

By: Representative Crawford

To: Education;  
Appropriations

HOUSE BILL NO. 1119

1 AN ACT TO AMEND SECTION 37-181-11, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE UNEXPENDED AMOUNTS IN THE STUDENT'S ESA TO BE  
3 COMBINED WITH SUBSEQUENT YEAR ALLOCATIONS; AND FOR RELATED  
4 PURPOSES.

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

6 **SECTION 1.** Section 37-181-11, Mississippi Code of 1972, is  
7 amended as follows:

8 37-181-11. (1) To ensure that funds are spent  
9 appropriately, the State Department of Education shall adopt rules  
10 and policies necessary for the administration of the program,  
11 including the auditing of Education Scholarship Accounts, and  
12 shall conduct or contract for random audits throughout the year.

13 (2) (a) The department or qualified nonprofit shall develop  
14 a system for payment of benefits, including, but not limited to,  
15 allowing educational service providers to invoice the department  
16 or designated nonprofit for qualified expenses consistent with  
17 Section 37-181-5(2), or allowing parents to seek reimbursement for  
18 qualified expenses consistent with Section 37-181-5(2). All  
19 unexpended amounts shall remain in the student's ESA, combined



20 with the following year's allocation of ESA funds, except upon the  
21 occurrence of an event that will preclude a student's  
22 participation in the ESA program as provided under Section  
23 37-181-5(6) and (8), when any remaining funds shall be returned to  
24 the state's General Fund.

25 (b) The department or qualified nonprofit may make  
26 payments to educational service providers or reimbursement to  
27 parents via check or warrant or electronic funds transfer or any  
28 other means of payment deemed to be commercially viable or  
29 cost-effective.

30 (c) The department may also establish by rule that some  
31 payments to educational service providers will be made on a  
32 quarterly basis, rather than an annual basis, if the educational  
33 services will be rendered over an extended period of time.

34 (3) The department shall adopt a process for removing  
35 educational service providers that defraud parents and for  
36 referring cases of fraud to law enforcement.

37 (4) The department shall establish or contract for the  
38 establishment of an online anonymous fraud reporting service.

39 (5) The department shall establish or contract for the  
40 establishment of an anonymous telephone hotline for fraud  
41 reporting.

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

