

By: Senator(s) DeBar

To: Education;  
Appropriations

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2430

1 AN ACT TO BRING FORWARD SECTIONS 37-47-1, 37-47-3, 37-47-5,  
2 37-47-7, 37-47-9, 37-47-11, 37-47-13, 37-47-15, 37-47-17,  
3 37-47-19, 37-47-21, 37-47-23, 37-47-25, 37-47-27, 37-47-29,  
4 37-47-31, 37-47-33, 37-47-35, 37-47-37, 37-47-39, 37-47-41,  
5 37-47-43, 37-47-45, 37-47-47, 37-47-49, 37-47-51, 37-47-53,  
6 37-47-55, 37-47-57, 37-47-59, 37-47-61, 37-47-63, 37-47-65 AND  
7 37-47-67, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE STATE  
8 AID FOR CONSTRUCTION OF SCHOOL FACILITIES, FOR THE PURPOSES OF  
9 POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 27-65-75, MISSISSIPPI  
10 CODE OF 1972, WHICH PROVIDES FOR THE DISTRIBUTION OF TAX REVENUES,  
11 FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTIONS  
12 37-7-401 AND 37-7-409, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR  
13 THE LAND ACQUISITION AND THE FUNDING OF CONSTRUCTION OF SCHOOL  
14 BUILDINGS, FOR THE PURPOSE OF POSSIBLE AMENDMENT; TO BRING FORWARD  
15 SECTION 37-27-55, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE  
16 FUND ALLOCATION FOR AGRICULTURAL HIGH SCHOOLS, FOR THE PURPOSE OF  
17 POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 37-131-7, MISSISSIPPI  
18 CODE OF 1972, WHICH PROVIDES FOR THE ALLOTMENT OF FUNDS IN  
19 GENERAL, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED  
20 PURPOSES.

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

22 **SECTION 1.** Section 37-47-1, Mississippi Code of 1972, is  
23 brought forward as follows:

24 37-47-1. The terms and provisions of this chapter shall be  
25 administered and executed by the state educational finance  
26 commission. For the purpose of this chapter, the term



27 "commission" shall mean "state educational finance commission"  
28 except where the context clearly indicates otherwise.

29 **SECTION 2.** Section 37-47-3, Mississippi Code of 1972, is  
30 brought forward as follows:

31 37-47-3. The term "school district" as used in this chapter  
32 shall be defined as including all public school districts and  
33 public charter schools in this state and also all agricultural  
34 high schools not located on the campus of a junior college.

35 **SECTION 3.** Section 37-47-5, Mississippi Code of 1972, is  
36 brought forward as follows:

37 37-47-5. For the purposes of this chapter, the term "capital  
38 improvement" shall mean the cost of (1) erecting, repairing,  
39 equipping, remodeling and enlarging school buildings and related  
40 facilities, including, but not being limited to, gymnasiums,  
41 auditoriums, lunch rooms, vocational training buildings,  
42 libraries, teachers' homes, school barns, garages for  
43 transportation vehicles, and (2) providing necessary water,  
44 lights, heating, air conditioning and sewerage facilities for  
45 school buildings. Such term shall not include the cost of the  
46 acquisition of land whereon to construct or establish any of the  
47 facilities named above.

48 **SECTION 4.** Section 37-47-7, Mississippi Code of 1972, is  
49 brought forward as follows:

50 37-47-7. There shall be, and there is hereby, created in the  
51 state treasury a special fund to be known as the "state public



52 school building fund". The said fund shall consist of such amounts  
53 as may be paid into said fund by appropriation or other  
54 legislative authorization.

55 **SECTION 5.** Section 37-47-9, Mississippi Code of 1972, is  
56 brought forward as follows:

57 37-47-9. It is found and determined that the state should  
58 make an annual grant of Twenty-four Dollars (\$24.00) for each  
59 child in average daily attendance in the public schools of the  
60 various school districts of this state during each school year,  
61 and that such monies should be applied for the purpose of  
62 establishing and maintaining adequate physical facilities for the  
63 public school district and/or the payment of existing debt  
64 therefor.

65 The grant to which each public school is entitled under the  
66 provisions of this section shall be credited to the school  
67 district of which such school is part. If any change is made in  
68 the operation or boundaries of any such school district, equitable  
69 reallocations shall be made by the commission of all balances to  
70 the credit of such school district, and all debits charged against  
71 the districts affected by the change in the boundaries or system  
72 of operation. The obligation of the state to make remittance of  
73 the sums appropriated or otherwise provided to make the annual  
74 grants provided by this section shall be subordinate to the pledge  
75 made to secure the state school bonds authorized under this  
76 chapter and the sinking fund created for their retirement. The



77 grants shall be computed annually as soon as practicable after the  
78 end of the school year, and shall be based on the average daily  
79 attendance for such school year in all of the public schools  
80 operated by each school district as determined by the State  
81 Department of Education.

82         **SECTION 6.** Section 37-47-11, Mississippi Code of 1972, is  
83 brought forward as follows:

84         37-47-11. The sums becoming due to any school district shall  
85 be disposed of in the following order of priority and for the  
86 following purposes and for no others:

87             (a) To discharge the principal and interest due the  
88 commission by reason of any advance or loan made to any such  
89 school district by the commission;

90             (b) To be applied by the school district, subject to  
91 the approval of the commission, to defray the cost of any capital  
92 improvement;

93             (c) To pay the principal and interest of school  
94 district indebtedness represented by bonds or notes issued before  
95 July 1, 1954, for capital improvements, provided that the capital  
96 improvements for which such bonds or notes were issued fulfill the  
97 rules and requirement for new capital improvements and district  
98 organization as provided by the commission, or for bonds or notes  
99 issued on or after July 1, 1954, for capital improvements which  
100 have been approved by the commission as provided in this chapter.



101           **SECTION 7.** Section 37-47-13, Mississippi Code of 1972, is  
102 brought forward as follows:

103           37-47-13. When the amounts of the annual grants to school  
104 districts have been computed as provided in Section 37-47-9, the  
105 commission shall credit each such school district with the amount  
106 of the annual grant to which it is entitled and shall issue to  
107 each such school district a certificate of credit for the amount  
108 of such annual grant. All such certificates of credit shall be  
109 signed by the chairman of the commission and countersigned by the  
110 executive secretary thereof. Such certificates shall constitute an  
111 indebtedness of the State of Mississippi but shall be  
112 non-transferable and non-negotiable and shall bear no interest.  
113 All such certificates so issued shall be held and retained by the  
114 school district to which same are issued until the expenditure of  
115 the funds to the credit of such school district shall be approved  
116 by the commission as is otherwise provided in this chapter. Such  
117 certificates shall be surrendered to the commission at the time  
118 the funds to which the school district is entitled are withdrawn  
119 from the public school building fund and deposited to the credit  
120 of the school district entitled thereto.

121           **SECTION 8.** Section 37-47-15, Mississippi Code of 1972, is  
122 brought forward as follows:

123           37-47-15. No grants accruing to any school district shall be  
124 expended for any purpose unless such expenditure has been approved  
125 by the commission. In order to guide the commission in passing



126 upon requests for the use of grants, the school boards of the  
127 respective school districts are directed to prepare a survey of  
128 necessary capital improvements and/or a plan for tax relief on  
129 school indebtedness within each school district. Such surveys  
130 shall show existing facilities, desirable consolidations, the new  
131 construction and new facilities necessary and desirable for the  
132 efficient operation of the public schools of the school districts,  
133 proper compliance with state energy conservation standards, and  
134 the plan of tax reduction in the school districts by use of such  
135 funds in retiring any outstanding indebtedness for school  
136 facilities. The commission shall not approve any application for  
137 the use of funds of the said public school building fund from the  
138 school board of any school district until such time as an  
139 acceptable and reasonably satisfactory plan, looking particularly  
140 to efficiency through consolidations of school attendance centers,  
141 has been submitted by the school board.

142 Furthermore, the commission shall not approve any application  
143 for the use of funds of the public school building fund until such  
144 time as an acceptable plan has been submitted by the appropriate  
145 board which complies with improved design, heating, cooling,  
146 ventilation, lighting, insulation and architectural standards  
147 provided by the State of Mississippi to promote maximum energy  
148 conservation in new and existing public buildings.

