

By: Senator(s) DeBar, Horhn, Jordan,  
McMahan, Blackwell, Butler (36th), Jackson  
(11th), McLendon, Seymour, Simmons (12th),  
Simmons (13th), Thomas

To: Education;  
Appropriations

SENATE BILL NO. 2430  
(As Sent to Governor)

1 AN ACT TO CREATE THE EDUCATIONAL FACILITIES REVOLVING LOAN  
2 FUND PROGRAM FOR THE PURPOSE OF IMPROVING EDUCATIONAL FACILITIES  
3 IN THE STATE; TO CREATE THE EDUCATIONAL FACILITIES REVOLVING LOAN  
4 FUND IN THE STATE TREASURY; TO AUTHORIZE PUBLIC SCHOOL DISTRICTS  
5 TO SUBMIT APPLICATIONS TO THE DEPARTMENT OF EDUCATION FOR LOANS  
6 FROM THE FUND; TO DESIGNATE THE PURPOSES FOR WHICH LOANS MAY BE  
7 USED AND THE PERCENTAGE OF THE REVOLVING LOAN FUND TO BE MADE  
8 AVAILABLE FOR LOANS TO DIFFERENT EDUCATIONAL INSTITUTIONS; TO  
9 PROVIDE THAT ALL AMOUNTS REMAINING IN THE STATE PUBLIC SCHOOL  
10 BUILDING FUND AS OF JULY 1, 2022, SHALL BE TRANSFERRED TO THE  
11 EDUCATIONAL FACILITIES REVOLVING LOAN FUND; TO SET CERTAIN MAXIMUM  
12 LOAN AMOUNTS PER DISTRICT AND PER PROJECT; TO REQUIRE LOANS MADE  
13 TO PUBLIC ENTITIES TO BE INTEREST FREE; TO REQUIRE LOANS TO BE  
14 REPAYED IN NO MORE THAN TEN YEARS; TO REQUIRE THE STATE DEPARTMENT  
15 OF EDUCATION TO PROMULGATE RULES FOR PUBLIC EDUCATIONAL ENTITIES  
16 PARTICIPATING IN THE PROGRAM; TO ALLOW SCHOOLS TO USE FUNDS FROM  
17 THE PROGRAM TO PAY INDEBTEDNESS FROM BONDS OR OTHER NOTES USED FOR  
18 CAPITAL IMPROVEMENT IF CERTAIN REQUIREMENTS ARE MET; TO AMEND  
19 SECTION 27-65-75, MISSISSIPPI CODE OF 1972, TO CHANGE THE  
20 ALLOCATION THAT WAS DIVERTED TO THE STATE PUBLIC SCHOOL BUILDING  
21 FUND TO BE ALLOCATED TO THE EDUCATIONAL FACILITIES REVOLVING LOAN  
22 FUND; TO AMEND SECTION 37-47-7, MISSISSIPPI CODE OF 1972, TO  
23 REQUIRE THE STATE FISCAL OFFICER TO TRANSFER ALL AMOUNTS REMAINING  
24 IN THE STATE PUBLIC SCHOOL BUILDING FUND AS OF JULY 1, 2022, TO  
25 THE EDUCATIONAL FACILITIES REVOLVING LOAN FUND; TO AMEND SECTIONS  
26 37-47-11, 37-47-13, 37-47-15, 37-47-17, 37-47-19, 37-47-21,  
27 37-47-23 AND 37-47-29, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR  
28 THE STATE PUBLIC SCHOOL BUILDING FUND AND ITS ADMINISTRATION, TO  
29 STAND REPEALED ON JULY 1, 2023; AND FOR RELATED PURPOSES.

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



31           SECTION 1. (1) There is established the Educational  
32 Facilities Revolving Loan Fund Program to be administered by the  
33 State Department of Education for the purpose of improving  
34 educational facilities in the State of Mississippi by assisting  
35 public schools in procuring funds for making certain capital  
36 improvements.

37           (2) There is created a special fund in the State Treasury  
38 designated as the "Educational Facilities Revolving Loan Fund,"  
39 which shall consist of monies transferred from the State Public  
40 School Building Fund and other monies that the Legislature may  
41 make available. The revolving loan fund must be maintained in  
42 perpetuity for the purposes established in this section.  
43 Unexpended amounts remaining in the fund at the end of a fiscal  
44 year may not lapse into the State General Fund. Payments on the  
45 principal of and, when applicable, interest on loans procured from  
46 the fund and any interest earned on amounts in the fund must be  
47 deposited to the credit of the fund. Monies in the Educational  
48 Facilities Revolving Loan Fund may not be used or expended for any  
49 purpose except as authorized under this section.

