

By: Representatives Read, Foster

To: Appropriations

HOUSE BILL NO. 127
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE REQUIREMENT TO DEPOSIT INTO THE WORKING
3 CASH-STABILIZATION RESERVE FUND A CERTAIN SUM FROM THE MONEY
4 REMAINING IN THE EDUCATION ENHANCEMENT FUND AFTER FUNDS ARE
5 DISTRIBUTED FOR EDUCATIONAL PURPOSES; TO AMEND SECTION 41-113-11,
6 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT ANY FUNDS APPROPRIATED
7 FROM THE TOBACCO CONTROL PROGRAM FUND THAT ARE UNEXPENDED AT THE
8 END OF THE FISCAL YEAR SHALL LAPSE INTO THE HEALTH CARE EXPENDABLE
9 FUND; TO PROVIDE FOR CERTAIN TRANSFERS TO THE CAPITAL EXPENSE FUND
10 DURING FISCAL YEAR 2020; AND FOR RELATED PURPOSES.

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

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

14 37-61-33. (1) There is created within the State Treasury a
15 special fund to be designated the "Education Enhancement Fund"
16 into which shall be deposited all the revenues collected pursuant
17 to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b).

18 (2) Of the amount deposited into the Education Enhancement
19 Fund, Sixteen Million Dollars (\$16,000,000.00) shall be
20 appropriated each fiscal year to the State Department of Education
21 to be distributed to all school districts. Such money shall be
22 distributed to all school districts in the proportion that the



average daily attendance of each school district bears to the
average daily attendance of all school districts within the state
for the following purposes:

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

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

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

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



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

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

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

65 (i) Sixteen and sixty-one one-hundredths percent
66 (16.61%) to the cost of the adequate education program determined
67 under Section 37-151-7; of the funds generated by the percentage
68 set forth in this section for the support of the adequate
69 education program, one and one hundred seventy-eight
70 one-thousandths percent (1.178%) of the funds shall be
71 appropriated to be used by the State Department of Education for
72 the purchase of textbooks to be loaned under Sections 37-43-1



73 through 37-43-59 to approved nonpublic schools, as described in
74 Section 37-43-1. The funds to be distributed to each nonpublic
75 school shall be in the proportion that the average daily
76 attendance of each nonpublic school bears to the total average
77 daily attendance of all nonpublic schools;

78 (ii) Seven and ninety-seven one-hundredths percent
79 (7.97%) to assist the funding of transportation operations and
80 maintenance pursuant to Section 37-19-23; and

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



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



unexpended amounts will be carried forward, combined with the following year's allocation of Education Enhancement Fund instructional supplies funds and reallocated for the following year;

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

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

(4) The amount remaining in the Education Enhancement Fund after funds are distributed as provided in subsections (2) and (3) of this section shall be * * * appropriated for other educational needs.

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

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

(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 paragraph (a) of this subsection.

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

SECTION 2. Section 41-113-11, Mississippi Code of 1972, is amended as follows:

41-113-11. (1) There is established in the State Treasury a special fund to be known as the Tobacco Control Program Fund, which shall be comprised of the funds specified in subsection (2) of this section and any other funds that are authorized or required to be deposited into the special fund.

(2) From the tobacco settlement installment payments that the State of Mississippi receives during each calendar year, the sum of Twenty Million Dollars (\$20,000,000.00) shall be deposited into the special fund.

(3) Monies in the fund shall be expended solely for the purposes specified in this chapter. None of the funds in the special fund may be transferred to any other fund or appropriated or expended for any other purpose.

(4) All income from the investment of the funds in the Tobacco Control Program Fund shall be credited to the account of the Tobacco Control Program Fund. Any funds in the Tobacco Control Program Fund at the end of a fiscal year shall not lapse



172 into the State General Fund. Any funds appropriated from the
173 Tobacco Control Program Fund that are unexpended at the end of a
174 fiscal year shall lapse into the Tobacco Control Program
175 Fund * * *. However, beginning with fiscal year 2020, any funds
176 appropriated from the Tobacco Control Program Fund that are
177 unexpended at the end of the fiscal year * * * shall lapse into
178 the Health Care Expendable Fund.

179 **SECTION 3.** During fiscal year 2020, the State Fiscal
180 Officer shall transfer the sum of Fifty-five Million Dollars
181 (\$55,000,000.00) from the Working Cash-Stabilization Reserve Fund
182 (Fund Number 3399200000) to the Capital Expense Fund (Fund Number
183 6499C00000).

184 **SECTION 4.** This act shall take effect and be in force from
185 and after its passage.

