By: Representative Chism

To: Education; Appropriations

HOUSE BILL NO. 17

AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE EXPENDITURE OF CERTAIN EDUCATION ENHANCEMENT FUNDS FOR CLASSROOM SUPPLIES AND INSTRUCTIONAL MATERIALS AND TO 3 DIVERT A PORTION OF EDUCATION ENHANCEMENT FUNDS THAT ARE ALLOCATED FOR CLASSROOM SUPPLIES TO THE GENERAL SUPPORT OF THE MISSISSIPPI 4 5 6 ADEQUATE EDUCATION PROGRAM AND THE SUPPORT OF TECH PREP BOND DEBT 7 SERVICE, SCHOOL OF THE ARTS, AND NATIONAL BOARD CERTIFICATION; AND FOR RELATED PURPOSES.

- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 9
- SECTION 1. Section 37-61-33, Mississippi Code of 1972, is 10
- 11 amended as follows:
- [Until July 1, 2006, this section shall read as follows:] 12
- 37-61-33. (1) There is created within the State Treasury a 13
- special fund to be designated the "Education Enhancement Fund" 14
- into which shall be deposited all the revenues collected pursuant 15
- to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b). 16
- (2) Of the amount deposited into the Education Enhancement 17
- 18 Fund, Sixteen Million Dollars (\$16,000,000.00) shall be
- appropriated each fiscal year to the State Department of Education 19
- to be distributed to all school districts. Such money shall be 20
- 21 distributed to all school districts in the proportion that the
- average daily attendance of each school district bears to the 22
- 23 average daily attendance of all school districts within the state
- for the following purposes: 24
- 25 (a) Purchasing, erecting, repairing, equipping,
- remodeling and enlarging school buildings and related facilities, 26
- including gymnasiums, auditoriums, lunchrooms, vocational training 27
- 28 buildings, libraries, teachers' homes, school barns,
- transportation vehicles (which shall include new and used 29

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- 30 transportation vehicles) and garages for transportation vehicles,
- 31 and purchasing land therefor.
- 32 (b) Establishing and equipping school athletic fields
- 33 and necessary facilities connected therewith, and purchasing land
- 34 therefor.
- 35 (c) Providing necessary water, light, heating, air
- 36 conditioning and sewerage facilities for school buildings, and
- 37 purchasing land therefor.
- 38 (d) As a pledge to pay all or a portion of the debt
- 39 service on debt issued by the school district under Sections
- 40 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351
- 41 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302
- 42 and 37-41-81, or debt issued by boards of supervisors for
- 43 agricultural high schools pursuant to Section 37-27-65, if such
- 44 pledge is accomplished pursuant to a written contract or
- 45 resolution approved and spread upon the minutes of an official
- 46 meeting of the district's school board or board of supervisors.
- 47 The annual grant to such district in any subsequent year during
- 48 the term of the resolution or contract shall not be reduced below
- 49 an amount equal to the district's grant amount for the year in
- 50 which the contract or resolution was adopted. The intent of this
- 51 provision is to allow school districts to irrevocably pledge a
- 52 certain, constant stream of revenue as security for long-term
- 53 obligations issued under the code sections enumerated in this
- 54 paragraph or as otherwise allowed by law. It is the intent of the
- 55 Legislature that the provisions of this paragraph shall be
- 56 cumulative and supplemental to any existing funding programs or
- 57 other authority conferred upon school districts or school boards.
- 58 Debt of a district secured by a pledge of sales tax revenue
- 59 pursuant to this paragraph shall not be subject to any debt
- 60 limitation contained in the foregoing enumerated code sections.
- (e) Purchasing classroom supplies and instructional
- 62 materials, to be distributed to all school districts in the

- 63 proportion that the average daily attendance of each school
- 64 district bears to the average daily attendance of all school
- 65 districts in the state.
- 66 (3) The remainder of the money deposited into the Education
- 67 Enhancement Fund shall be appropriated as follows:
- 68 (a) To the State Department of Education as follows:
- (i) Sixteen and sixty-one one-hundredths percent
- 70 (16.61%) to the cost of the adequate education program determined
- 71 under Section 37-151-7; of the funds generated by the percentage
- 72 set forth in this section for the support of the adequate
- 73 education program, one and one hundred seventy-eight
- 74 one-thousandths percent (1.178%) of the funds shall be
- 75 appropriated to be used by the State Department of Education for
- 76 the purchase of textbooks to be loaned under Sections 37-43-1
- 77 through 37-43-59 to approved nonpublic schools, as described in
- 78 Section 37-43-1. The funds to be distributed to each nonpublic
- 79 school shall be in the proportion that the average daily
- 80 attendance of each nonpublic school bears to the total average
- 81 daily attendance of all nonpublic schools;
- 82 (ii) Seven and ninety-seven one-hundredths percent
- 83 (7.97%) to assist the funding of transportation operations and
- 84 maintenance pursuant to Section 37-19-23; and
- 85 (iii) The revenue generated from nine and
- 86 sixty-one one-hundredths percent (9.61%) that exceeds Fifteen
- 87 <u>Million One Hundred Sixty-five Thousand Five Hundred Thirty-five</u>
- 88 Dollars (\$15,165,535.00), for classroom supplies, instructional
- 89 materials and equipment, including computers and computer
- 90 software, to be distributed to all school districts in the
- 91 proportion that the average daily attendance of each school
- 92 district bears to the average daily attendance of all school
- 93 districts within the state. Classroom supply funds shall not be
- 94 expended for administrative purposes. Local school districts
- 95 shall allocate classroom supply funds equally among all classroom