50           (3) Of the funds deposited into the Educational Facilities  
51 Revolving Loan Fund, up to ninety-five percent (95%) must be made  
52 available for the purpose of making interest-free loans to  
53 qualified public school districts. The State Department of  
54 Education shall accept requests for loans under this subsection  
55 for the following purposes:



56 (a) Repairs and renovations to existing school  
57 buildings and related facilities used in the operation of the  
58 schools of a public school district;

59 (b) Construction of new facilities or repairs and  
60 renovations to existing school facilities for the purpose of  
61 establishing, improving or expanding prekindergarten programs in a  
62 public school district; and

63 (c) Construction of new career and technical education  
64 facilities or repairs and renovations to existing school  
65 facilities for the purpose of upgrading or expanding a school  
66 district's career and technical education program.

67 (4) An educational entity that receives a loan from the  
68 Educational Facilities Revolving Loan Fund shall not use the funds  
69 for athletic facilities.

70 (5) Each fiscal year, the State Department of Education may  
71 set aside an amount not to exceed three percent (3%) of the  
72 balance of the Educational Facilities Revolving Loan Fund to cover  
73 the administrative and fiscal management costs associated with the  
74 fund.

75 (6) The State Department of Education shall accept and make  
76 determinations on applications for loans and shall disburse funds  
77 and receive repayments on approved loans. Before October 1, 2022,  
78 the department shall establish rules and regulations for the  
79 implementation and administration of the revolving loan program.



80 The rules and regulations must include, at a minimum, provisions  
81 addressing the following:

82 (a) An application process by which public school  
83 districts may request a loan from the Educational Facilities  
84 Revolving Loan Fund, including the deadline by which the  
85 department must receive applications;

86 (b) The factors to be considered by the State  
87 Department of Education in determining whether an educational  
88 entity will be awarded the full or a partial amount of a loan  
89 requested. The maximum total amount of outstanding loans an  
90 applicant may receive in a fiscal year shall be limited to One  
91 Million Dollars (\$1,000,000.00). The maximum total amount of a  
92 loan an applicant may receive for a single project shall not  
93 exceed One Million Dollars (\$1,000,000.00) per fiscal year. A  
94 loan may not exceed one hundred percent (100%) of the cost of the  
95 project for which the loan is requested;

96 (c) The rates of interest on loans and terms of  
97 repayment. Approved loans under this program must be interest  
98 free and payable over a term of no more than ten (10) years  
99 commencing on the date the loan is received;

100 (d) A process by which the department determines if an  
101 entity receiving a loan is required to pledge monies for the  
102 repayment of the loan and sources of revenue that are acceptable  
103 whenever the department requires a pledge, which, for a school



104 district receiving a loan, may not include Adequate Education  
105 Program funds;

106 (e) The actions that may be taken if an entity is in  
107 arrears on loan repayments, which may include, in the case of a  
108 school district, the withholding of future payments of Adequate  
109 Education Program funds to the district, the withholding of state  
110 funds due to the school or district;

111 (f) Applicants demonstrating emergency or other  
112 critical infrastructure needs, as defined by the State Department  
113 of Education, shall receive first priority in receiving loans from  
114 the fund; and

115 (g) All other matters that the State Department of  
116 Education determines are necessary to establish and maintain the  
117 Educational Facilities Revolving Loan Fund Program as an  
118 accessible and perpetual source of funding for making facility  
119 improvements at all levels of education in the state.

120 (7) School districts may use funds from the Educational  
121 Facilities Revolving Loan Fund Program to pay the principal and  
122 interest of school district indebtedness represented by bonds or  
123 notes issued after July 1, 2017, but before July 1, 2022, for  
124 capital improvements. School districts shall be limited to a  
125 maximum loan amount of Five-hundred Thousand Dollars (\$500,000.00)  
126 per year from the Educational Facilities Revolving Loan Fund  
127 Program for this purpose.



128 (8) The State Department of Education shall promulgate such  
129 rules and regulations as may be necessary for participation in the  
130 Educational Facilities Revolving Loan Program by a public  
131 educational entity.

132 **SECTION 2.** Section 27-65-75, Mississippi Code of 1972, is  
133 amended as follows:

134 27-65-75. On or before the fifteenth day of each month, the  
135 revenue collected under the provisions of this chapter during the  
136 preceding month shall be paid and distributed as follows:

137 (1) (a) On or before August 15, 1992, and each succeeding  
138 month thereafter through July 15, 1993, eighteen percent (18%) of  
139 the total sales tax revenue collected during the preceding month  
140 under the provisions of this chapter, except that collected under  
141 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
142 business activities within a municipal corporation shall be  
143 allocated for distribution to the municipality and paid to the  
144 municipal corporation. Except as otherwise provided in this  
145 paragraph (a), on or before August 15, 1993, and each succeeding  
146 month thereafter, eighteen and one-half percent (18-1/2%) of the  
147 total sales tax revenue collected during the preceding month under  
148 the provisions of this chapter, except that collected under the  
149 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
150 27-65-24, on business activities within a municipal corporation  
151 shall be allocated for distribution to the municipality and paid  
152 to the municipal corporation. However, in the event the State



153 Auditor issues a certificate of noncompliance pursuant to Section  
154 21-35-31, the Department of Revenue shall withhold ten percent  
155 (10%) of the allocations and payments to the municipality that  
156 would otherwise be payable to the municipality under this  
157 paragraph (a) until such time that the department receives written  
158 notice of the cancellation of a certificate of noncompliance from  
159 the State Auditor.

