

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2430

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

45 SECTION 1. (1) There is established the Educational
46 Facilities Revolving Loan Fund Program to be administered by the
47 Department of Finance and Administration for the purpose of
48 improving educational facilities in the State of Mississippi by
49 assisting public schools and community and junior colleges in
50 procuring funds for making certain capital improvements.

51 (2) (a) There is created a special fund in the State
52 Treasury designated as the "Educational Facilities Revolving Loan
53 Fund," which fund shall consist of such monies as provided in this
54 subsection. The revolving loan fund must be maintained in



55 perpetuity for the purposes established in this section.
56 Unexpended amounts remaining in the fund at the end of a fiscal
57 year may not lapse into the State General Fund. Payments on the
58 principal of and, when applicable, interest on loans procured from
59 the fund and any interest earned on amounts in the fund must be
60 deposited to the credit of the fund. Monies in the Educational
61 Facilities Revolving Loan Fund may not be used or expended for any
62 purpose except as authorized under this section.

63 (b) For fiscal year 2023, the Legislature shall
64 appropriate, using any available state and federal, where
65 allowable, monies, Two Hundred Million Dollars (\$200,000,000.00)
66 to the Educational Facilities Revolving Loan Fund.

67 (3) Of the funds deposited into the Educational Facilities
68 Revolving Loan Fund, up to eighty percent (80%) must be made
69 available for the purpose of making loans to qualified school
70 districts and the State Board of Education acting on behalf of the
71 Mississippi School of the Arts, the Mississippi School for the
72 Deaf, and/or the Mississippi School for the Blind. The Department
73 of Finance and Administration shall accept requests for loans
74 under this subsection for the following purposes:

75 (a) Repairs and renovations to existing school
76 buildings and related facilities used in the operation of the
77 schools of a public school district, the Mississippi School of the
78 Arts, the Mississippi School for the Deaf, and the Mississippi
79 School for the Blind.



80 (b) Construction of new facilities or repairs and
81 renovations to existing school facilities for the purpose of
82 establishing, improving or expanding prekindergarten programs in a
83 public school district.

84 (c) Construction of new career and technical education
85 facilities or repairs and renovations to existing school
86 facilities for the purpose of upgrading or expanding a school
87 district's career and technical education program.

88 (4) Of the funds deposited into the Educational Facilities
89 Revolving Loan Fund, up to twenty percent (20%) must be made
90 available for the purpose of making loans to qualified community
91 and junior college districts. The Department of Finance and
92 Administration shall accept requests for loans from public
93 community and junior college districts for the purpose of funding
94 projects for repairs and renovations to existing buildings and
95 related facilities.

96 (5) Each fiscal year, the Department of Finance and
97 Administration may set aside an amount not to exceed five percent
98 (5%) of the balance of the Educational Facilities Revolving Loan
99 Fund to cover the administrative and fiscal management costs
100 associated with the fund.

101 (6) The Department of Finance and Administration shall
102 accept and make determinations on applications for loans and shall
103 disburse funds and receive repayments on approved loans. Before
104 October 1, 2022, the department shall establish rules and



105 regulations for the implementation and administration of the
106 revolving loan program. The rules and regulations must include,
107 at a minimum, provisions addressing the following:

108 (a) An application process by which public school
109 districts, the State Board of Education acting on behalf of the
110 Mississippi School of the Arts, the Mississippi School for the
111 Deaf and the Mississippi School for the Blind and public community
112 and junior college districts may request a loan from the
113 Educational Facilities Revolving Loan Fund, including the deadline
114 by which the department must receive applications;

115 (b) The factors to be considered in determining whether
116 an educational entity will be awarded the full or a partial amount
117 of a loan requested. The department shall establish the maximum
118 amount that may be loaned to an entity for any single project and
119 the maximum total amount of outstanding loans an entity may have
120 if the entity requests more than one (1) loan in the same or
121 different fiscal years. A loan may not exceed one hundred percent
122 (100%) of the cost of the project for which the loan is requested;

123 (c) Rates of interest on loans and terms of repayment.
124 A loan made to a public school district, the State Board of
125 Education acting on behalf of the Mississippi School of the Arts,
126 the Mississippi School for the Deaf or the Mississippi School for
127 the Blind, or a community or junior college district must be
128 interest free and payable over a term of ten (10) years commencing
129 on the date the loan is received.