149 All applications from school districts shall conform to the  
150 plan of the school board.



151           **SECTION 9.** Section 37-47-17, Mississippi Code of 1972, is  
152 brought forward as follows:

153           37-47-17. Applications for the expenditure of funds to the  
154 credit of any school district in the state public school building  
155 fund shall originate with the school board of the school district  
156 entitled to such funds. Before any funds to the credit of a  
157 school district shall be expended for capital improvements or the  
158 retirement of outstanding bonded indebtedness, the school board of  
159 such school district shall prepare and submit an application in  
160 such form as may be prescribed by the commission. There shall be  
161 included with such application a statement in which there is set  
162 forth the enrollment and average daily attendance in the schools  
163 of the district divided as to schools and grades, the number of  
164 teachers employed, the facilities in use, the facilities to be  
165 provided with the funds to be expended, the outstanding school  
166 indebtedness, and such other information as the commission may  
167 require. Such application and statement shall be submitted  
168 directly to the commission and approved or disapproved by it. The  
169 decision of the commission shall be final, unless an appeal to the  
170 chancery court shall be taken in the manner provided by law. In  
171 the event any application shall be disapproved by the commission,  
172 the school board submitting same shall be notified of such  
173 disapproval, which notice of disapproval shall be accompanied by a  
174 statement of the reason or reasons for such disapproval.



175           The commission shall approve only those applications which  
176 are found to be proper under the provisions of this chapter and  
177 the applicable rules and regulations of the commission. When an  
178 application is approved for the expenditure of funds for capital  
179 improvements, the contract for the construction of such capital  
180 improvements shall be entered into and awarded by the school board  
181 of the school district in the manner provided in this chapter;  
182 however, the contract for construction of a secondary vocational  
183 and technical training center for exclusive use and operation by a  
184 school district may be entered into and awarded by the board of  
185 trustees of a junior college district where a grant of federal  
186 funds by the Appalachian Commission has been made to the board of  
187 trustees of such junior college district to assist in financing  
188 construction of such secondary vocational and technical training  
189 facility for such school district.

190           **SECTION 10.** Section 37-47-19, Mississippi Code of 1972, is  
191 brought forward as follows:

192           37-47-19. Where the expenditure of any funds to which any  
193 school district may be entitled has been authorized, as provided  
194 in Section 37-47-17, such funds shall be withdrawn from the public  
195 school building fund by the commission and deposited in the school  
196 depository to the credit of the school district entitled thereto  
197 as a special fund to be known as the "Public School Building Fund"  
198 of the school district entitled thereto. Such money so deposited  
199 shall be paid out and expended in the same manner as may be now or





200 hereafter provided by law for the expenditure of other school  
201 funds belonging to such district; however, where the contract for  
202 construction of a secondary vocational and technical training  
203 center shall have been entered into and awarded by the board of  
204 trustees of a junior college district as authorized by Section  
205 37-47-29, the money so deposited in the public school building  
206 fund of the school district for which said facility is being  
207 constructed may be paid out and expended to pay a part of the cost  
208 of construction of such facility.

209       **SECTION 11.** Section 37-47-21, Mississippi Code of 1972, is  
210 brought forward as follows:

211       37-47-21. All funds, if any, which may accumulate in the  
212 state public school building fund under the provisions of this  
213 chapter because school districts entitled thereto do not make  
214 application for the expenditure of same for the purposes  
215 authorized by this chapter at the time same are credited to such  
216 school district may be used as a revolving fund for the purpose of  
217 making loans or advances to other school districts as is provided  
218 in Section 37-47-25.

219       **SECTION 12.** Section 37-47-23, Mississippi Code of 1972, is  
220 brought forward as follows:

221       37-47-23. When any school district holding certificates of  
222 credit shall desire to expend funds which have accumulated to its  
223 credit under the provisions of this chapter and the expenditure  
224 thereof has been approved by the commission but insufficient funds



225 are available in the state public school building fund because of  
226 loans or advances having been made to other school districts, the  
227 commission shall forthwith transmit to the state bond commission  
228 its request for the issuance of state school bonds, as is  
229 otherwise provided in this chapter, in an amount sufficient to  
230 provide the funds to which the school district holding the  
231 certificate of credit is entitled, or such portion of such funds  
232 as such school district then desires to expend.

233       **SECTION 13.** Section 37-47-25, Mississippi Code of 1972, is  
234 brought forward as follows:

235       37-47-25. Whenever the State Department of Education shall  
236 determine that any school district is in need of capital  
237 improvements to an extent in excess of that which may be financed  
238 by the credit then due such school district by the department, the  
239 department shall be empowered to advance or lend said school  
240 district such sums as in the opinion of the department are  
241 necessary to be expended for capital improvements by said school  
242 district. Such loans or advances shall be evidenced by  
243 appropriate agreements, and shall be repayable in principal by the  
244 school district from the annual grants to which the school  
245 district shall become entitled and from such other funds as may be  
246 available. Such loans or advances shall not constitute a debt of  
247 the school district within the meaning of any provision or  
248 limitation of the Constitution or statutes of the State of  
249 Mississippi. The department shall not advance or lend to any



250 school district any sum in excess of seventy-five percent (75%) of  
251 the estimated sum which will accrue to the said school district on  
252 account of grants to be made to the said school district within  
253 the twenty (20) years next following the date of the loan or  
254 advance. In determining the maximum allowable advance or loan,  
255 the department shall assume that the average daily attendance in  
256 the schools of the school district for the past preceding  
257 scholastic year as confirmed by the audit of average daily  
258 attendance made by the State Department of Audit will continue for  
259 the period during which the loan is to be repaid.

260 **SECTION 14.** Section 37-47-27, Mississippi Code of 1972, is  
261 brought forward as follows:

262 37-47-27. All capital improvements by any school district  
263 which are financed, in whole or in part, with funds received from  
264 the State Public School Building Fund pursuant to an application  
265 approved by the \* \* \* State Board of Education, shall be  
266 constructed by contract entered into and awarded by the board of  
267 trustees or other governing body of such school district. The  
268 awarding of such contract shall be in the sole province of such  
269 board of trustees or other governing body except as is herein  
270 provided. No such contract shall be entered into unless and until  
271 the site for the location of and the plans and specifications for  
272 the construction of the capital improvements shall have been  
273 approved by the \* \* \* State Board of Education. The \* \* \* State  
274 Board of Education shall not exclude from approval plans and



275 specifications which involve the use of preengineered steel  
276 building systems. Plans and specifications for preengineered  
277 steel building systems, in order to be approved by the \* \* \* State  
278 Board of Education, must be submitted to and certified by an  
279 architect or professional engineer registered in the State of  
280 Mississippi and not an employee of the contractor, as meeting the  
281 minimum requirements of the local building, plumbing and  
282 electrical codes, the Southern Standard Building Code, Coastal  
283 Region Loading, the Metal Building Manufacturers Association, the  
284 American Institute of Steel Construction and the American Iron and  
285 Steel Institute, as to design, materials and construction.

286       **SECTION 15.** Section 37-47-29, Mississippi Code of 1972, is  
287 brought forward as follows:

288       37-47-29. All contracts for capital improvements by any  
289 school district which are financed in whole or in part with funds  
290 received from the state public school building fund pursuant to an  
291 application approved by the commission shall be awarded and  
292 entered into upon receipt of sealed bids or proposals after the  
293 time and place of letting such contracts and the manner of bidding  
294 has been duly advertised. The contract shall be let and awarded  
295 to the lowest and best bidder but the board of trustees or other  
296 governing body of the school district shall have the power to  
297 reject any and all bids. No such contract shall be finally  
298 awarded or entered into without the prior written approval of the  
299 commission. It is hereby expressly provided that in order to bid



300 upon and be awarded contracts for the construction of school  
301 facilities under the provisions of this chapter, if such contract,  
302 subcontract or undertaking is less than Fifty Thousand Dollars  
303 (\$50,000.00), it shall not be necessary that the bidder obtain a  
304 certificate of responsibility from the Board of Public Contractors  
305 under the provisions of Chapter 3, Title 31, of the Mississippi  
306 Code of 1972, or otherwise be qualified under said chapter, and  
307 none of the provisions of said chapter shall be applicable to such  
308 contracts for the construction of school facilities under the  
309 provisions hereof. Notwithstanding the foregoing provisions of  
310 this section or any other provisions of law, the contract for  
311 construction of a secondary vocational and technical training  
312 center for exclusive use and operation by a county school district  
313 may be entered into and awarded by the board of trustees of a  
314 junior college district where a grant of federal funds by the  
315 Appalachian Commission has been made to the board of trustees of  
316 such junior college district to assist in financing construction  
317 of such secondary vocational and technical training facility for  
318 such county school district.