160 A municipal corporation, for the purpose of distributing the  
161 tax under this subsection, shall mean and include all incorporated  
162 cities, towns and villages.

163 Monies allocated for distribution and credited to a municipal  
164 corporation under this paragraph may be pledged as security for a  
165 loan if the distribution received by the municipal corporation is  
166 otherwise authorized or required by law to be pledged as security  
167 for such a loan.

168 In any county having a county seat that is not an  
169 incorporated municipality, the distribution provided under this  
170 subsection shall be made as though the county seat was an  
171 incorporated municipality; however, the distribution to the  
172 municipality shall be paid to the county treasury in which the  
173 municipality is located, and those funds shall be used for road,  
174 bridge and street construction or maintenance in the county.

175 (b) On or before August 15, 2006, and each succeeding  
176 month thereafter, eighteen and one-half percent (18-1/2%) of the  
177 total sales tax revenue collected during the preceding month under



178 the provisions of this chapter, except that collected under the  
179 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
180 business activities on the campus of a state institution of higher  
181 learning or community or junior college whose campus is not  
182 located within the corporate limits of a municipality, shall be  
183 allocated for distribution to the state institution of higher  
184 learning or community or junior college and paid to the state  
185 institution of higher learning or community or junior college.

186 (c) On or before August 15, 2018, and each succeeding  
187 month thereafter until August 14, 2019, two percent (2%) of the  
188 total sales tax revenue collected during the preceding month under  
189 the provisions of this chapter, except that collected under the  
190 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
191 27-65-24, on business activities within the corporate limits of  
192 the City of Jackson, Mississippi, shall be deposited into the  
193 Capitol Complex Improvement District Project Fund created in  
194 Section 29-5-215. On or before August 15, 2019, and each  
195 succeeding month thereafter until August 14, 2020, four percent  
196 (4%) of the total sales tax revenue collected during the preceding  
197 month under the provisions of this chapter, except that collected  
198 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
199 and 27-65-24, on business activities within the corporate limits  
200 of the City of Jackson, Mississippi, shall be deposited into the  
201 Capitol Complex Improvement District Project Fund created in  
202 Section 29-5-215. On or before August 15, 2020, and each





203 succeeding month thereafter, six percent (6%) of the total sales  
204 tax revenue collected during the preceding month under the  
205 provisions of this chapter, except that collected under the  
206 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
207 27-65-24, on business activities within the corporate limits of  
208 the City of Jackson, Mississippi, shall be deposited into the  
209 Capitol Complex Improvement District Project Fund created in  
210 Section 29-5-215.

211 (d) (i) On or before the fifteenth day of the month  
212 that the diversion authorized by this section begins, and each  
213 succeeding month thereafter, eighteen and one-half percent  
214 (18-1/2%) of the total sales tax revenue collected during the  
215 preceding month under the provisions of this chapter, except that  
216 collected under the provisions of Sections 27-65-15, 27-65-19(3)  
217 and 27-65-21, on business activities within a redevelopment  
218 project area developed under a redevelopment plan adopted under  
219 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be  
220 allocated for distribution to the county in which the project area  
221 is located if:

222 1. The county:

223 a. Borders on the Mississippi Sound and  
224 the State of Alabama, or

225 b. Is Harrison County, Mississippi, and  
226 the project area is within a radius of two (2) miles from the  
227 intersection of Interstate 10 and Menge Avenue;



228                   2. The county has issued bonds under Section  
229 21-45-9 to finance all or a portion of a redevelopment project in  
230 the redevelopment project area;

231                   3. Any debt service for the indebtedness  
232 incurred is outstanding; and

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

236                   (ii) Before any sales tax revenue may be allocated  
237 for distribution to a county under this paragraph, the county  
238 shall certify to the Department of Revenue that the requirements  
239 of this paragraph have been met, the amount of bonded indebtedness  
240 that has been incurred by the county for the redevelopment project  
241 and the expected date the indebtedness incurred by the county will  
242 be satisfied.

243                   (iii) The diversion of sales tax revenue  
244 authorized by this paragraph shall begin the month following the  
245 month in which the Department of Revenue determines that the  
246 requirements of this paragraph have been met. The diversion shall  
247 end the month the indebtedness incurred by the county is  
248 satisfied. All revenue received by the county under this  
249 paragraph shall be deposited in the fund required to be created in  
250 the tax increment financing plan under Section 21-45-11 and be  
251 utilized solely to satisfy the indebtedness incurred by the  
252 county.