130 (d) A process by which the department determines if an
131 entity receiving a loan is required to pledge monies for the
132 repayment of the loan and sources of revenue that are acceptable
133 whenever the department requires a pledge, which, for a school
134 district receiving a loan, may not include Adequate Education
135 Program funds;

136 (e) The actions that may be taken if an entity is in
137 arrears on loan repayments, which may include, in the case of a
138 school district, the withholding of future payments of Adequate
139 Education Program funds to the district, or in the case of the
140 Mississippi School of the Arts, the Mississippi School for the
141 Deaf, the Mississippi School for the Blind, or a community or
142 junior college district, the withholding of state funds due to the
143 school or district; and

144 (f) All other matters that the Department of Finance
145 and Administration determines are necessary to establish and
146 maintain the Educational Facilities Revolving Loan Fund Program as
147 an accessible and perpetual source of funding for making
148 facilities improvements at all levels of education in the state.

149 (7) The State Department of Education and the Mississippi
150 Community College Board, each acting jointly with the Department
151 of Finance and Administration, shall promulgate such rules and
152 regulations as may be necessary for participation in the
153 Educational Facilities Revolving Loan Program by a public
154 educational entity.



155 **SECTION 2.** Section 37-47-1, Mississippi Code of 1972, is
156 brought forward as follows:

157 37-47-1. The terms and provisions of this chapter shall be
158 administered and executed by the state educational finance
159 commission. For the purpose of this chapter, the term
160 "commission" shall mean "state educational finance commission"
161 except where the context clearly indicates otherwise.

162 **SECTION 3.** Section 37-47-3, Mississippi Code of 1972, is
163 brought forward as follows:

164 37-47-3. The term "school district" as used in this chapter
165 shall be defined as including all public school districts and
166 public charter schools in this state and also all agricultural
167 high schools not located on the campus of a junior college.

168 **SECTION 4.** Section 37-47-5, Mississippi Code of 1972, is
169 brought forward as follows:

170 37-47-5. For the purposes of this chapter, the term "capital
171 improvement" shall mean the cost of (1) erecting, repairing,
172 equipping, remodeling and enlarging school buildings and related
173 facilities, including, but not being limited to, gymnasiums,
174 auditoriums, lunch rooms, vocational training buildings,
175 libraries, teachers' homes, school barns, garages for
176 transportation vehicles, and (2) providing necessary water,
177 lights, heating, air conditioning and sewerage facilities for
178 school buildings. Such term shall not include the cost of the



179 acquisition of land whereon to construct or establish any of the
180 facilities named above.

181 **SECTION 5.** Section 37-47-7, Mississippi Code of 1972, is
182 brought forward as follows:

183 37-47-7. There shall be, and there is hereby, created in the
184 state treasury a special fund to be known as the "state public
185 school building fund". The said fund shall consist of such amounts
186 as may be paid into said fund by appropriation or other
187 legislative authorization.

188 **SECTION 6.** Section 37-47-9, Mississippi Code of 1972, is
189 brought forward as follows:

190 37-47-9. It is found and determined that the state should
191 make an annual grant of Twenty-four Dollars (\$24.00) for each
192 child in average daily attendance in the public schools of the
193 various school districts of this state during each school year,
194 and that such monies should be applied for the purpose of
195 establishing and maintaining adequate physical facilities for the
196 public school district and/or the payment of existing debt
197 therefor.