319       **SECTION 16.** Section 37-47-31, Mississippi Code of 1972, is  
320 brought forward as follows:

321       37-47-31. The state bond commission now consisting of the  
322 governor, attorney general and treasurer of the State of  
323 Mississippi, each acting ex officio, is hereby continued in  
324 existence for the purpose of this chapter and with full power and



325 authority to issue state school bonds to the extent, for the  
326 purposes, and in the manner and subject to the limitations set  
327 forth in this chapter.

328         **SECTION 17.** Section 37-47-33, Mississippi Code of 1972, is  
329 brought forward as follows:

330         37-47-33. For the purpose of (a) providing funds to enable  
331 the State Board of Education to make loans or advances to school  
332 districts as provided by Section 37-47-25, and for the purpose of  
333 (b) providing funds for the payment and redemption of certificates  
334 of credit issued to school districts under Section 37-47-23, when  
335 such funds are not otherwise available, or for the purpose of (c)  
336 providing funds in an amount not exceeding Twenty Million Dollars  
337 (\$20,000,000.00) for the payment of allocations of Mississippi  
338 Adequate Education Program funds to school districts for capital  
339 expenditures approved by the State Board of Education which have  
340 not been pledged for debt by the school district, when such funds  
341 are not otherwise available, or for any of such purposes, the  
342 State Bond Commission is authorized and empowered to issue state  
343 school bonds under the conditions prescribed in this chapter. The  
344 aggregate principal amount of such bonds outstanding at any one  
345 (1) time, after deducting the amount of the sinking fund provided  
346 for the retirement of bonds issued for such purposes, shall never  
347 exceed the sum of One Hundred Million Dollars (\$100,000,000.00).  
348 Within such limits, however, state school bonds may be issued from  
349 time to time under the conditions prescribed in this chapter.



350 None of such bonds so issued shall have a maturity date later than  
351 July 1, 2021.

352 **SECTION 18.** Section 37-47-35, Mississippi Code of 1972, is  
353 brought forward as follows:

354 37-47-35. Before any state school bonds are issued as  
355 authorized by this chapter, the state educational finance  
356 commission shall transmit to the state bond commission a request  
357 for the issuance thereof in the form of a resolution adopted by  
358 said state educational finance commission. Said request shall  
359 embody the following:

360 (a) A schedule showing the aggregate of bonds issued  
361 pursuant to previous requests, the purposes for which the same  
362 were issued, the annual payments required to retire such bonds and  
363 the interest thereon, and the amount of sinking fund applicable to  
364 the retirement of such outstanding bonds;

365 (b) The amount of bonds sought to be issued, the  
366 purpose or purposes for which such bonds are to be issued, and the  
367 amount intended for each purpose;

368 (c) A schedule showing future annual principal  
369 requirements and estimated annual interest requirements on the  
370 bonds requested to be issued;

371 (d) The estimated amount of the advances which the  
372 commission intends to make within the then current fiscal year;



373 (e) The aggregate amount for which advances have been  
374 approved, but which await completion because the funds necessary  
375 to make the same are not available;

376 (f) The aggregate amount of certificates of credit  
377 issued to school districts which are to be paid or redeemed by the  
378 commission with the proceeds of such bonds and for which no funds  
379 are otherwise available.

380 **SECTION 19.** Section 37-47-37, Mississippi Code of 1972, is  
381 brought forward as follows:

382 37-47-37. If it shall appear to the satisfaction of the  
383 state bond commission from the request provided for in Section  
384 37-47-35:

385 (a) That the estimate of the needs for the then current  
386 fiscal year as shown pursuant to the requirement of Section  
387 37-47-35, requires bonds to be issued in the amount requested; and

388 (b) That the issue will be within the limitations  
389 prescribed by Section 37-47-33;

390 then it shall be the duty of the state bond commission to  
391 issue state school bonds in accordance with said request.

392 **SECTION 20.** Section 37-47-39, Mississippi Code of 1972, is  
393 brought forward as follows:

394 37-47-39. For the purpose of paying the principal of and  
395 interest upon all state school bonds issued under the authority of  
396 this chapter, there shall be and there is hereby pledged the full  
397 faith, credit, and taxing power of the State of Mississippi.





398           **SECTION 21.** Section 37-47-41, Mississippi Code of 1972, is  
399 brought forward as follows:

400           37-47-41. All state school bonds issued under the provisions  
401 of this chapter shall be signed by the governor, or by his  
402 facsimile signature, and attested by the secretary of state. The  
403 great seal of the State of Mississippi shall be affixed to or  
404 impressed upon each of them. Coupons attached to such bonds may  
405 bear only the facsimile signatures of both the governor and  
406 secretary of state. Subject to the provisions of this chapter the  
407 state bond commission shall have full discretion in providing for  
408 the issuance of such bonds and in fixing the terms and details  
409 thereof. Said state bond commission may provide for the issuance  
410 of such bonds in such form, either coupon or registered, with such  
411 registration privileges, and executed in such manner and payable  
412 in such medium and at such place or places, and containing such  
413 terms, covenants and provisions as the state bond commission may,  
414 by resolution or resolutions, provide. All or any part of the  
415 bonds issued under the authority of this chapter may be made  
416 optional for redemption prior to maturity in the discretion of the  
417 state bond commission, and in such case such bonds shall specify  
418 the manner in and premiums at which the bonds shall be so  
419 redeemable. Such bonds shall not be redeemable before maturity  
420 unless same expressly so provide.

421           **SECTION 22.** Section 37-47-43, Mississippi Code of 1972, is  
422 brought forward as follows:



423           37-47-43. All bonds issued under the authority of this  
424 chapter shall be lithographed or engraved and printed in two (2)  
425 or more colors to prevent counterfeiting. Such bonds shall be  
426 issued in denominations as shall be specified by the State Bond  
427 Commission. No bond shall bear more than one (1) rate of  
428 interest; each bond shall bear interest from its date to its  
429 stated maturity date at the interest rate specified in the bid;  
430 all bonds of the same maturity shall bear the same rate of  
431 interest from date to maturity; all interest accruing on such  
432 bonds so issued shall be payable semiannually or annually, except  
433 that the first interest coupon attached to any such bond may be  
434 for any period not exceeding one (1) year.

435           No interest payment shall be evidenced by more than one (1)  
436 coupon and neither cancelled nor supplemental coupons shall be  
437 permitted. The interest rate of any one (1) interest coupon shall  
438 not exceed eight percent (8%) except that the interest rate of any  
439 one (1) coupon issued after March 31, 1981, shall not exceed seven  
440 percent (7%).

441           **SECTION 23.** Section 37-47-45, Mississippi Code of 1972, is  
442 brought forward as follows:

443           37-47-45. All bonds issued under the authority of this  
444 chapter shall mature annually. None of such bonds shall have a  
445 final maturity date of more than twenty (20) years from the date  
446 of the issuance thereof, and in no event shall the final maturity  
447 date of any such bonds be later than July 1, 2004. In issuing such



448 bonds, the state bond commission shall be authorized and empowered  
449 to provide maturities therefor in such amounts and at such times  
450 as the state bond commission shall deem appropriate, proper and  
451 feasible. No bonds shall be issued and sold under the provisions  
452 of this chapter for less than par and accrued interest.

453 **SECTION 24.** Section 37-47-47, Mississippi Code of 1972, is  
454 brought forward as follows:

455 37-47-47. All state school bonds issued under the provisions  
456 of this chapter shall be sold by the said state bond commission  
457 upon sealed competitive bids or proposals after advertisement  
458 therefor and publication of the notice of such sale in the manner  
459 provided by law.

460 The proceeds of the sale of all state school bonds shall be  
461 placed in the "State Public School Building Fund" and shall be  
462 expended only for the purposes authorized by this chapter.  
463 However, the premium, if any, received for any such bonds and the  
464 accrued interest paid thereon, if any, shall be placed in the  
465 sinking fund established for the payment of said bonds.