253           (2) On or before September 15, 1987, and each succeeding  
254 month thereafter, from the revenue collected under this chapter  
255 during the preceding month, One Million One Hundred Twenty-five  
256 Thousand Dollars (\$1,125,000.00) shall be allocated for  
257 distribution to municipal corporations as defined under subsection  
258 (1) of this section in the proportion that the number of gallons  
259 of gasoline and diesel fuel sold by distributors to consumers and  
260 retailers in each such municipality during the preceding fiscal  
261 year bears to the total gallons of gasoline and diesel fuel sold  
262 by distributors to consumers and retailers in municipalities  
263 statewide during the preceding fiscal year. The Department of  
264 Revenue shall require all distributors of gasoline and diesel fuel  
265 to report to the department monthly the total number of gallons of  
266 gasoline and diesel fuel sold by them to consumers and retailers  
267 in each municipality during the preceding month. The Department  
268 of Revenue shall have the authority to promulgate such rules and  
269 regulations as is necessary to determine the number of gallons of  
270 gasoline and diesel fuel sold by distributors to consumers and  
271 retailers in each municipality. In determining the percentage  
272 allocation of funds under this subsection for the fiscal year  
273 beginning July 1, 1987, and ending June 30, 1988, the Department  
274 of Revenue may consider gallons of gasoline and diesel fuel sold  
275 for a period of less than one (1) fiscal year. For the purposes  
276 of this subsection, the term "fiscal year" means the fiscal year  
277 beginning July 1 of a year.



278 (3) On or before September 15, 1987, and on or before the  
279 fifteenth day of each succeeding month, until the date specified  
280 in Section 65-39-35, the proceeds derived from contractors' taxes  
281 levied under Section 27-65-21 on contracts for the construction or  
282 reconstruction of highways designated under the highway program  
283 created under Section 65-3-97 shall, except as otherwise provided  
284 in Section 31-17-127, be deposited into the State Treasury to the  
285 credit of the State Highway Fund to be used to fund that highway  
286 program. The Mississippi Department of Transportation shall  
287 provide to the Department of Revenue such information as is  
288 necessary to determine the amount of proceeds to be distributed  
289 under this subsection.

290 (4) On or before August 15, 1994, and on or before the  
291 fifteenth day of each succeeding month through July 15, 1999, from  
292 the proceeds of gasoline, diesel fuel or kerosene taxes as  
293 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
294 (\$4,000,000.00) shall be deposited in the State Treasury to the  
295 credit of a special fund designated as the "State Aid Road Fund,"  
296 created by Section 65-9-17. On or before August 15, 1999, and on  
297 or before the fifteenth day of each succeeding month, from the  
298 total amount of the proceeds of gasoline, diesel fuel or kerosene  
299 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million  
300 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
301 one-fourth percent (23-1/4%) of those funds, whichever is the  
302 greater amount, shall be deposited in the State Treasury to the



303 credit of the "State Aid Road Fund," created by Section 65-9-17.  
304 Those funds shall be pledged to pay the principal of and interest  
305 on state aid road bonds heretofore issued under Sections 19-9-51  
306 through 19-9-77, in lieu of and in substitution for the funds  
307 previously allocated to counties under this section. Those funds  
308 may not be pledged for the payment of any state aid road bonds  
309 issued after April 1, 1981; however, this prohibition against the  
310 pledging of any such funds for the payment of bonds shall not  
311 apply to any bonds for which intent to issue those bonds has been  
312 published for the first time, as provided by law before March 29,  
313 1981. From the amount of taxes paid into the special fund under  
314 this subsection and subsection (9) of this section, there shall be  
315 first deducted and paid the amount necessary to pay the expenses  
316 of the Office of State Aid Road Construction, as authorized by the  
317 Legislature for all other general and special fund agencies. The  
318 remainder of the fund shall be allocated monthly to the several  
319 counties in accordance with the following formula:

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

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

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



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

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

333 The amount of funds allocated to any county under this  
334 subsection for any fiscal year after fiscal year 1994 shall not be  
335 less than the amount allocated to the county for fiscal year 1994.

336 Any reference in the general laws of this state or the  
337 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
338 construed to refer and apply to subsection (4) of Section  
339 27-65-75.

340 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
341 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
342 the special fund known as the " \* \* \* Educational Facilities  
343 Revolving Loan Fund" created and existing under the provisions  
344 of \* \* \* this act. Those payments into that fund are to be made  
345 on the last day of each succeeding month hereafter. This  
346 subsection (5) shall stand repealed on July 1, 2023.

347 (6) An amount each month beginning August 15, 1983, through  
348 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
349 1983, shall be paid into the special fund known as the  
350 Correctional Facilities Construction Fund created in Section 6,  
351 Chapter 542, Laws of 1983.



352           (7) On or before August 15, 1992, and each succeeding month  
353 thereafter through July 15, 2000, two and two hundred sixty-six  
354 one-thousandths percent (2.266%) of the total sales tax revenue  
355 collected during the preceding month under the provisions of this  
356 chapter, except that collected under the provisions of Section  
357 27-65-17(2), shall be deposited by the department into the School  
358 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
359 or before August 15, 2000, and each succeeding month thereafter,  
360 two and two hundred sixty-six one-thousandths percent (2.266%) of  
361 the total sales tax revenue collected during the preceding month  
362 under the provisions of this chapter, except that collected under  
363 the provisions of Section 27-65-17(2), shall be deposited into the  
364 School Ad Valorem Tax Reduction Fund created under Section  
365 37-61-35 until such time that the total amount deposited into the  
366 fund during a fiscal year equals Forty-two Million Dollars  
367 (\$42,000,000.00). Thereafter, the amounts diverted under this  
368 subsection (7) during the fiscal year in excess of Forty-two  
369 Million Dollars (\$42,000,000.00) shall be deposited into the  
370 Education Enhancement Fund created under Section 37-61-33 for  
371 appropriation by the Legislature as other education needs and  
372 shall not be subject to the percentage appropriation requirements  
373 set forth in Section 37-61-33.