198 The grant to which each public school is entitled under the
199 provisions of this section shall be credited to the school
200 district of which such school is part. If any change is made in
201 the operation or boundaries of any such school district, equitable
202 reallocations shall be made by the commission of all balances to
203 the credit of such school district, and all debits charged against



204 the districts affected by the change in the boundaries or system
205 of operation. The obligation of the state to make remittance of
206 the sums appropriated or otherwise provided to make the annual
207 grants provided by this section shall be subordinate to the pledge
208 made to secure the state school bonds authorized under this
209 chapter and the sinking fund created for their retirement. The
210 grants shall be computed annually as soon as practicable after the
211 end of the school year, and shall be based on the average daily
212 attendance for such school year in all of the public schools
213 operated by each school district as determined by the State
214 Department of Education.

215 **SECTION 7.** Section 37-47-11, Mississippi Code of 1972, is
216 brought forward as follows:

217 37-47-11. The sums becoming due to any school district shall
218 be disposed of in the following order of priority and for the
219 following purposes and for no others:

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

223 (b) To be applied by the school district, subject to
224 the approval of the commission, to defray the cost of any capital
225 improvement;

226 (c) To pay the principal and interest of school
227 district indebtedness represented by bonds or notes issued before
228 July 1, 1954, for capital improvements, provided that the capital



229 improvements for which such bonds or notes were issued fulfill the
230 rules and requirement for new capital improvements and district
231 organization as provided by the commission, or for bonds or notes
232 issued on or after July 1, 1954, for capital improvements which
233 have been approved by the commission as provided in this chapter.

234 **SECTION 8.** Section 37-47-13, Mississippi Code of 1972, is
235 brought forward as follows:

236 37-47-13. When the amounts of the annual grants to school
237 districts have been computed as provided in Section 37-47-9, the
238 commission shall credit each such school district with the amount
239 of the annual grant to which it is entitled and shall issue to
240 each such school district a certificate of credit for the amount
241 of such annual grant. All such certificates of credit shall be
242 signed by the chairman of the commission and countersigned by the
243 executive secretary thereof. Such certificates shall constitute an
244 indebtedness of the State of Mississippi but shall be
245 non-transferable and non-negotiable and shall bear no interest.
246 All such certificates so issued shall be held and retained by the
247 school district to which same are issued until the expenditure of
248 the funds to the credit of such school district shall be approved
249 by the commission as is otherwise provided in this chapter. Such
250 certificates shall be surrendered to the commission at the time
251 the funds to which the school district is entitled are withdrawn
252 from the public school building fund and deposited to the credit
253 of the school district entitled thereto.



254 **SECTION 9.** Section 37-47-15, Mississippi Code of 1972, is
255 brought forward as follows:

256 37-47-15. No grants accruing to any school district shall be
257 expended for any purpose unless such expenditure has been approved
258 by the commission. In order to guide the commission in passing
259 upon requests for the use of grants, the school boards of the
260 respective school districts are directed to prepare a survey of
261 necessary capital improvements and/or a plan for tax relief on
262 school indebtedness within each school district. Such surveys
263 shall show existing facilities, desirable consolidations, the new
264 construction and new facilities necessary and desirable for the
265 efficient operation of the public schools of the school districts,
266 proper compliance with state energy conservation standards, and
267 the plan of tax reduction in the school districts by use of such
268 funds in retiring any outstanding indebtedness for school
269 facilities. The commission shall not approve any application for
270 the use of funds of the said public school building fund from the
271 school board of any school district until such time as an
272 acceptable and reasonably satisfactory plan, looking particularly
273 to efficiency through consolidations of school attendance centers,
274 has been submitted by the school board.

275 Furthermore, the commission shall not approve any application
276 for the use of funds of the public school building fund until such
277 time as an acceptable plan has been submitted by the appropriate
278 board which complies with improved design, heating, cooling,



279 ventilation, lighting, insulation and architectural standards
280 provided by the State of Mississippi to promote maximum energy
281 conservation in new and existing public buildings.