466 **SECTION 25.** Section 37-47-49, Mississippi Code of 1972, is  
467 brought forward as follows:

468 37-47-49. In anticipation of the issuance of any bonds  
469 authorized under the provisions of this chapter, the state bond  
470 commission may authorize and issue interim certificates payable to  
471 bearer or to the purchaser of the bonds. Such interim certificates  
472 may be in such form and may contain such terms, conditions, or



473 provisions and such agreement or agreements relative to their  
474 discharge, either through payment or through the delivery of the  
475 bonds, as the commission, by resolution or resolutions,  
476 determines.

477 Notwithstanding the foregoing provisions of this section,  
478 bonds referred to hereinabove may be issued pursuant to the  
479 supplemental powers and authorizations conferred by the provisions  
480 of the Registered Bond Act, being Sections 31-21-1 through  
481 31-21-7.

482 **SECTION 26.** Section 37-47-51, Mississippi Code of 1972, is  
483 brought forward as follows:

484 37-47-51. All bonds issued under the provisions of this  
485 chapter and all interim certificates issued under the provisions  
486 of this chapter, except those fully registered, shall be fully  
487 negotiable within the meaning and for all the purposes of the  
488 Uniform Commercial Code.

489 **SECTION 27.** Section 37-47-53, Mississippi Code of 1972, is  
490 brought forward as follows:

491 37-47-53. All bonds and interim certificates issued under  
492 the provisions of this chapter and all interest thereon and income  
493 therefrom shall be exempt from all taxation, except gift,  
494 transfer, and inheritance taxes.

495 **SECTION 28.** Section 37-47-55, Mississippi Code of 1972, is  
496 brought forward as follows:



497           37-47-55. The state treasurer shall keep a record in his  
498 office of the issuance of all bonds issued under the provisions of  
499 this chapter, and he shall execute a certificate to that effect on  
500 the back of each bond, which certificate may be signed by either  
501 the original or the facsimile signature of the state treasurer.  
502 The state treasurer shall also keep proper records relating to the  
503 sale and issuance of bonds under the provisions of this chapter,  
504 and the amounts received therefor and paid into the state treasury  
505 for the purposes provided in this chapter. He shall also keep a  
506 full and complete record of all registered bonds issued under the  
507 provisions of this chapter.

508           **SECTION 29.** Section 37-47-57, Mississippi Code of 1972, is  
509 brought forward as follows:

510           37-47-57. The state educational finance commission is hereby  
511 authorized and directed to pay, on approval of the governor, out  
512 of any funds derived from the issuance of state school bonds or  
513 otherwise in its hands and available for such purpose, any expense  
514 which may be incurred by the state bond commission or by the State  
515 of Mississippi or its officials in connection with the  
516 authorization and issuance of bonds and interim certificates under  
517 the provisions of this chapter, including the expense of preparing  
518 and delivering said bonds or interim certificates, legal fees, and  
519 all other expenses necessarily incurred in connection with the  
520 issuance, sale, and delivery of any such bonds and interim  
521 certificates.



522           **SECTION 30.** Section 37-47-59, Mississippi Code of 1972, is  
523 brought forward as follows:

524           37-47-59. All bonds issued under the authority of this  
525 chapter may, in the discretion of the state bond commission, be  
526 validated in the chancery court of Hinds County, Mississippi, in  
527 the manner and with the force and effect now or hereafter provided  
528 by Chapter 13, Title 31, of the Mississippi Code of 1972. In the  
529 event of such validation, the necessary papers shall be  
530 transmitted to the state bond attorney by the secretary of said  
531 state bond commission and the required notice shall be addressed  
532 to the taxpayers of the State of Mississippi and shall be  
533 published in a newspaper of general circulation published in the  
534 City of Jackson, Mississippi.

535           **SECTION 31.** Section 37-47-61, Mississippi Code of 1972, is  
536 brought forward as follows:

537           37-47-61. For the purpose of providing for the payment of  
538 the principal of and interest upon bonds issued under the  
539 provisions of this chapter according to the terms thereof, there  
540 shall be and there is hereby established in the state treasury a  
541 sinking fund for such payment. Said sinking fund shall consist of  
542 the premiums and accrued interest paid upon any such bonds so  
543 issued and of such other amount as shall be paid into such fund by  
544 appropriation or other authorization by the legislature. In cases  
545 where the loan or advance to a school district was made from the  
546 proceeds of bonds issued under the provisions of this chapter, the



547 state educational finance commission shall annually pay into said  
548 sinking fund the amounts of annual grants to which any school  
549 district is entitled and which are used for the repayment of the  
550 principal of and interest upon a loan or grant made to such school  
551 district under the authority of Section 37-47-25. However, where  
552 the loan or advance was made from accumulations in the state  
553 public school building fund the amounts of the annual grants to  
554 which the school districts are entitled which are used for the  
555 repayment of principal of and interest upon such loan or grant  
556 shall be paid into the state public school building fund and not  
557 into the bond and interest sinking fund.

558       **SECTION 32.** Section 37-47-63, Mississippi Code of 1972, is  
559 brought forward as follows:

560       37-47-63. In consideration of the acceptance and purchase of  
561 the bonds authorized under the provisions of this chapter, by  
562 those who shall hold the same from time to time, this chapter  
563 shall be deemed and shall constitute a contract between the State  
564 of Mississippi and such holders and shall be irrevocable until  
565 such time as all bonds and interim certificates issued under the  
566 provisions of this chapter shall have been fully paid.

567       **SECTION 33.** Section 37-47-65, Mississippi Code of 1972, is  
568 brought forward as follows:

569       37-47-65. Nothing in this chapter shall be construed to  
570 prohibit a school district from issuing its bonds, negotiable  
571 notes, or certificates of indebtedness for the purposes, in the



572 manner, to the extent, and subject to the limitations provided by  
573 Sections 37-59-1 through 37-59-45, or any other applicable  
574 sections, and the authority granted by this chapter shall be  
575 construed as being additional, supplemental, and cumulative  
576 thereto. The proceeds of the sale of any such bonds, negotiable  
577 notes, or certificates of indebtedness so issued by any such  
578 school district may be used for the purpose for which they were  
579 issued and may be expended in conjunction with funds provided by  
580 the state educational finance commission under the provisions of  
581 this chapter, or may be expended without such funds, if same be  
582 not available.

583       **SECTION 34.** Section 37-47-67, Mississippi Code of 1972, is  
584 brought forward as follows:

585       37-47-67. Any county board of education or board of trustees  
586 of any school district, including a municipal separate school  
587 district, which may be aggrieved by any final rule, regulation, or  
588 order of the state educational finance commission adopted under  
589 the provisions of this chapter shall have the right to appeal  
590 therefrom to the chancery court of the county in which the school  
591 district involved or any part thereof is located in like manner,  
592 within the same time, with like effect, and subject in all other  
593 respects to appeals from orders, rules, and regulations of the  
594 state educational finance commission as provided in Chapter 45 of  
595 this Title, the provisions of which are hereby made applicable in





596 all respects to appeals from orders, rules, and regulations of the  
597 commission under the provisions of this chapter.

598         **SECTION 35.** Section 27-65-75, Mississippi Code of 1972, is  
599 brought forward as follows:

600             27-65-75. On or before the fifteenth day of each month, the  
601 revenue collected under the provisions of this chapter during the  
602 preceding month shall be paid and distributed as follows:

603             (1) (a) On or before August 15, 1992, and each succeeding  
604 month thereafter through July 15, 1993, eighteen percent (18%) of  
605 the total sales tax revenue collected during the preceding month  
606 under the provisions of this chapter, except that collected under  
607 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
608 business activities within a municipal corporation shall be  
609 allocated for distribution to the municipality and paid to the  
610 municipal corporation. Except as otherwise provided in this  
611 paragraph (a), on or before August 15, 1993, and each succeeding  
612 month thereafter, eighteen and one-half percent (18-1/2%) of the  
613 total sales tax revenue collected during the preceding month under  
614 the provisions of this chapter, except that collected under the  
615 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
616 27-65-24, on business activities within a municipal corporation  
617 shall be allocated for distribution to the municipality and paid  
618 to the municipal corporation. However, in the event the State  
619 Auditor issues a certificate of noncompliance pursuant to Section  
620 21-35-31, the Department of Revenue shall withhold ten percent



621 (10%) of the allocations and payments to the municipality that  
622 would otherwise be payable to the municipality under this  
623 paragraph (a) until such time that the department receives written  
624 notice of the cancellation of a certificate of noncompliance from  
625 the State Auditor.