374           (8) On or before August 15, 1992, and each succeeding month  
375 thereafter, nine and seventy-three one-thousandths percent  
376 (9.073%) of the total sales tax revenue collected during the



377 preceding month under the provisions of this chapter, except that  
378 collected under the provisions of Section 27-65-17(2), shall be  
379 deposited into the Education Enhancement Fund created under  
380 Section 37-61-33.

381 (9) On or before August 15, 1994, and each succeeding month  
382 thereafter, from the revenue collected under this chapter during  
383 the preceding month, Two Hundred Fifty Thousand Dollars  
384 (\$250,000.00) shall be paid into the State Aid Road Fund.

385 (10) On or before August 15, 1994, and each succeeding month  
386 thereafter through August 15, 1995, from the revenue collected  
387 under this chapter during the preceding month, Two Million Dollars  
388 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
389 Valorem Tax Reduction Fund established in Section 27-51-105.

390 (11) Notwithstanding any other provision of this section to  
391 the contrary, on or before February 15, 1995, and each succeeding  
392 month thereafter, the sales tax revenue collected during the  
393 preceding month under the provisions of Section 27-65-17(2) and  
394 the corresponding levy in Section 27-65-23 on the rental or lease  
395 of private carriers of passengers and light carriers of property  
396 as defined in Section 27-51-101 shall be deposited, without  
397 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
398 established in Section 27-51-105.

399 (12) Notwithstanding any other provision of this section to  
400 the contrary, on or before August 15, 1995, and each succeeding  
401 month thereafter, the sales tax revenue collected during the





402 preceding month under the provisions of Section 27-65-17(1) on  
403 retail sales of private carriers of passengers and light carriers  
404 of property, as defined in Section 27-51-101 and the corresponding  
405 levy in Section 27-65-23 on the rental or lease of these vehicles,  
406 shall be deposited, after diversion, into the Motor Vehicle Ad  
407 Valorem Tax Reduction Fund established in Section 27-51-105.

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

416 (14) On or before August 15, 1998, and each succeeding month  
417 thereafter through July 15, 2005, that portion of the avails of  
418 the tax imposed in Section 27-65-23 that is derived from sales by  
419 cotton compresses or cotton warehouses and that would otherwise be  
420 paid into the General Fund shall be deposited in an amount not to  
421 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
422 created under Section 69-37-39. On or before August 15, 2007, and  
423 each succeeding month thereafter through July 15, 2010, that  
424 portion of the avails of the tax imposed in Section 27-65-23 that  
425 is derived from sales by cotton compresses or cotton warehouses  
426 and that would otherwise be paid into the General Fund shall be



427 deposited in an amount not to exceed Two Million Dollars  
428 (\$2,000,000.00) into the special fund created under Section  
429 69-37-39 until all debts or other obligations incurred by the  
430 Certified Cotton Growers Organization under the Mississippi Boll  
431 Weevil Management Act before January 1, 2007, are satisfied in  
432 full. On or before August 15, 2010, and each succeeding month  
433 thereafter through July 15, 2011, fifty percent (50%) of that  
434 portion of the avails of the tax imposed in Section 27-65-23 that  
435 is derived from sales by cotton compresses or cotton warehouses  
436 and that would otherwise be paid into the General Fund shall be  
437 deposited into the special fund created under Section 69-37-39  
438 until such time that the total amount deposited into the fund  
439 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
440 On or before August 15, 2011, and each succeeding month  
441 thereafter, that portion of the avails of the tax imposed in  
442 Section 27-65-23 that is derived from sales by cotton compresses  
443 or cotton warehouses and that would otherwise be paid into the  
444 General Fund shall be deposited into the special fund created  
445 under Section 69-37-39 until such time that the total amount  
446 deposited into the fund during a fiscal year equals One Million  
447 Dollars (\$1,000,000.00).

448 (15) Notwithstanding any other provision of this section to  
449 the contrary, on or before September 15, 2000, and each succeeding  
450 month thereafter, the sales tax revenue collected during the  
451 preceding month under the provisions of Section



452 27-65-19(1) (d) (i)2, and 27-65-19(1) (d) (i)3 shall be deposited,  
453 without diversion, into the Telecommunications Ad Valorem Tax  
454 Reduction Fund established in Section 27-38-7.