282 All applications from school districts shall conform to the
283 plan of the school board.

284 **SECTION 10.** Section 37-47-17, Mississippi Code of 1972, is
285 brought forward as follows:

286 37-47-17. Applications for the expenditure of funds to the
287 credit of any school district in the state public school building
288 fund shall originate with the school board of the school district
289 entitled to such funds. Before any funds to the credit of a
290 school district shall be expended for capital improvements or the
291 retirement of outstanding bonded indebtedness, the school board of
292 such school district shall prepare and submit an application in
293 such form as may be prescribed by the commission. There shall be
294 included with such application a statement in which there is set
295 forth the enrollment and average daily attendance in the schools
296 of the district divided as to schools and grades, the number of
297 teachers employed, the facilities in use, the facilities to be
298 provided with the funds to be expended, the outstanding school
299 indebtedness, and such other information as the commission may
300 require. Such application and statement shall be submitted
301 directly to the commission and approved or disapproved by it. The
302 decision of the commission shall be final, unless an appeal to the
303 chancery court shall be taken in the manner provided by law. In



304 the event any application shall be disapproved by the commission,
305 the school board submitting same shall be notified of such
306 disapproval, which notice of disapproval shall be accompanied by a
307 statement of the reason or reasons for such disapproval.

308 The commission shall approve only those applications which
309 are found to be proper under the provisions of this chapter and
310 the applicable rules and regulations of the commission. When an
311 application is approved for the expenditure of funds for capital
312 improvements, the contract for the construction of such capital
313 improvements shall be entered into and awarded by the school board
314 of the school district in the manner provided in this chapter;
315 however, the contract for construction of a secondary vocational
316 and technical training center for exclusive use and operation by a
317 school district may be entered into and awarded by the board of
318 trustees of a junior college district where a grant of federal
319 funds by the Appalachian Commission has been made to the board of
320 trustees of such junior college district to assist in financing
321 construction of such secondary vocational and technical training
322 facility for such school district.

323 **SECTION 11.** Section 37-47-19, Mississippi Code of 1972, is
324 brought forward as follows:

325 37-47-19. Where the expenditure of any funds to which any
326 school district may be entitled has been authorized, as provided
327 in Section 37-47-17, such funds shall be withdrawn from the public
328 school building fund by the commission and deposited in the school



329 depository to the credit of the school district entitled thereto
330 as a special fund to be known as the "Public School Building Fund"
331 of the school district entitled thereto. Such money so deposited
332 shall be paid out and expended in the same manner as may be now or
333 hereafter provided by law for the expenditure of other school
334 funds belonging to such district; however, where the contract for
335 construction of a secondary vocational and technical training
336 center shall have been entered into and awarded by the board of
337 trustees of a junior college district as authorized by Section
338 37-47-29, the money so deposited in the public school building
339 fund of the school district for which said facility is being
340 constructed may be paid out and expended to pay a part of the cost
341 of construction of such facility.

342 **SECTION 12.** Section 37-47-21, Mississippi Code of 1972, is
343 brought forward as follows:

344 37-47-21. All funds, if any, which may accumulate in the
345 state public school building fund under the provisions of this
346 chapter because school districts entitled thereto do not make
347 application for the expenditure of same for the purposes
348 authorized by this chapter at the time same are credited to such
349 school district may be used as a revolving fund for the purpose of
350 making loans or advances to other school districts as is provided
351 in Section 37-47-25.

352 **SECTION 13.** Section 37-47-23, Mississippi Code of 1972, is
353 brought forward as follows:



354 37-47-23. When any school district holding certificates of
355 credit shall desire to expend funds which have accumulated to its
356 credit under the provisions of this chapter and the expenditure
357 thereof has been approved by the commission but insufficient funds
358 are available in the state public school building fund because of
359 loans or advances having been made to other school districts, the
360 commission shall forthwith transmit to the state bond commission
361 its request for the issuance of state school bonds, as is
362 otherwise provided in this chapter, in an amount sufficient to
363 provide the funds to which the school district holding the
364 certificate of credit is entitled, or such portion of such funds
365 as such school district then desires to expend.