626 A municipal corporation, for the purpose of distributing the  
627 tax under this subsection, shall mean and include all incorporated  
628 cities, towns and villages.

629 Monies allocated for distribution and credited to a municipal  
630 corporation under this paragraph may be pledged as security for a  
631 loan if the distribution received by the municipal corporation is  
632 otherwise authorized or required by law to be pledged as security  
633 for such a loan.

634 In any county having a county seat that is not an  
635 incorporated municipality, the distribution provided under this  
636 subsection shall be made as though the county seat was an  
637 incorporated municipality; however, the distribution to the  
638 municipality shall be paid to the county treasury in which the  
639 municipality is located, and those funds shall be used for road,  
640 bridge and street construction or maintenance in the county.

641 (b) On or before August 15, 2006, and each succeeding  
642 month thereafter, eighteen and one-half percent (18-1/2%) of the  
643 total sales tax revenue collected during the preceding month under  
644 the provisions of this chapter, except that collected under the  
645 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on



646 business activities on the campus of a state institution of higher  
647 learning or community or junior college whose campus is not  
648 located within the corporate limits of a municipality, shall be  
649 allocated for distribution to the state institution of higher  
650 learning or community or junior college and paid to the state  
651 institution of higher learning or community or junior college.

652 (c) On or before August 15, 2018, and each succeeding  
653 month thereafter until August 14, 2019, two percent (2%) of the  
654 total sales tax revenue collected during the preceding month under  
655 the provisions of this chapter, except that collected under the  
656 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
657 27-65-24, on business activities within the corporate limits of  
658 the City of Jackson, Mississippi, shall be deposited into the  
659 Capitol Complex Improvement District Project Fund created in  
660 Section 29-5-215. On or before August 15, 2019, and each  
661 succeeding month thereafter until August 14, 2020, four percent  
662 (4%) of the total sales tax revenue collected during the preceding  
663 month under the provisions of this chapter, except that collected  
664 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
665 and 27-65-24, on business activities within the corporate limits  
666 of the City of Jackson, Mississippi, shall be deposited into the  
667 Capitol Complex Improvement District Project Fund created in  
668 Section 29-5-215. On or before August 15, 2020, and each  
669 succeeding month thereafter, six percent (6%) of the total sales  
670 tax revenue collected during the preceding month under the



671 provisions of this chapter, except that collected under the  
672 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
673 27-65-24, on business activities within the corporate limits of  
674 the City of Jackson, Mississippi, shall be deposited into the  
675 Capitol Complex Improvement District Project Fund created in  
676 Section 29-5-215.

677           (d) (i) On or before the fifteenth day of the month  
678 that the diversion authorized by this section begins, and each  
679 succeeding month thereafter, eighteen and one-half percent  
680 (18-1/2%) of the total sales tax revenue collected during the  
681 preceding month under the provisions of this chapter, except that  
682 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
683 and 27-65-21, on business activities within a redevelopment  
684 project area developed under a redevelopment plan adopted under  
685 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be  
686 allocated for distribution to the county in which the project area  
687 is located if:

- 688                           1. The county:
- 689                                 a. Borders on the Mississippi Sound and  
690 the State of Alabama, or
- 691                                 b. Is Harrison County, Mississippi, and  
692 the project area is within a radius of two (2) miles from the  
693 intersection of Interstate 10 and Menge Avenue;



694                   2. The county has issued bonds under Section  
695 21-45-9 to finance all or a portion of a redevelopment project in  
696 the redevelopment project area;

697                   3. Any debt service for the indebtedness  
698 incurred is outstanding; and

699                   4. A development with a value of Ten Million  
700 Dollars (\$10,000,000.00) or more is, or will be, located in the  
701 redevelopment area.

702                   (ii) Before any sales tax revenue may be allocated  
703 for distribution to a county under this paragraph, the county  
704 shall certify to the Department of Revenue that the requirements  
705 of this paragraph have been met, the amount of bonded indebtedness  
706 that has been incurred by the county for the redevelopment project  
707 and the expected date the indebtedness incurred by the county will  
708 be satisfied.

709                   (iii) The diversion of sales tax revenue  
710 authorized by this paragraph shall begin the month following the  
711 month in which the Department of Revenue determines that the  
712 requirements of this paragraph have been met. The diversion shall  
713 end the month the indebtedness incurred by the county is  
714 satisfied. All revenue received by the county under this  
715 paragraph shall be deposited in the fund required to be created in  
716 the tax increment financing plan under Section 21-45-11 and be  
717 utilized solely to satisfy the indebtedness incurred by the  
718 county.



719           (2) On or before September 15, 1987, and each succeeding  
720 month thereafter, from the revenue collected under this chapter  
721 during the preceding month, One Million One Hundred Twenty-five  
722 Thousand Dollars (\$1,125,000.00) shall be allocated for  
723 distribution to municipal corporations as defined under subsection  
724 (1) of this section in the proportion that the number of gallons  
725 of gasoline and diesel fuel sold by distributors to consumers and  
726 retailers in each such municipality during the preceding fiscal  
727 year bears to the total gallons of gasoline and diesel fuel sold  
728 by distributors to consumers and retailers in municipalities  
729 statewide during the preceding fiscal year. The Department of  
730 Revenue shall require all distributors of gasoline and diesel fuel  
731 to report to the department monthly the total number of gallons of  
732 gasoline and diesel fuel sold by them to consumers and retailers  
733 in each municipality during the preceding month. The Department  
734 of Revenue shall have the authority to promulgate such rules and  
735 regulations as is necessary to determine the number of gallons of  
736 gasoline and diesel fuel sold by distributors to consumers and  
737 retailers in each municipality. In determining the percentage  
738 allocation of funds under this subsection for the fiscal year  
739 beginning July 1, 1987, and ending June 30, 1988, the Department  
740 of Revenue may consider gallons of gasoline and diesel fuel sold  
741 for a period of less than one (1) fiscal year. For the purposes  
742 of this subsection, the term "fiscal year" means the fiscal year  
743 beginning July 1 of a year.



744 (3) On or before September 15, 1987, and on or before the  
745 fifteenth day of each succeeding month, until the date specified  
746 in Section 65-39-35, the proceeds derived from contractors' taxes  
747 levied under Section 27-65-21 on contracts for the construction or  
748 reconstruction of highways designated under the highway program  
749 created under Section 65-3-97 shall, except as otherwise provided  
750 in Section 31-17-127, be deposited into the State Treasury to the  
751 credit of the State Highway Fund to be used to fund that highway  
752 program. The Mississippi Department of Transportation shall  
753 provide to the Department of Revenue such information as is  
754 necessary to determine the amount of proceeds to be distributed  
755 under this subsection.

756 (4) On or before August 15, 1994, and on or before the  
757 fifteenth day of each succeeding month through July 15, 1999, from  
758 the proceeds of gasoline, diesel fuel or kerosene taxes as  
759 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
760 (\$4,000,000.00) shall be deposited in the State Treasury to the  
761 credit of a special fund designated as the "State Aid Road Fund,"  
762 created by Section 65-9-17. On or before August 15, 1999, and on  
763 or before the fifteenth day of each succeeding month, from the  
764 total amount of the proceeds of gasoline, diesel fuel or kerosene  
765 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million  
766 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
767 one-fourth percent (23-1/4%) of those funds, whichever is the  
768 greater amount, shall be deposited in the State Treasury to the



769 credit of the "State Aid Road Fund," created by Section 65-9-17.  
770 Those funds shall be pledged to pay the principal of and interest  
771 on state aid road bonds heretofore issued under Sections 19-9-51  
772 through 19-9-77, in lieu of and in substitution for the funds  
773 previously allocated to counties under this section. Those funds  
774 may not be pledged for the payment of any state aid road bonds  
775 issued after April 1, 1981; however, this prohibition against the  
776 pledging of any such funds for the payment of bonds shall not  
777 apply to any bonds for which intent to issue those bonds has been  
778 published for the first time, as provided by law before March 29,  
779 1981. From the amount of taxes paid into the special fund under  
780 this subsection and subsection (9) of this section, there shall be  
781 first deducted and paid the amount necessary to pay the expenses  
782 of the Office of State Aid Road Construction, as authorized by the  
783 Legislature for all other general and special fund agencies. The  
784 remainder of the fund shall be allocated monthly to the several  
785 counties in accordance with the following formula:

786 (a) One-third (1/3) shall be allocated to all counties  
787 in equal shares;

788 (b) One-third (1/3) shall be allocated to counties  
789 based on the proportion that the total number of rural road miles  
790 in a county bears to the total number of rural road miles in all  
791 counties of the state; and

792 (c) One-third (1/3) shall be allocated to counties  
793 based on the proportion that the rural population of the county





794 bears to the total rural population in all counties of the state,  
795 according to the latest federal decennial census.