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

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

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



477 (18) [Repealed]

478 (19) (a) On or before August 15, 2005, and each succeeding  
479 month thereafter, the sales tax revenue collected during the  
480 preceding month under the provisions of this chapter on the gross  
481 proceeds of sales of a business enterprise located within a  
482 redevelopment project area under the provisions of Sections  
483 57-91-1 through 57-91-11, and the revenue collected on the gross  
484 proceeds of sales from sales made to a business enterprise located  
485 in a redevelopment project area under the provisions of Sections  
486 57-91-1 through 57-91-11 (provided that such sales made to a  
487 business enterprise are made on the premises of the business  
488 enterprise), shall, except as otherwise provided in this  
489 subsection (19), be deposited, after all diversions, into the  
490 Redevelopment Project Incentive Fund as created in Section  
491 57-91-9.

492 (b) For a municipality participating in the Economic  
493 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
494 the diversion provided for in subsection (1) of this section  
495 attributable to the gross proceeds of sales of a business  
496 enterprise located within a redevelopment project area under the  
497 provisions of Sections 57-91-1 through 57-91-11, and attributable  
498 to the gross proceeds of sales from sales made to a business  
499 enterprise located in a redevelopment project area under the  
500 provisions of Sections 57-91-1 through 57-91-11 (provided that  
501 such sales made to a business enterprise are made on the premises



502 of the business enterprise), shall be deposited into the  
503 Redevelopment Project Incentive Fund as created in Section  
504 57-91-9, as follows:

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

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

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

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

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

524 (20) On or before January 15, 2007, and each succeeding  
525 month thereafter, eighty percent (80%) of the sales tax revenue  
526 collected during the preceding month under the provisions of this



527 chapter from the operation of a tourism project under the  
528 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,  
529 after the diversions required in subsections (7) and (8) of this  
530 section, into the Tourism Sales Tax Incentive Fund created in  
531 Section 57-28-3.

532 (21) (a) On or before April 15, 2007, and each succeeding  
533 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
534 Dollars (\$150,000.00) of the sales tax revenue collected during  
535 the preceding month under the provisions of this chapter shall be  
536 deposited into the MMEIA Tax Incentive Fund created in Section  
537 57-101-3.

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

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

550 (23) (a) On or before August 15, 2019, and each month  
551 thereafter through July 15, 2020, one percent (1%) of the total



552 sales tax revenue collected during the preceding month from  
553 restaurants and hotels shall be allocated for distribution to the  
554 Mississippi Development Authority Tourism Advertising Fund  
555 established under Section 57-1-64, to be used exclusively for the  
556 purpose stated therein. On or before August 15, 2020, and each  
557 month thereafter through July 15, 2021, two percent (2%) of the  
558 total sales tax revenue collected during the preceding month from  
559 restaurants and hotels shall be allocated for distribution to the  
560 Mississippi Development Authority Tourism Advertising Fund  
561 established under Section 57-1-64, to be used exclusively for the  
562 purpose stated therein. On or before August 15, 2021, and each  
563 month thereafter, three percent (3%) of the total sales tax  
564 revenue collected during the preceding month from restaurants and  
565 hotels shall be allocated for distribution to the Mississippi  
566 Development Authority Tourism Advertising Fund established under  
567 Section 57-1-64, to be used exclusively for the purpose stated  
568 therein. The revenue diverted pursuant to this subsection shall  
569 not be available for expenditure until February 1, 2020.

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



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

579 (25) (a) It shall be the duty of the municipal officials of  
580 any municipality that expands its limits, or of any community that  
581 incorporates as a municipality, to notify the commissioner of that  
582 action thirty (30) days before the effective date. Failure to so  
583 notify the commissioner shall cause the municipality to forfeit  
584 the revenue that it would have been entitled to receive during  
585 this period of time when the commissioner had no knowledge of the  
586 action.

587 (b) (i) Except as otherwise provided in subparagraph  
588 (ii) of this paragraph, if any funds have been erroneously  
589 disbursed to any municipality or any overpayment of tax is  
590 recovered by the taxpayer, the commissioner may make correction  
591 and adjust the error or overpayment with the municipality by  
592 withholding the necessary funds from any later payment to be made  
593 to the municipality.

594 (ii) Subject to the provisions of Sections  
595 27-65-51 and 27-65-53, if any funds have been erroneously  
596 disbursed to a municipality under subsection (1) of this section  
597 for a period of three (3) years or more, the maximum amount that  
598 may be recovered or withheld from the municipality is the total  
599 amount of funds erroneously disbursed for a period of three (3)  
600 years beginning with the date of the first erroneous disbursement.





601 However, if during such period, a municipality provides written  
602 notice to the Department of Revenue indicating the erroneous  
603 disbursement of funds, then the maximum amount that may be  
604 recovered or withheld from the municipality is the total amount of  
605 funds erroneously disbursed for a period of one (1) year beginning  
606 with the date of the first erroneous disbursement.