366 **SECTION 14.** Section 37-47-25, Mississippi Code of 1972, is
367 brought forward as follows:

368 37-47-25. Whenever the State Department of Education shall
369 determine that any school district is in need of capital
370 improvements to an extent in excess of that which may be financed
371 by the credit then due such school district by the department, the
372 department shall be empowered to advance or lend said school
373 district such sums as in the opinion of the department are
374 necessary to be expended for capital improvements by said school
375 district. Such loans or advances shall be evidenced by
376 appropriate agreements, and shall be repayable in principal by the
377 school district from the annual grants to which the school
378 district shall become entitled and from such other funds as may be



379 available. Such loans or advances shall not constitute a debt of
380 the school district within the meaning of any provision or
381 limitation of the Constitution or statutes of the State of
382 Mississippi. The department shall not advance or lend to any
383 school district any sum in excess of seventy-five percent (75%) of
384 the estimated sum which will accrue to the said school district on
385 account of grants to be made to the said school district within
386 the twenty (20) years next following the date of the loan or
387 advance. In determining the maximum allowable advance or loan,
388 the department shall assume that the average daily attendance in
389 the schools of the school district for the past preceding
390 scholastic year as confirmed by the audit of average daily
391 attendance made by the State Department of Audit will continue for
392 the period during which the loan is to be repaid.

393 **SECTION 15.** Section 37-47-27, Mississippi Code of 1972, is
394 amended as follows:

395 37-47-27. All capital improvements by any school district
396 which are financed, in whole or in part, with funds received from
397 the State Public School Building Fund pursuant to an application
398 approved by the * * * State Board of Education, shall be
399 constructed by contract entered into and awarded by the board of
400 trustees or other governing body of such school district. The
401 awarding of such contract shall be in the sole province of such
402 board of trustees or other governing body except as is herein
403 provided. No such contract shall be entered into unless and until



404 the site for the location of and the plans and specifications for
405 the construction of the capital improvements shall have been
406 approved by the * * * State Board of Education. The * * * State
407 Board of Education shall not exclude from approval plans and
408 specifications which involve the use of preengineered steel
409 building systems. Plans and specifications for preengineered
410 steel building systems, in order to be approved by the * * * State
411 Board of Education, must be submitted to and certified by an
412 architect or professional engineer registered in the State of
413 Mississippi and not an employee of the contractor, as meeting the
414 minimum requirements of the local building, plumbing and
415 electrical codes, the Southern Standard Building Code, Coastal
416 Region Loading, the Metal Building Manufacturers Association, the
417 American Institute of Steel Construction and the American Iron and
418 Steel Institute, as to design, materials and construction.

419 **SECTION 16.** Section 37-47-29, Mississippi Code of 1972, is
420 brought forward as follows:

421 37-47-29. All contracts for capital improvements by any
422 school district which are financed in whole or in part with funds
423 received from the state public school building fund pursuant to an
424 application approved by the commission shall be awarded and
425 entered into upon receipt of sealed bids or proposals after the
426 time and place of letting such contracts and the manner of bidding
427 has been duly advertised. The contract shall be let and awarded
428 to the lowest and best bidder but the board of trustees or other



429 governing body of the school district shall have the power to
430 reject any and all bids. No such contract shall be finally
431 awarded or entered into without the prior written approval of the
432 commission. It is hereby expressly provided that in order to bid
433 upon and be awarded contracts for the construction of school
434 facilities under the provisions of this chapter, if such contract,
435 subcontract or undertaking is less than Fifty Thousand Dollars
436 (\$50,000.00), it shall not be necessary that the bidder obtain a
437 certificate of responsibility from the Board of Public Contractors
438 under the provisions of Chapter 3, Title 31, of the Mississippi
439 Code of 1972, or otherwise be qualified under said chapter, and
440 none of the provisions of said chapter shall be applicable to such
441 contracts for the construction of school facilities under the
442 provisions hereof. Notwithstanding the foregoing provisions of
443 this section or any other provisions of law, the contract for
444 construction of a secondary vocational and technical training
445 center for exclusive use and operation by a county school district
446 may be entered into and awarded by the board of trustees of a
447 junior college district where a grant of federal funds by the
448 Appalachian Commission has been made to the board of trustees of
449 such junior college district to assist in financing construction
450 of such secondary vocational and technical training facility for
451 such county school district.