796 For the purposes of this subsection, the term "gasoline,  
797 diesel fuel or kerosene taxes" means such taxes as defined in  
798 paragraph (f) of Section 27-5-101.

799 The amount of funds allocated to any county under this  
800 subsection for any fiscal year after fiscal year 1994 shall not be  
801 less than the amount allocated to the county for fiscal year 1994.

802 Any reference in the general laws of this state or the  
803 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
804 construed to refer and apply to subsection (4) of Section  
805 27-65-75.

806 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
807 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
808 the special fund known as the "State Public School Building Fund"  
809 created and existing under the provisions of Sections 37-47-1  
810 through 37-47-67. Those payments into that fund are to be made on  
811 the last day of each succeeding month hereafter.

812 (6) An amount each month beginning August 15, 1983, through  
813 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
814 1983, shall be paid into the special fund known as the  
815 Correctional Facilities Construction Fund created in Section 6,  
816 Chapter 542, Laws of 1983.

817 (7) On or before August 15, 1992, and each succeeding month  
818 thereafter through July 15, 2000, two and two hundred sixty-six



819 one-thousandths percent (2.266%) of the total sales tax revenue  
820 collected during the preceding month under the provisions of this  
821 chapter, except that collected under the provisions of Section  
822 27-65-17(2), shall be deposited by the department into the School  
823 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
824 or before August 15, 2000, and each succeeding month thereafter,  
825 two and two hundred sixty-six one-thousandths percent (2.266%) of  
826 the total sales tax revenue collected during the preceding month  
827 under the provisions of this chapter, except that collected under  
828 the provisions of Section 27-65-17(2), shall be deposited into the  
829 School Ad Valorem Tax Reduction Fund created under Section  
830 37-61-35 until such time that the total amount deposited into the  
831 fund during a fiscal year equals Forty-two Million Dollars  
832 (\$42,000,000.00). Thereafter, the amounts diverted under this  
833 subsection (7) during the fiscal year in excess of Forty-two  
834 Million Dollars (\$42,000,000.00) shall be deposited into the  
835 Education Enhancement Fund created under Section 37-61-33 for  
836 appropriation by the Legislature as other education needs and  
837 shall not be subject to the percentage appropriation requirements  
838 set forth in Section 37-61-33.

839 (8) On or before August 15, 1992, and each succeeding month  
840 thereafter, nine and seventy-three one-thousandths percent  
841 (9.073%) of the total sales tax revenue collected during the  
842 preceding month under the provisions of this chapter, except that  
843 collected under the provisions of Section 27-65-17(2), shall be



844 deposited into the Education Enhancement Fund created under  
845 Section 37-61-33.

846 (9) On or before August 15, 1994, and each succeeding month  
847 thereafter, from the revenue collected under this chapter during  
848 the preceding month, Two Hundred Fifty Thousand Dollars  
849 (\$250,000.00) shall be paid into the State Aid Road Fund.

850 (10) On or before August 15, 1994, and each succeeding month  
851 thereafter through August 15, 1995, from the revenue collected  
852 under this chapter during the preceding month, Two Million Dollars  
853 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
854 Valorem Tax Reduction Fund established in Section 27-51-105.

855 (11) Notwithstanding any other provision of this section to  
856 the contrary, on or before February 15, 1995, and each succeeding  
857 month thereafter, the sales tax revenue collected during the  
858 preceding month under the provisions of Section 27-65-17(2) and  
859 the corresponding levy in Section 27-65-23 on the rental or lease  
860 of private carriers of passengers and light carriers of property  
861 as defined in Section 27-51-101 shall be deposited, without  
862 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
863 established in Section 27-51-105.

864 (12) Notwithstanding any other provision of this section to  
865 the contrary, on or before August 15, 1995, and each succeeding  
866 month thereafter, the sales tax revenue collected during the  
867 preceding month under the provisions of Section 27-65-17(1) on  
868 retail sales of private carriers of passengers and light carriers



869 of property, as defined in Section 27-51-101 and the corresponding  
870 levy in Section 27-65-23 on the rental or lease of these vehicles,  
871 shall be deposited, after diversion, into the Motor Vehicle Ad  
872 Valorem Tax Reduction Fund established in Section 27-51-105.

873 (13) On or before July 15, 1994, and on or before the  
874 fifteenth day of each succeeding month thereafter, that portion of  
875 the avails of the tax imposed in Section 27-65-22 that is derived  
876 from activities held on the Mississippi State Fairgrounds Complex  
877 shall be paid into a special fund that is created in the State  
878 Treasury and shall be expended upon legislative appropriation  
879 solely to defray the costs of repairs and renovation at the Trade  
880 Mart and Coliseum.

881 (14) On or before August 15, 1998, and each succeeding month  
882 thereafter through July 15, 2005, that portion of the avails of  
883 the tax imposed in Section 27-65-23 that is derived from sales by  
884 cotton compresses or cotton warehouses and that would otherwise be  
885 paid into the General Fund shall be deposited in an amount not to  
886 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
887 created under Section 69-37-39. On or before August 15, 2007, and  
888 each succeeding month thereafter through July 15, 2010, that  
889 portion of the avails of the tax imposed in Section 27-65-23 that  
890 is derived from sales by cotton compresses or cotton warehouses  
891 and that would otherwise be paid into the General Fund shall be  
892 deposited in an amount not to exceed Two Million Dollars  
893 (\$2,000,000.00) into the special fund created under Section



894 69-37-39 until all debts or other obligations incurred by the  
895 Certified Cotton Growers Organization under the Mississippi Boll  
896 Weevil Management Act before January 1, 2007, are satisfied in  
897 full. On or before August 15, 2010, and each succeeding month  
898 thereafter through July 15, 2011, fifty percent (50%) of that  
899 portion of the avails of the tax imposed in Section 27-65-23 that  
900 is derived from sales by cotton compresses or cotton warehouses  
901 and that would otherwise be paid into the General Fund shall be  
902 deposited into the special fund created under Section 69-37-39  
903 until such time that the total amount deposited into the fund  
904 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
905 On or before August 15, 2011, and each succeeding month  
906 thereafter, that portion of the avails of the tax imposed in  
907 Section 27-65-23 that is derived from sales by cotton compresses  
908 or cotton warehouses and that would otherwise be paid into the  
909 General Fund shall be deposited into the special fund created  
910 under Section 69-37-39 until such time that the total amount  
911 deposited into the fund during a fiscal year equals One Million  
912 Dollars (\$1,000,000.00).

913 (15) Notwithstanding any other provision of this section to  
914 the contrary, on or before September 15, 2000, and each succeeding  
915 month thereafter, the sales tax revenue collected during the  
916 preceding month under the provisions of Section  
917 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,



918 without diversion, into the Telecommunications Ad Valorem Tax  
919 Reduction Fund established in Section 27-38-7.

920 (16) (a) On or before August 15, 2000, and each succeeding  
921 month thereafter, the sales tax revenue collected during the  
922 preceding month under the provisions of this chapter on the gross  
923 proceeds of sales of a project as defined in Section 57-30-1 shall  
924 be deposited, after all diversions except the diversion provided  
925 for in subsection (1) of this section, into the Sales Tax  
926 Incentive Fund created in Section 57-30-3.

927 (b) On or before August 15, 2007, and each succeeding  
928 month thereafter, eighty percent (80%) of the sales tax revenue  
929 collected during the preceding month under the provisions of this  
930 chapter from the operation of a tourism project under the  
931 provisions of Sections 57-26-1 through 57-26-5, shall be  
932 deposited, after the diversions required in subsections (7) and  
933 (8) of this section, into the Tourism Project Sales Tax Incentive  
934 Fund created in Section 57-26-3.