607 **SECTION 3.** Section 37-47-7, Mississippi Code of 1972, is  
608 amended as follows:

609 37-47-7. There shall be, and there is hereby, created in the  
610 state treasury a special fund to be known as the "State Public  
611 School Building Fund." The said fund shall consist of such  
612 amounts as may be paid into said fund by appropriation or other  
613 legislative authorization. Upon the effective date of this act,  
614 the State Fiscal Officer shall transfer to the Educational  
615 Facilities Revolving Loan Fund all remaining funds of the State  
616 Public School Building Fund. This section shall stand repealed  
617 the day after the balance of the fund is transferred to the  
618 Educational Facilities Revolving Loan Fund pursuant to this act.

619 **SECTION 4.** Section 37-47-11, Mississippi Code of 1972, is  
620 amended as follows:

621 37-47-11. (1) The sums becoming due to any school district  
622 shall be disposed of in the following order of priority and for  
623 the following purposes and for no others:



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

627 (b) To be applied by the school district, subject to  
628 the approval of the commission, to defray the cost of any capital  
629 improvement;

630 (c) To pay the principal and interest of school  
631 district indebtedness represented by bonds or notes issued before  
632 July 1, 1954, for capital improvements, provided that the capital  
633 improvements for which such bonds or notes were issued fulfill the  
634 rules and requirement for new capital improvements and district  
635 organization as provided by the commission, or for bonds or notes  
636 issued on or after July 1, 1954, for capital improvements which  
637 have been approved by the commission as provided in this chapter.

638 (2) This section shall stand repealed on July 1, 2023.

639 **SECTION 5.** Section 37-47-13, Mississippi Code of 1972, is  
640 amended as follows:

641 37-47-13. (1) When the amounts of the annual grants to  
642 school districts have been computed as provided in Section  
643 37-47-9, the commission shall credit each such school district  
644 with the amount of the annual grant to which it is entitled and  
645 shall issue to each such school district a certificate of credit  
646 for the amount of such annual grant. All such certificates of  
647 credit shall be signed by the chairman of the commission and  
648 countersigned by the executive secretary thereof. Such



649 certificates shall constitute an indebtedness of the State of  
650 Mississippi but shall be nontransferable and nonnegotiable and  
651 shall bear no interest. All such certificates so issued shall be  
652 held and retained by the school district to which same are issued  
653 until the expenditure of the funds to the credit of such school  
654 district shall be approved by the commission as is otherwise  
655 provided in this chapter. Such certificates shall be surrendered  
656 to the commission at the time the funds to which the school  
657 district is entitled are withdrawn from the public school building  
658 fund and deposited to the credit of the school district entitled  
659 thereto.

660 (2) This section shall stand repealed on July 1, 2023.

661 **SECTION 6.** Section 37-47-15, Mississippi Code of 1972, is  
662 amended as follows:

663 37-47-15. (1) No grants accruing to any school district  
664 shall be expended for any purpose unless such expenditure has been  
665 approved by the commission. In order to guide the commission in  
666 passing upon requests for the use of grants, the school boards of  
667 the respective school districts are directed to prepare a survey  
668 of necessary capital improvements and/or a plan for tax relief on  
669 school indebtedness within each school district. Such surveys  
670 shall show existing facilities, desirable consolidations, the new  
671 construction and new facilities necessary and desirable for the  
672 efficient operation of the public schools of the school districts,  
673 proper compliance with state energy conservation standards, and



674 the plan of tax reduction in the school districts by use of such  
675 funds in retiring any outstanding indebtedness for school  
676 facilities. The commission shall not approve any application for  
677 the use of funds of the said public school building fund from the  
678 school board of any school district until such time as an  
679 acceptable and reasonably satisfactory plan, looking particularly  
680 to efficiency through consolidations of school attendance centers,  
681 has been submitted by the school board.

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

689 All applications from school districts shall conform to the  
690 plan of the school board.

691 (2) This section shall stand repealed on July 1, 2023.

692 **SECTION 7.** Section 37-47-17, Mississippi Code of 1972, is  
693 amended as follows:

694 37-47-17. (1) Applications for the expenditure of funds to  
695 the credit of any school district in the state public school  
696 building fund shall originate with the school board of the school  
697 district entitled to such funds. Before any funds to the credit  
698 of a school district shall be expended for capital improvements or



699 the retirement of outstanding bonded indebtedness, the school  
700 board of such school district shall prepare and submit an  
701 application in such form as may be prescribed by the commission.  
702 There shall be included with such application a statement in which  
703 there is set forth the enrollment and average daily attendance in  
704 the schools of the district divided as to schools and grades, the  
705 number of teachers employed, the facilities in use, the facilities  
706 to be provided with the funds to be expended, the outstanding  
707 school indebtedness, and such other information as the commission  
708 may require. Such application and statement shall be submitted  
709 directly to the commission and approved or disapproved by it. The  
710 decision of the commission shall be final, unless an appeal to the  
711 chancery court shall be taken in the manner provided by law. In  
712 the event any application shall be disapproved by the commission,  
713 the school board submitting same shall be notified of such  
714 disapproval, which notice of disapproval shall be accompanied by a  
715 statement of the reason or reasons for such disapproval.