452 **SECTION 17.** Section 37-47-31, Mississippi Code of 1972, is
453 brought forward as follows:



454 37-47-31. The state bond commission now consisting of the
455 governor, attorney general and treasurer of the State of
456 Mississippi, each acting ex officio, is hereby continued in
457 existence for the purpose of this chapter and with full power and
458 authority to issue state school bonds to the extent, for the
459 purposes, and in the manner and subject to the limitations set
460 forth in this chapter.

461 **SECTION 18.** Section 37-47-33, Mississippi Code of 1972, is
462 brought forward as follows:

463 37-47-33. For the purpose of (a) providing funds to enable
464 the State Board of Education to make loans or advances to school
465 districts as provided by Section 37-47-25, and for the purpose of
466 (b) providing funds for the payment and redemption of certificates
467 of credit issued to school districts under Section 37-47-23, when
468 such funds are not otherwise available, or for the purpose of (c)
469 providing funds in an amount not exceeding Twenty Million Dollars
470 (\$20,000,000.00) for the payment of allocations of Mississippi
471 Adequate Education Program funds to school districts for capital
472 expenditures approved by the State Board of Education which have
473 not been pledged for debt by the school district, when such funds
474 are not otherwise available, or for any of such purposes, the
475 State Bond Commission is authorized and empowered to issue state
476 school bonds under the conditions prescribed in this chapter. The
477 aggregate principal amount of such bonds outstanding at any one
478 (1) time, after deducting the amount of the sinking fund provided



479 for the retirement of bonds issued for such purposes, shall never
480 exceed the sum of One Hundred Million Dollars (\$100,000,000.00).
481 Within such limits, however, state school bonds may be issued from
482 time to time under the conditions prescribed in this chapter.
483 None of such bonds so issued shall have a maturity date later than
484 July 1, 2021.

485 **SECTION 19.** Section 37-47-35, Mississippi Code of 1972, is
486 brought forward as follows:

487 37-47-35. Before any state school bonds are issued as
488 authorized by this chapter, the state educational finance
489 commission shall transmit to the state bond commission a request
490 for the issuance thereof in the form of a resolution adopted by
491 said state educational finance commission. Said request shall
492 embody the following:

493 (a) A schedule showing the aggregate of bonds issued
494 pursuant to previous requests, the purposes for which the same
495 were issued, the annual payments required to retire such bonds and
496 the interest thereon, and the amount of sinking fund applicable to
497 the retirement of such outstanding bonds;

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

501 (c) A schedule showing future annual principal
502 requirements and estimated annual interest requirements on the
503 bonds requested to be issued;



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

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

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

513 **SECTION 20.** Section 37-47-37, Mississippi Code of 1972, is
514 brought forward as follows:

515 37-47-37. If it shall appear to the satisfaction of the
516 state bond commission from the request provided for in Section
517 37-47-35:

518 (a) That the estimate of the needs for the then current
519 fiscal year as shown pursuant to the requirement of Section
520 37-47-35, requires bonds to be issued in the amount requested; and

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

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

525 **SECTION 21.** Section 37-47-39, Mississippi Code of 1972, is
526 brought forward as follows:

527 37-47-39. For the purpose of paying the principal of and
528 interest upon all state school bonds issued under the authority of



529 this chapter, there shall be and there is hereby pledged the full
530 faith, credit, and taxing power of the State of Mississippi.