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     teachers in the school district. For purposes of this
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     subparagraph, "teacher" means any employee of the school board of
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     a school district who is required by law to obtain a teacher's
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     license from the State Department of Education and who is assigned
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     to an instructional area of work as defined by the department, but
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     shall not include a federally funded teacher. Two (2) or more
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     teachers may agree to pool their classroom supply funds for the
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     benefit of a school within the district. It is the intent of the
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     Legislature that all classroom teachers shall be involved in the
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     development of a spending plan that addresses individual classroom
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     needs and supports the overall goals of the school regarding
     supplies, instructional materials, equipment, computers or
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     computer software under the provisions of this subparagraph,
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     including the type, quantity and quality of such supplies,
     materials and equipment. This plan shall be submitted in writing
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     to the school principal for approval. Classroom supply funds
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     allocated under this subparagraph shall supplement, not replace,
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     other local and state funds available for the same purposes.
     School districts need not fully expend the funds received under
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     this subparagraph in the year in which they are received, but such
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     funds may be carried forward for expenditure in any succeeding
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     school year. The State Board of Education shall develop and
     promulgate rules and regulations for the administration of this
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     subparagraph consistent with the above criteria, with particular
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     emphasis on allowing the individual teachers to expend funds as
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     they deem appropriate. The revenue generated from the percentage
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     under this subparagraph that does not exceed Fifteen Million One
     Hundred Sixty-five Thousand Five Hundred Thirty-five Dollars
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     ($15,165,535.00) shall be appropriated to the State Department of
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     Education, as follows: Ten Million Seven Hundred Ninety-two
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     Thousand Two Hundred Ninety Dollars ($10,792,290.00) for the
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     support of the Mississippi Adequate Education Program, One Million
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     One Hundred Twenty-nine Thousand Three Hundred Twenty-one Dollars
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129 ($1,129,321.00) for the support of Tech Prep Bond Debt Service,
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- 130 Three Hundred Eighty-five Thousand Six Hundred Sixty Dollars
- 131 (\$385,660.00) for the support of the School of the Arts, Two
- 132 Million Eight Hundred Fifty-eight Thousand Two Hundred Sixty-four
- 133 Dollars (\$2,858,264.00) for the support of National Board
- 134 Certification;
- (b) Twenty-two and nine one-hundredths percent (22.09%)
- 136 to the Board of Trustees of State Institutions of Higher Learning
- 137 for the purpose of supporting institutions of higher learning; and
- 138 (c) Fourteen and forty-one one-hundredths percent
- 139 (14.41%) to the State Board for Community and Junior Colleges for
- 140 the purpose of providing support to community and junior colleges.
- 141 (4) The amount remaining in the Education Enhancement Fund
- 142 after funds are distributed as provided in subsections (2) and (3)
- 143 of this section shall be disbursed as follows:
- 144 (a) Twenty-five Million Dollars (\$25,000,000.00) shall
- 145 be deposited into the Working Cash-Stabilization Reserve Fund
- created pursuant to Section 27-103-203(1), until the balance in
- 147 such fund reaches the maximum balance of seven and one-half
- 148 percent (7-1/2%) of the General Fund appropriations in the
- 149 appropriate fiscal year. After the maximum balance in the Working
- 150 Cash-Stabilization Reserve Fund is reached, such money shall
- 151 remain in the Education Enhancement Fund to be appropriated in the
- 152 manner provided for in paragraph (b) of this subsection.
- 153 (b) The remainder shall be appropriated for other
- 154 educational needs.
- 155 (5) None of the funds appropriated pursuant to subsection
- 156 (3)(a) of this section shall be used to reduce the state's General
- 157 Fund appropriation for the categories listed in an amount below
- 158 the following amounts:
- 159 (a) For subsection (3)(a)(ii) of this section,
- 160 Thirty-six Million Seven Hundred Thousand Dollars
- 161 (\$36,700,000.00);

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- (b) For the aggregate of minimum program allotments in the 1997 fiscal year, formerly provided for in Chapter 19, Title 37, Mississippi Code of 1972, as amended, excluding those funds for transportation as provided for in subsection (5)(a) in this
- [From and after July 1, 2006, this section reads as follows:]
- 168 37-61-33. (1) There is created within the State Treasury a
- 169 special fund to be designated the "Education Enhancement Fund"
- 170 into which shall be deposited all the revenues collected pursuant
- 171 to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b).
- 172 (2) Of the amount deposited into the Education Enhancement
- 173 Fund, Sixteen Million Dollars (\$16,000,000.00) shall be
- 174 appropriated each fiscal year to the State Department of Education
- 175 to be distributed to all school districts. Such money shall be
- 176 distributed to all school districts in the proportion that the
- 177 average daily attendance of each school district bears to the
- 178 average daily attendance of all school districts within the state
- 179 for the following purposes:
- 180 (a) Purchasing, erecting, repairing, equipping,
- 181 remodeling and enlarging school buildings and related facilities,
- 182 including gymnasiums, auditoriums, lunchrooms, vocational training
- 183 buildings, libraries, teachers' homes, school barns,
- 184 transportation vehicles (which shall include new and used
- 185 transportation vehicles) and garages for transportation vehicles,
- 186 and purchasing land therefor.
- 187 (b) Establishing and equipping school athletic fields
- 188 and necessary facilities connected therewith, and purchasing land
- 189 therefor.

