

By: Representative Hughes

To: Appropriations

HOUSE BILL NO. 395

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,  
2 TO REQUIRE ALL MONIES DERIVED FROM THE PERCENTAGE OF THE EDUCATION  
3 ENHANCEMENT FUND FOR THE PURPOSE OF THE CLASSROOM SUPPLY FUND TO  
4 BE ALLOCATED IN FULL FOR THAT SPECIFIED PURPOSE; AND FOR RELATED  
5 PURPOSES.

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

7 **SECTION 1.** Section 37-61-33, Mississippi Code of 1972, is  
8 amended as follows:

9 37-61-33. (1) There is created within the State Treasury a  
10 special fund to be designated the "Education Enhancement Fund"  
11 into which shall be deposited all the revenues collected pursuant  
12 to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b).

13 (2) Of the amount deposited into the Education Enhancement  
14 Fund, Sixteen Million Dollars (\$16,000,000.00) shall be  
15 appropriated each fiscal year to the State Department of Education  
16 to be distributed to all school districts. Such money shall be  
17 distributed to all school districts in the proportion that the  
18 average daily attendance of each school district bears to the



19 average daily attendance of all school districts within the state  
20 for the following purposes:

21 (a) Purchasing, erecting, repairing, equipping,  
22 remodeling and enlarging school buildings and related facilities,  
23 including gymnasiums, auditoriums, lunchrooms, vocational training  
24 buildings, libraries, teachers' homes, school barns,  
25 transportation vehicles (which shall include new and used  
26 transportation vehicles) and garages for transportation vehicles,  
27 and purchasing land therefor.

28 (b) Establishing and equipping school athletic fields  
29 and necessary facilities connected therewith, and purchasing land  
30 therefor.

31 (c) Providing necessary water, light, heating,  
32 air-conditioning and sewerage facilities for school buildings, and  
33 purchasing land therefor.

34 (d) As a pledge to pay all or a portion of the debt  
35 service on debt issued by the school district under Sections  
36 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351  
37 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302  
38 and 37-41-81, or debt issued by boards of supervisors for  
39 agricultural high schools pursuant to Section 37-27-65, if such  
40 pledge is accomplished pursuant to a written contract or  
41 resolution approved and spread upon the minutes of an official  
42 meeting of the district's school board or board of supervisors.  
43 The annual grant to such district in any subsequent year during



44 the term of the resolution or contract shall not be reduced below  
45 an amount equal to the district's grant amount for the year in  
46 which the contract or resolution was adopted. The intent of this  
47 provision is to allow school districts to irrevocably pledge a  
48 certain, constant stream of revenue as security for long-term  
49 obligations issued under the code sections enumerated in this  
50 paragraph or as otherwise allowed by law. It is the intent of the  
51 Legislature that the provisions of this paragraph shall be  
52 cumulative and supplemental to any existing funding programs or  
53 other authority conferred upon school districts or school boards.  
54 Debt of a district secured by a pledge of sales tax revenue  
55 pursuant to this paragraph shall not be subject to any debt  
56 limitation contained in the foregoing enumerated code sections.

57 (3) The remainder of the money deposited into the Education  
58 Enhancement Fund shall be appropriated as follows:

59 (a) To the State Department of Education as follows:

60 (i) Sixteen and sixty-one one-hundredths percent  
61 (16.61%) to the cost of the adequate education program determined  
62 under Section 37-151-7; of the funds generated by the percentage  
63 set forth in this section for the support of the adequate  
64 education program, one and one hundred seventy-eight  
65 one-thousandths percent (1.178%) of the funds shall be  
66 appropriated to be used by the State Department of Education for  
67 the purchase of textbooks to be loaned under Sections 37-43-1  
68 through 37-43-59 to approved nonpublic schools, as described in



69 Section 37-43-1. The funds to be distributed to each nonpublic  
70 school shall be in the proportion that the average daily  
71 attendance of each nonpublic school bears to the total average  
72 daily attendance of all nonpublic schools;

73 (ii) Seven and ninety-seven one-hundredths percent  
74 (7.97%) to assist the funding of transportation operations and  
75 maintenance pursuant to Section 37-19-23; and

