE BORROWING AUTHORITY OF SCHOOL DISTRICTS IN THE
3 EVENT OF LOCAL REVENUE SHORTFALL ALSO APPLIES TO REDUCTIONS IN
4 ANTICIPATED ALLOCATIONS IN ADEQUATE EDUCATION PROGRAM ALLOTMENTS
5 OR EDUCATION ENHANCEMENT FUNDS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 37-57-108, Mississippi Code of 1972, is
8 amended as follows:

9 37-57-108. In the event that the amount of revenue collected
10 or estimated to be collected from local sources, on behalf of a
11 school district during a fiscal year, is less than the amount
12 provided for in the duly adopted budget of said school district
13 for the fiscal year, or in the event that the amount of state
14 funds received for adequate education program allotments,
15 education enhancement funds, or other funds appropriated by the
16 Mississippi Legislature, are less than the school district's
17 entitlement of the appropriated amount due to reductions in
18 allocations, as certified by the State Department of Education,
19 then the school district may issue promissory notes in an amount
20 and in the manner set forth in Section 27-39-333, not to exceed
21 the estimated shortfall of revenue from the respective state or
22 local sources, but in no event to exceed twenty-five percent (25%)
23 of its budget anticipated to be funded from the respective sources
24 of the shortfall for the fiscal year. A school district issuing
25 notes under the provisions of this section shall not be required
26 to publish notice of its intention to do so or to secure the
27 consent of the qualified electors or the tax levying authority of
28 such school district.

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