935 (17) Notwithstanding any other provision of this section to  
936 the contrary, on or before April 15, 2002, and each succeeding  
937 month thereafter, the sales tax revenue collected during the  
938 preceding month under Section 27-65-23 on sales of parking  
939 services of parking garages and lots at airports shall be  
940 deposited, without diversion, into the special fund created under  
941 Section 27-5-101(d).

942 (18) [Repealed]



943           (19) (a) On or before August 15, 2005, and each succeeding  
944 month thereafter, the sales tax revenue collected during the  
945 preceding month under the provisions of this chapter on the gross  
946 proceeds of sales of a business enterprise located within a  
947 redevelopment project area under the provisions of Sections  
948 57-91-1 through 57-91-11, and the revenue collected on the gross  
949 proceeds of sales from sales made to a business enterprise located  
950 in a redevelopment project area under the provisions of Sections  
951 57-91-1 through 57-91-11 (provided that such sales made to a  
952 business enterprise are made on the premises of the business  
953 enterprise), shall, except as otherwise provided in this  
954 subsection (19), be deposited, after all diversions, into the  
955 Redevelopment Project Incentive Fund as created in Section  
956 57-91-9.

957           (b) For a municipality participating in the Economic  
958 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
959 the diversion provided for in subsection (1) of this section  
960 attributable to the gross proceeds of sales of a business  
961 enterprise located within a redevelopment project area under the  
962 provisions of Sections 57-91-1 through 57-91-11, and attributable  
963 to the gross proceeds of sales from sales made to a business  
964 enterprise located in a redevelopment project area under the  
965 provisions of Sections 57-91-1 through 57-91-11 (provided that  
966 such sales made to a business enterprise are made on the premises  
967 of the business enterprise), shall be deposited into the



968 Redevelopment Project Incentive Fund as created in Section  
969 57-91-9, as follows:

970 (i) For the first six (6) years in which payments  
971 are made to a developer from the Redevelopment Project Incentive  
972 Fund, one hundred percent (100%) of the diversion shall be  
973 deposited into the fund;

974 (ii) For the seventh year in which such payments  
975 are made to a developer from the Redevelopment Project Incentive  
976 Fund, eighty percent (80%) of the diversion shall be deposited  
977 into the fund;

978 (iii) For the eighth year in which such payments  
979 are made to a developer from the Redevelopment Project Incentive  
980 Fund, seventy percent (70%) of the diversion shall be deposited  
981 into the fund;

982 (iv) For the ninth year in which such payments are  
983 made to a developer from the Redevelopment Project Incentive Fund,  
984 sixty percent (60%) of the diversion shall be deposited into the  
985 fund; and

986 (v) For the tenth year in which such payments are  
987 made to a developer from the Redevelopment Project Incentive Fund,  
988 fifty percent (50%) of the funds shall be deposited into the fund.

989 (20) On or before January 15, 2007, and each succeeding  
990 month thereafter, eighty percent (80%) of the sales tax revenue  
991 collected during the preceding month under the provisions of this  
992 chapter from the operation of a tourism project under the





993 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,  
994 after the diversions required in subsections (7) and (8) of this  
995 section, into the Tourism Sales Tax Incentive Fund created in  
996 Section 57-28-3.

997         (21) (a) On or before April 15, 2007, and each succeeding  
998 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
999 Dollars (\$150,000.00) of the sales tax revenue collected during  
1000 the preceding month under the provisions of this chapter shall be  
1001 deposited into the MMEIA Tax Incentive Fund created in Section  
1002 57-101-3.

1003         (b) On or before July 15, 2013, and each succeeding  
1004 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)  
1005 of the sales tax revenue collected during the preceding month  
1006 under the provisions of this chapter shall be deposited into the  
1007 Mississippi Development Authority Job Training Grant Fund created  
1008 in Section 57-1-451.

1009         (22) Notwithstanding any other provision of this section to  
1010 the contrary, on or before August 15, 2009, and each succeeding  
1011 month thereafter, the sales tax revenue collected during the  
1012 preceding month under the provisions of Section 27-65-201 shall be  
1013 deposited, without diversion, into the Motor Vehicle Ad Valorem  
1014 Tax Reduction Fund established in Section 27-51-105.

1015         (23) (a) On or before August 15, 2019, and each month  
1016 thereafter through July 15, 2020, one percent (1%) of the total  
1017 sales tax revenue collected during the preceding month from



1018 restaurants and hotels shall be allocated for distribution to the  
1019 Mississippi Development Authority Tourism Advertising Fund  
1020 established under Section 57-1-64, to be used exclusively for the  
1021 purpose stated therein. On or before August 15, 2020, and each  
1022 month thereafter through July 15, 2021, two percent (2%) of the  
1023 total sales tax revenue collected during the preceding month from  
1024 restaurants and hotels shall be allocated for distribution to the  
1025 Mississippi Development Authority Tourism Advertising Fund  
1026 established under Section 57-1-64, to be used exclusively for the  
1027 purpose stated therein. On or before August 15, 2021, and each  
1028 month thereafter, three percent (3%) of the total sales tax  
1029 revenue collected during the preceding month from restaurants and  
1030 hotels shall be allocated for distribution to the Mississippi  
1031 Development Authority Tourism Advertising Fund established under  
1032 Section 57-1-64, to be used exclusively for the purpose stated  
1033 therein. The revenue diverted pursuant to this subsection shall  
1034 not be available for expenditure until February 1, 2020.

1035 (b) The Joint Legislative Committee on Performance  
1036 Evaluation and Expenditure Review (PEER) must provide an annual  
1037 report to the Legislature indicating the amount of funds deposited  
1038 into the Mississippi Development Authority Tourism Advertising  
1039 Fund established under Section 57-1-64, and a detailed record of  
1040 how the funds are spent.



1041 (24) The remainder of the amounts collected under the  
1042 provisions of this chapter shall be paid into the State Treasury  
1043 to the credit of the General Fund.

1044 (25) (a) It shall be the duty of the municipal officials of  
1045 any municipality that expands its limits, or of any community that  
1046 incorporates as a municipality, to notify the commissioner of that  
1047 action thirty (30) days before the effective date. Failure to so  
1048 notify the commissioner shall cause the municipality to forfeit  
1049 the revenue that it would have been entitled to receive during  
1050 this period of time when the commissioner had no knowledge of the  
1051 action.

1052 (b) (i) Except as otherwise provided in subparagraph  
1053 (ii) of this paragraph, if any funds have been erroneously  
1054 disbursed to any municipality or any overpayment of tax is  
1055 recovered by the taxpayer, the commissioner may make correction  
1056 and adjust the error or overpayment with the municipality by  
1057 withholding the necessary funds from any later payment to be made  
1058 to the municipality.

1059 (ii) Subject to the provisions of Sections  
1060 27-65-51 and 27-65-53, if any funds have been erroneously  
1061 disbursed to a municipality under subsection (1) of this section  
1062 for a period of three (3) years or more, the maximum amount that  
1063 may be recovered or withheld from the municipality is the total  
1064 amount of funds erroneously disbursed for a period of three (3)  
1065 years beginning with the date of the first erroneous disbursement.



1066 However, if during such period, a municipality provides written  
1067 notice to the Department of Revenue indicating the erroneous  
1068 disbursement of funds, then the maximum amount that may be  
1069 recovered or withheld from the municipality is the total amount of  
1070 funds erroneously disbursed for a period of one (1) year beginning  
1071 with the date of the first erroneous disbursement.

1072         **SECTION 36.** Section 37-7-401, Mississippi Code of 1972, is  
1073 brought forward as follows:

1074         37-7-401. In all cases where the same shall be necessary,  
1075 advantageous or desirable from the standpoint of transportation,  
1076 the efficiency of operating schools, or other pertinent  
1077 considerations, any school district which has been reconstituted,  
1078 reorganized or created under the provisions of Article 1 of this  
1079 chapter may, with the prior consent and approval of the State  
1080 Board of Education, acquire land outside of the boundaries of said  
1081 school district and thereon construct, erect and equip any needed  
1082 school building or other school facility of such school district.  
1083 Any available state public school building funds, or any available  
1084 funds derived from bonds issued by the school district for such  
1085 purpose, or any other funds which are available to said school  
1086 district for such purpose, may be expended for the construction,  
1087 erecting and equipping of such a school building or school  
1088 facility, all, however, subject to the prior consent and approval  
1089 of the State Board of Education. Any school building or school  
1090 facility so constructed outside of the boundaries of the school



1091 district owning same shall be operated, managed and supervised by  
1092 the school board of the school district owning same in the same  
1093 manner as though the building or facility were located within the  
1094 school district, and all the laws of this state concerning the  
1095 operation of schools shall be fully applicable thereto, and the  
1096 school board shall have the power to specify the grades which  
1097 shall be taught therein.