76 (iii) Nine and sixty-one one-hundredths percent  
77 (9.61%) shall be appropriated for classroom supplies,  
78 instructional materials and equipment, including computers and  
79 computer software, to be distributed to all eligible teachers  
80 within the state through the use of procurement cards. Classroom  
81 supply funds shall not be expended for administrative purposes.  
82 On or before September 1 of each year, local school districts  
83 shall determine and submit to the State Department of Education  
84 the number of teachers eligible to receive an allocation for the  
85 current year. For purposes of this subparagraph, "teacher" means  
86 any employee of the school board of a school district, or the  
87 Mississippi School for the Arts, the Mississippi School for Math  
88 and Science, the Mississippi School for the Blind or the  
89 Mississippi School for the Deaf, who is required by law to obtain  
90 a teacher's license from the State Department of Education and who  
91 is assigned to an instructional area of work as defined by the  
92 department, but shall not include a federally funded teacher. It  
93 is the intent of the Legislature that all classroom teachers shall



94 utilize these funds in a manner that addresses individual  
95 classroom needs and supports the overall goals of the school  
96 regarding supplies, instructional materials, equipment, computers  
97 or computer software under the provisions of this subparagraph,  
98 including the type, quantity and quality of such supplies,  
99 materials and equipment. Classroom supply funds allocated under  
100 this subparagraph shall supplement, not replace, other local and  
101 state funds available for the same purposes. The State Board of  
102 Education shall develop and promulgate rules and regulations for  
103 the administration of this subparagraph consistent with the above  
104 criteria, with particular emphasis on allowing the individual  
105 teachers to expend funds as they deem appropriate. Effective with  
106 the 2013-2014 school year, the local school board shall require  
107 each school to issue procurement cards provided by the Department  
108 of Finance and Administration under the provisions of Section  
109 31-7-9(1)(c) for the use of teachers and necessary support  
110 personnel in making instructional supply fund expenditures under  
111 this section, consistent with the regulations of the Mississippi  
112 Department of Finance and Administration pursuant to Section  
113 31-7-9. Such procurement cards shall be issued at the beginning  
114 of the school year and shall be issued in equal amounts per  
115 teacher determined by the total number of qualifying personnel and  
116 the current state appropriation for classroom supplies with the  
117 Education Enhancement Fund. Such cards will expire on a  
118 pre-determined date at the end of each school year. All



119 unexpended amounts will be carried forward, combined with the  
120 following year's allocation of Education Enhancement Fund  
121 instructional supplies funds and reallocated for the following  
122 year. All monies derived from the percentage of Education  
123 Enhancement Fund appropriated under this subparagraph shall be  
124 allocated in full for the purposes specified herein;

125 (b) Twenty-two and nine one-hundredths percent (22.09%)  
126 to the Board of Trustees of State Institutions of Higher Learning  
127 for the purpose of supporting institutions of higher learning; and

128 (c) Fourteen and forty-one one-hundredths percent  
129 (14.41%) to the Mississippi Community College Board for the  
130 purpose of providing support to community and junior colleges.

131 (4) The amount remaining in the Education Enhancement Fund  
132 after funds are distributed as provided in subsections (2) and (3)  
133 of this section shall be disbursed as follows:

134 (a) Twenty-five Million Dollars (\$25,000,000.00) shall  
135 be deposited into the Working Cash-Stabilization Reserve Fund  
136 created pursuant to Section 27-103-203(1), until the balance in  
137 such fund reaches the maximum balance of seven and one-half  
138 percent (7-1/2%) of the General Fund appropriations in the  
139 appropriate fiscal year. After the maximum balance in the Working  
140 Cash-Stabilization Reserve Fund is reached, such money shall  
141 remain in the Education Enhancement Fund to be appropriated in the  
142 manner provided for in paragraph (b) of this subsection.



143 (b) The remainder shall be appropriated for other  
144 educational needs.

145 (5) None of the funds appropriated pursuant to subsection  
146 (3) (a) of this section shall be used to reduce the state's General  
147 Fund appropriation for the categories listed in an amount below  
148 the following amounts:

149 (a) For subsection (3) (a) (ii) of this section,  
150 Thirty-six Million Seven Hundred Thousand Dollars  
151 (\$36,700,000.00);

152 (b) For the aggregate of minimum program allotments in  
153 the 1997 fiscal year, formerly provided for in Chapter 19, Title  
154 37, Mississippi Code of 1972, as amended, excluding those funds  
155 for transportation as provided for in paragraph (a) of this  
156 subsection.

157 (6) Any funds appropriated from the Education Enhancement  
158 Fund that are unexpended at the end of a fiscal year shall lapse  
159 into the Education Enhancement Fund, except as otherwise provided  
160 in subsection (3) (a) (iii) of this section.

161 **SECTION 2.** This act shall take effect and be in force from  
162 and after July 1, 2018.