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section.

- 190 (c) Providing necessary water, light, heating, air
- 191 conditioning and sewerage facilities for school buildings, and
- 192 purchasing land therefor.
- 193 (d) As a pledge to pay all or a portion of the debt
- 194 service on debt issued by the school district under Sections

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37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351
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     through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302
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     and 37-41-81, or debt issued by boards of supervisors for
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     agricultural high schools pursuant to Section 37-27-65, if such
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     pledge is accomplished pursuant to a written contract or
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     resolution approved and spread upon the minutes of an official
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     meeting of the district's school board or board of supervisors.
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     The annual grant to such district in any subsequent year during
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     the term of the resolution or contract shall not be reduced below
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     an amount equal to the district's grant amount for the year in
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     which the contract or resolution was adopted. The intent of this
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     provision is to allow school districts to irrevocably pledge a
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     certain, constant stream of revenue as security for long-term
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     paragraph or as otherwise allowed by law. It is the intent of the
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     Legislature that the provisions of this paragraph shall be
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     cumulative and supplemental to any existing funding programs or
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     other authority conferred upon school districts or school boards.
     Debt of a district secured by a pledge of sales tax revenue
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     pursuant to this paragraph shall not be subject to any debt
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     limitation contained in the foregoing enumerated code sections.
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               The remainder of the money deposited into the Education
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          (3)
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     Enhancement Fund shall be appropriated as follows:
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                    To the State Department of Education as follows:
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     (16.61%) to the cost of the adequate education program determined
     under Section 37-151-7; of the funds generated by the percentage
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     set forth in this section for the support of the adequate
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     one-thousandths percent (1.178%) of the funds shall be
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appropriated to be used by the State Department of Education for

the purchase of textbooks to be loaned under Sections 37-43-1

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     districts within the state. Classroom supply funds shall not be
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     teachers in the school district. For purposes of this
     subparagraph, "teacher" means any employee of the school board of
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     Legislature that all classroom teachers shall be involved in the
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     development of a spending plan that addresses individual classroom
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     needs and supports the overall goals of the school regarding
     supplies, instructional materials, equipment, computers or
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     computer software under the provisions of this subparagraph,
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     materials and equipment. This plan shall be submitted in writing
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     to the school principal for approval. Classroom supply funds
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- 261 allocated under this subparagraph shall supplement, not replace,
- 262 other local and state funds available for the same purposes.
- 263 School districts need not fully expend the funds received under
- 264 this subparagraph in the year in which they are received, but such
- 265 funds may be carried forward for expenditure in any succeeding
- 266 school year. The State Board of Education shall develop and
- 267 promulgate rules and regulations for the administration of this
- 268 subparagraph consistent with the above criteria, with particular
- 269 emphasis on allowing the individual teachers to expend funds as
- 270 they deem appropriate * * *;
- (b) Twenty-two and nine one-hundredths percent (22.09%)
- 272 to the Board of Trustees of State Institutions of Higher Learning
- 273 for the purpose of supporting institutions of higher learning; and
- 274 (c) Fourteen and forty-one one-hundredths percent
- 275 (14.41%) to the State Board for Community and Junior Colleges for
- 276 the purpose of providing support to community and junior colleges.
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- 278 after funds are distributed as provided in subsections (2) and (3)
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- 283 such fund reaches the maximum balance of seven and one-half
- 284 percent (7-1/2%) of the General Fund appropriations in the
- 285 appropriate fiscal year. After the maximum balance in the Working
- 286 Cash-Stabilization Reserve Fund is reached, such money shall
- 287 remain in the Education Enhancement Fund to be appropriated in the
- 288 manner provided for in paragraph (b) of this subsection.
- (b) The remainder shall be appropriated for other
- 290 educational needs.
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- 292 (3)(a) of this section shall be used to reduce the state's General

- 293 Fund appropriation for the categories listed in an amount below
- 294 the following amounts:
- 295 (a) For subsection (3)(a)(ii) of this section,
- 296 Thirty-six Million Seven Hundred Thousand Dollars
- 297 (\$36,700,000.00);
- 298 (b) For the aggregate of minimum program allotments in
- 299 the 1997 fiscal year, formerly provided for in Chapter 19, Title
- 300 37, Mississippi Code of 1972, as amended, excluding those funds
- 301 for transportation as provided for in subsection (5)(a) in this
- 302 section.
- 303 **SECTION 2.** This act shall take effect and be in force from
- 304 and after July 1, 2005.