

By: Representative Rushing

To: Education; Revenue and
Expenditure General Bills

HOUSE BILL NO. 533

1 AN ACT TO CREATE THE SMALL SCHOOL DISTRICT EQUIPMENT,
2 MAINTENANCE AND INFRASTRUCTURE GRANT FUND (DEMI GRANT); TO PROVIDE
3 THAT GRANT FUNDS SHALL BE AWARDED FOR THE PURPOSE OF ASSISTING
4 ELIGIBLE SCHOOL DISTRICTS WITH ENROLLED STUDENT POPULATIONS OF
5 4,500 STUDENTS OR LESS TO OFFSET EXPENSES FOR SCHOOL EQUIPMENT,
6 MAINTENANCE OF PHYSICAL PLANTS AND IMPROVEMENTS TO INFRASTRUCTURE;
7 TO PROVIDE FOR THE APPROPRIATION OF \$2,000,000.00 FOR THE INITIAL
8 YEAR OF THE FUND'S ESTABLISHMENT; TO PROVIDE THAT THE DEPARTMENT
9 OF EDUCATION SHALL ADMINISTER THE PROGRAM AND MAKE THE
10 DETERMINATION OF THOSE APPLICANTS ELIGIBLE FOR AND APPROVED FOR
11 RECEIPT OF GRANTS; TO PROVIDE THAT APPLICANTS APPROVED FOR RECEIPT
12 OF A GRANT SHALL BE LIMITED TO THE RECEIPT OF A ONE-TIME GRANT IN
13 AN AMOUNT NOT TO EXCEED \$150,000.00; AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** As used in this act, the following terms shall
16 have the meaning ascribed under this section, unless the context
17 of use indicates otherwise:

18 (a) "Fund" means the "Small School District Equipment,
19 Maintenance and Infrastructure Grant Fund," which may be referred
20 to as the "DEMI Grant Fund" established under Section 2.

21 (b) "Applicant" means any small school district with an
22 enrolled student population of four thousand five hundred (4,500)
23 students or less that applies for a grant under Section 4.



(c) "Department" means the State Department of Education.

SECTION 2. (1) The Small School District Equipment, Maintenance and Infrastructure Grant Fund (DEMI Grant) is established for the purpose of providing grants to small school districts with an enrolled student population of four thousand five hundred (4,500) students or less which are experiencing budget shortfalls, and which are awarded a grant by the State Department of Education under this act to eligible districts to offset expenses for school equipment, maintenance of its physical plant and improvements to the district's infrastructure.

(2) The fund shall consist of monies appropriated by the Legislature and gifts and grants to the fund by any public or private entity, which shall consist of an initial legislative appropriation of Two Million Dollars (\$2,000,000.00) for the program's establishment for fiscal year 2018.

(3) The State Department of Education shall administer the fund, and any expenses incurred for its administration shall be paid from monies in the fund. Monies remaining in the fund at the end of the fiscal year, which are unencumbered, shall remain inviolate and not lapse into the State General Fund.

(4) The State Treasurer shall invest the money in the fund not immediately needed to meet the obligations of the fund in the same manner as other public funds may be invested. Funds shall be



distributed by the State Treasurer upon warrants issued by the State Department of Education.

SECTION 3. (1) The State Department of Education may award a District Equipment, Maintenance and Infrastructure Grant (DEMI Grant) to applicants under this act to aid eligible school districts that are experiencing budget shortfalls in its efforts to provide a safe and orderly school environment for students and staff of the district through the purchase of essential equipment and/or defraying the costs of necessary maintenance and improvements to infrastructure that meet the criteria established by the department under the authority of this section.

(2) The department shall develop criteria for approving applications submitted under Section 4 of this act.

(3) When considering whether to award a DEMI Grant to an applicant under this act, the department shall consider whether the application submitted by the applicant under Section 4 of this act:

(a) Increases cost efficiencies relating to the use of school facilities;

(b) Reduces debt incurred by the district for providing equipment, maintenance and infrastructure of one or more schools in the district; or

(c) Establishes any other measure that would significantly reduce costs related to the provision of additional



72 services to ensure that a safe and orderly school environment is
73 maintained for students and staff of the district.

74 (4) The department shall establish the terms of awarding a
75 DEMI Grant to an applicant under this chapter. The department
76 shall establish guidelines for determining the amount of a grant
77 awarded to an applicant based on the severity of conditions in the
78 school district which necessitate the need for grant funds and on
79 the amount of cost savings passed along to the applicant. A DEMI
80 Grant awarded under this act shall not exceed One Hundred Fifty
81 Thousand Dollars (\$150,000.00). Applicants approved by the
82 department for receipt of a grant under this act, shall be
83 entitled to the receipt of only one (1) grant during the grant
84 program's administration.

85 **SECTION 4.** (1) The local school board of a school district
86 may apply for a DEMI Grant under this act in the manner prescribed
87 by the department under the provisions of this act, and any rules
88 promulgated by the State Board of Education for the administration
89 of the grant program. The application must include a plan
90 submitted by the applicant, and the department may require the
91 applicant to include a cost analysis study of the proposed plan.

92 (2) If an applicant receives a grant under this act, the
93 grant shall be used to implement the plan submitted to the state
94 board under subsection (1) and may be used to pay any costs
95 associated with preparing any cost analysis study associated with
96 the plan.



97 **SECTION 5.** This act shall take effect and be in force from
98 and after July 1, 2017.

