

By: Senator(s) Robertson

To: Finance

SENATE BILL NO. 2014

1 AN ACT TO AMEND SECTION 37-59-37, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE AUTHORIZED PERIOD FOR REPAYMENT OF TAX ANTICIPATION
3 NOTES ISSUED BY SCHOOL DISTRICTS FOR CURRENT EXPENSES; AND FOR
4 RELATED PURPOSES.

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

6 **SECTION 1.** Section 37-59-37, Mississippi Code of 1972, is
7 amended as follows:

8 37-59-37. The school board of any school district shall have
9 the power and authority to borrow money for the anticipated
10 current year's expenses of such school district in anticipation of
11 the collection of ad valorem taxes and other revenues of such
12 school district for the then current fiscal year. The money so
13 borrowed shall bear interest at a rate not greater than that
14 allowed in Section 75-17-105 and shall be repaid within
15 twenty-four (24) months from the date of such borrowing out of the
16 taxes and revenues in anticipation of which such money is
17 borrowed. Such money shall be used for no other purpose than the
18 payment of the current year's expenses of such school district.
19 Pending the expenditure of funds borrowed under the provisions of
20 this section, such funds may be invested in any manner in which
21 any school district, municipality, county, state agency or other
22 public body may invest surplus funds.

23 The amount borrowed under the provisions of this section
24 shall in no event exceed the estimated amount of taxes and
25 revenues collected or to be collected during the last preceding
26 fiscal year, unless the tax levy for the current fiscal year has
27 been made, then the amount borrowed under the provisions of this
28 section shall in no event exceed the estimated amount of taxes and

29 revenues collected or to be collected during the current fiscal
30 year. Revenue anticipation notes issued under the provisions of
31 this section shall be issued within the same fiscal year during
32 which the tax levy is or will be made and other revenues received
33 which it is anticipated will produce the funds from which the said
34 notes will be repaid.

35 In borrowing money under the provisions of this section, it
36 shall not be necessary to publish notice of intention so to do or
37 to secure the consent of the qualified electors of such school
38 district, either by election or otherwise. Such borrowing shall
39 be authorized by order or resolution of the school board and may
40 be evidenced by negotiable note or notes, signed and executed in
41 such form as may be prescribed in such order or resolution. Such
42 note or notes may be sold at a negotiated sale. Money may be
43 borrowed in anticipation of ad valorem taxes and other revenues
44 under the provisions of this section, regardless of whether or not
45 such borrowing shall create an indebtedness in excess of statutory
46 limitations.

47 Money may likewise be borrowed by any such school district,
48 as herein provided, for the purpose of paying current interest
49 maturities on any bonded indebtedness of such school district in
50 anticipation of the collection of taxes for the retirement of such
51 bonded indebtedness and the payment of any interest thereon.

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