716 The commission shall approve only those applications which  
717 are found to be proper under the provisions of this chapter and  
718 the applicable rules and regulations of the commission. When an  
719 application is approved for the expenditure of funds for capital  
720 improvements, the contract for the construction of such capital  
721 improvements shall be entered into and awarded by the school board  
722 of the school district in the manner provided in this chapter;  
723 however, the contract for construction of a secondary vocational



724 and technical training center for exclusive use and operation by a  
725 school district may be entered into and awarded by the board of  
726 trustees of a junior college district where a grant of federal  
727 funds by the Appalachian Commission has been made to the board of  
728 trustees of such junior college district to assist in financing  
729 construction of such secondary vocational and technical training  
730 facility for such school district.

731 (2) This section shall stand repealed on July 1, 2023.

732 **SECTION 8.** Section 37-47-19, Mississippi Code of 1972, is  
733 amended as follows:

734 37-47-19. (1) Where the expenditure of any funds to which  
735 any school district may be entitled has been authorized, as  
736 provided in Section 37-47-17, such funds shall be withdrawn from  
737 the public school building fund by the commission and deposited in  
738 the school depository to the credit of the school district  
739 entitled thereto as a special fund to be known as the "Public  
740 School Building Fund" of the school district entitled thereto.  
741 Such money so deposited shall be paid out and expended in the same  
742 manner as may be now or hereafter provided by law for the  
743 expenditure of other school funds belonging to such district;  
744 however, where the contract for construction of a secondary  
745 vocational and technical training center shall have been entered  
746 into and awarded by the board of trustees of a junior college  
747 district as authorized by Section 37-47-29, the money so deposited  
748 in the public school building fund of the school district for



749 which said facility is being constructed may be paid out and  
750 expended to pay a part of the cost of construction of such  
751 facility.

752 (2) This section shall stand repealed on July 1, 2023.

753 **SECTION 9.** Section 37-47-21, Mississippi Code of 1972, is  
754 amended as follows:

755 37-47-21. (1) All funds, if any, which may accumulate in  
756 the state public school building fund under the provisions of this  
757 chapter because school districts entitled thereto do not make  
758 application for the expenditure of same for the purposes  
759 authorized by this chapter at the time same are credited to such  
760 school district may be used as a revolving fund for the purpose of  
761 making loans or advances to other school districts as is provided  
762 in Section 37-47-25.

763 (2) This section shall stand repealed on July 1, 2023.

764 **SECTION 10.** Section 37-47-23, Mississippi Code of 1972, is  
765 amended as follows:

766 37-47-23. (1) When any school district holding certificates  
767 of credit shall desire to expend funds which have accumulated to  
768 its credit under the provisions of this chapter and the  
769 expenditure thereof has been approved by the commission but  
770 insufficient funds are available in the state public school  
771 building fund because of loans or advances having been made to  
772 other school districts, the commission shall forthwith transmit to  
773 the state bond commission its request for the issuance of state



774 school bonds, as is otherwise provided in this chapter, in an  
775 amount sufficient to provide the funds to which the school  
776 district holding the certificate of credit is entitled, or such  
777 portion of such funds as such school district then desires to  
778 expend.

779 (2) This section shall stand repealed on July 1, 2023.

780 **SECTION 11.** Section 37-47-29, Mississippi Code of 1972, is  
781 amended as follows:

782 37-47-29. (1) All contracts for capital improvements by any  
783 school district which are financed in whole or in part with funds  
784 received from the state public school building fund pursuant to an  
785 application approved by the commission shall be awarded and  
786 entered into upon receipt of sealed bids or proposals after the  
787 time and place of letting such contracts and the manner of bidding  
788 has been duly advertised. The contract shall be let and awarded  
789 to the lowest and best bidder but the board of trustees or other  
790 governing body of the school district shall have the power to  
791 reject any and all bids. No such contract shall be finally  
792 awarded or entered into without the prior written approval of the  
793 commission. It is hereby expressly provided that in order to bid  
794 upon and be awarded contracts for the construction of school  
795 facilities under the provisions of this chapter, if such contract,  
796 subcontract or undertaking is less than Fifty Thousand Dollars  
797 (\$50,000.00), it shall not be necessary that the bidder obtain a  
798 certificate of responsibility from the Board of Public Contractors





799 under the provisions of Chapter 3, Title 31, of the Mississippi  
800 Code of 1972, or otherwise be qualified under said chapter, and  
801 none of the provisions of said chapter shall be applicable to such  
802 contracts for the construction of school facilities under the  
803 provisions hereof. Notwithstanding the foregoing provisions of  
804 this section or any other provisions of law, the contract for  
805 construction of a secondary vocational and technical training  
806 center for exclusive use and operation by a county school district  
807 may be entered into and awarded by the board of trustees of a  
808 junior college district where a grant of federal funds by the  
809 Appalachian Commission has been made to the board of trustees of  
810 such junior college district to assist in financing construction  
811 of such secondary vocational and technical training facility for  
812 such county school district.

813 (2) This section shall stand repealed on July 1, 2023.

814 **SECTION 12.** This act shall take effect and be in force from  
815 and after July 1, 2022.