1098         **SECTION 37.** Section 37-7-409, Mississippi Code of 1972, is  
1099 brought forward as follows:

1100         37-7-409. (1) When any school districts shall be authorized  
1101 to unite, join and cooperate in the construction, erecting and  
1102 equipping of a joint school building or school facility or in the  
1103 joint operation of a school erected, constructed and equipped  
1104 entirely by one of such districts, any school district so  
1105 authorized may, with the prior consent and approval of the State  
1106 Board of Education, expend in the construction, erecting and  
1107 equipping of such joint school building or the school building  
1108 which is to be jointly operated any available state public school  
1109 building funds, or any available funds derived from bonds issued  
1110 by such school district for such purpose, or any other funds which  
1111 are otherwise available to such school district for such purpose,  
1112 as is set forth and stipulated in the agreement entered into  
1113 between the school districts involved. Except as is herein  
1114 specifically provided all provisions of law relative to the  
1115 construction, erecting and equipping of school buildings, the



1116 acquisition of land therefor, and the expenditure of funds for  
1117 such purposes, shall be fully applicable to any joint school  
1118 building which has been or is to be constructed, erected and  
1119 equipped or which is to be operated jointly pursuant to an  
1120 agreement entered into under the provisions of Section 37-7-405.

1121 (2) When a contract is made and entered into for the  
1122 construction, erecting and equipping of joint school facilities or  
1123 the joint operation of school facilities erected, constructed and  
1124 equipped entirely by one of such districts, as provided in Section  
1125 37-7-405, and where such contract has been approved by the State  
1126 Board of Education, then any funds which are available for the  
1127 lawful operating and incidental expenses of a school district may  
1128 be expended by such school district as provided and stipulated in  
1129 the agreement entered into between the school districts involved  
1130 (including, but not limited to, funds for payment of tuition,  
1131 funds payable as a rental upon the use of the building and  
1132 equipment, and funds for maintenance and incidental costs of  
1133 operation). The levying authority for the school district, as  
1134 defined in Section 37-57-1, upon receipt of a certified copy of an  
1135 order adopted by the school board of the school district in the  
1136 county requesting same, shall at the same time and in the same  
1137 manner as other ad valorem taxes are levied, levy an annual tax in  
1138 the amount fixed in such order as may be required to meet any  
1139 monetary obligation incurred under such contract. Notwithstanding  
1140 any statute to the contrary, such number of mills as is necessary



1141 to defray any such contractual obligation shall be levied.  
1142 However, this provision shall in no way be construed to increase  
1143 the number of mills now reimbursable under the homestead exemption  
1144 laws of the State of Mississippi.

1145 (3) Before levying any taxes under the provisions of this  
1146 section, which levy would exceed the limitations otherwise  
1147 provided for school purposes, the levying authority for the school  
1148 district, as defined in Section 37-57-1, shall adopt a resolution  
1149 declaring its intention so to do, stating the amount of millage to  
1150 be levied and the purpose for which the proceeds are to be used,  
1151 and the date upon which it proposes to make such levy. Such  
1152 resolution shall be published once a week for not less than three  
1153 (3) consecutive weeks, in at least one (1) newspaper having  
1154 general circulation in the school district. The first publication  
1155 of such resolution shall be made not less than twenty-one (21)  
1156 days prior to the date fixed in such resolution for the levying of  
1157 taxes, and the last publication shall be made not more than seven  
1158 (7) days prior to such date. If within fifteen (15) days after  
1159 the final publication of said resolution, a petition signed by the  
1160 lesser of fifteen hundred (1500) or twenty percent (20%) of the  
1161 qualified electors of said school district, requesting an election  
1162 on the proposition of levying such additional taxes for school  
1163 purposes is filed with the clerk of the board of supervisors or  
1164 the clerk of the municipality, as the case may be, such levy shall  
1165 not be made until an election shall be held to determine whether



1166 or not three-fifths (3/5) of qualified electors of said school  
1167 district shall favor the additional levy for school purposes. If  
1168 three-fifths (3/5) of the qualified electors of said school  
1169 district voting in such election approves the levying of the  
1170 additional taxes, then the levy shall be made within the manner,  
1171 form and time as required by law. If no such petition is filed  
1172 with the clerk as herein provided, then said levy shall be made by  
1173 the levying authority in the manner, form and time as required by  
1174 law. If any election is held under the provisions of this  
1175 section, said election shall be under the supervision of the  
1176 county or municipal election commission, as the case may be, in  
1177 the manner, form and time as required by law for conducting  
1178 general elections in this state.

1179       **SECTION 38.** Section 37-27-55, Mississippi Code of 1972, is  
1180 brought forward as follows:

1181       37-27-55. When any pupils shall attend any agricultural high  
1182 school or junior college under the provisions of Section 37-27-51,  
1183 such pupils shall be reported and accounted for the allocation of  
1184 minimum education program funds and building funds just as though  
1185 such pupils were attending the regular schools of the district in  
1186 which they reside. For this purpose reports shall be made to the  
1187 board of trustees of the school district involved by the  
1188 agricultural high school or junior college of the number of  
1189 children in average daily attendance, and the average daily  
1190 attendance of such pupils shall thereupon be included in reports





1191 made to the county or school district under the provisions of  
1192 Chapters 19 and 47 of this title. The allocation of minimum  
1193 education program funds and state public school building funds  
1194 shall be made for such children just as though such children were  
1195 attending the regular schools of the district. However, all  
1196 minimum education program funds which accrue to any district as a  
1197 result of the pupils who are in attendance at such agricultural  
1198 high school or junior college, except amounts allotted for  
1199 transportation purposes, shall be paid by the board of trustees of  
1200 the municipal separate school district or the county board of  
1201 education, as the case may be, to the agricultural high school or  
1202 junior college at which the pupils are in attendance, and shall be  
1203 expended by said agricultural high school or junior college for  
1204 the instruction of said pupils and for the purposes for which the  
1205 funds were originally allotted. Funds allotted to the school  
1206 district for building purposes under Chapter 47 of this title,  
1207 shall, however, be retained by the school district entitled  
1208 thereto. The term "school district" as used in Sections 37-27-51  
1209 through 37-27-59 shall be defined as including all public school  
1210 districts in this state and also all agricultural high schools not  
1211 located on the campus of a junior college.

1212       **SECTION 39.** Section 37-131-7, Mississippi Code of 1972, is  
1213 brought forward as follows:

1214       37-131-7. When any pupils shall attend any demonstration or  
1215 practice school under the provisions of Section 37-131-3, such



1216 children shall be reported and accounted for the allocation of  
1217 minimum education program funds and state public school building  
1218 funds just as though such children were attending the regular  
1219 schools of the district in which they reside. For this purpose,  
1220 reports shall be made to the school district involved by the  
1221 demonstration or practice school of the number of pupils in  
1222 average daily attendance, and the average daily attendance of such  
1223 children shall thereupon be included in reports made to the State  
1224 Board of Education and the State Educational Finance Commission by  
1225 the county or school district under the provisions of Chapters 19  
1226 and 47 of this title.

1227 Allocation of minimum education program funds shall be made  
1228 by the State Board of Education for such children just as though  
1229 such children were attending the regular schools of the district.  
1230 All minimum education program funds, except funds allocated for  
1231 transportation costs, which accrue to any district as a result of  
1232 such children who are in attendance at a demonstration or practice  
1233 school shall be paid by the board of trustees of the municipal  
1234 separate school district or by the county board of education to  
1235 the demonstration or practice school, and shall be used to defray  
1236 the cost and expense of maintaining, operating and conducting such  
1237 demonstration or practice school.

1238 All state public school building funds which accrue as a  
1239 result of such children in attendance at a demonstration or  
1240 practice school shall be credited directly to such demonstration



1241 or practice school, and all of the provisions of Chapter 47 of  
1242 this title shall be fully applicable thereto.

1243           **SECTION 40.** This act shall take effect and be in force from  
1244 and after July 1, 2022, and shall stand repealed on June 30, 2022.