531 **SECTION 22.** Section 37-47-41, Mississippi Code of 1972, is
532 brought forward as follows:

533 37-47-41. All state school bonds issued under the provisions
534 of this chapter shall be signed by the governor, or by his
535 facsimile signature, and attested by the secretary of state. The
536 great seal of the State of Mississippi shall be affixed to or
537 impressed upon each of them. Coupons attached to such bonds may
538 bear only the facsimile signatures of both the governor and
539 secretary of state. Subject to the provisions of this chapter the
540 state bond commission shall have full discretion in providing for
541 the issuance of such bonds and in fixing the terms and details
542 thereof. Said state bond commission may provide for the issuance
543 of such bonds in such form, either coupon or registered, with such
544 registration privileges, and executed in such manner and payable
545 in such medium and at such place or places, and containing such
546 terms, covenants and provisions as the state bond commission may,
547 by resolution or resolutions, provide. All or any part of the
548 bonds issued under the authority of this chapter may be made
549 optional for redemption prior to maturity in the discretion of the
550 state bond commission, and in such case such bonds shall specify
551 the manner in and premiums at which the bonds shall be so
552 redeemable. Such bonds shall not be redeemable before maturity
553 unless same expressly so provide.



554 **SECTION 23.** Section 37-47-43, Mississippi Code of 1972, is
555 brought forward as follows:

556 37-47-43. All bonds issued under the authority of this
557 chapter shall be lithographed or engraved and printed in two (2)
558 or more colors to prevent counterfeiting. Such bonds shall be
559 issued in denominations as shall be specified by the State Bond
560 Commission. No bond shall bear more than one (1) rate of
561 interest; each bond shall bear interest from its date to its
562 stated maturity date at the interest rate specified in the bid;
563 all bonds of the same maturity shall bear the same rate of
564 interest from date to maturity; all interest accruing on such
565 bonds so issued shall be payable semiannually or annually, except
566 that the first interest coupon attached to any such bond may be
567 for any period not exceeding one (1) year.

568 No interest payment shall be evidenced by more than one (1)
569 coupon and neither cancelled nor supplemental coupons shall be
570 permitted. The interest rate of any one (1) interest coupon shall
571 not exceed eight percent (8%) except that the interest rate of any
572 one (1) coupon issued after March 31, 1981, shall not exceed seven
573 percent (7%).

574 **SECTION 24.** Section 37-47-45, Mississippi Code of 1972, is
575 brought forward as follows:

576 37-47-45. All bonds issued under the authority of this
577 chapter shall mature annually. None of such bonds shall have a
578 final maturity date of more than twenty (20) years from the date



579 of the issuance thereof, and in no event shall the final maturity
580 date of any such bonds be later than July 1, 2004. In issuing such
581 bonds, the state bond commission shall be authorized and empowered
582 to provide maturities therefor in such amounts and at such times
583 as the state bond commission shall deem appropriate, proper and
584 feasible. No bonds shall be issued and sold under the provisions
585 of this chapter for less than par and accrued interest.

586 **SECTION 25.** Section 37-47-47, Mississippi Code of 1972, is
587 brought forward as follows:

588 37-47-47. All state school bonds issued under the provisions
589 of this chapter shall be sold by the said state bond commission
590 upon sealed competitive bids or proposals after advertisement
591 therefor and publication of the notice of such sale in the manner
592 provided by law.

593 The proceeds of the sale of all state school bonds shall be
594 placed in the "State Public School Building Fund" and shall be
595 expended only for the purposes authorized by this chapter.
596 However, the premium, if any, received for any such bonds and the
597 accrued interest paid thereon, if any, shall be placed in the
598 sinking fund established for the payment of said bonds.

599 **SECTION 26.** Section 37-47-49, Mississippi Code of 1972, is
600 brought forward as follows:

601 37-47-49. In anticipation of the issuance of any bonds
602 authorized under the provisions of this chapter, the state bond
603 commission may authorize and issue interim certificates payable to



604 bearer or to the purchaser of the bonds. Such interim certificates
605 may be in such form and may contain such terms, conditions, or
606 provisions and such agreement or agreements relative to their
607 discharge, either through payment or through the delivery of the
608 bonds, as the commission, by resolution or resolutions,
609 determines.

610 Notwithstanding the foregoing provisions of this section,
611 bonds referred to hereinabove may be issued pursuant to the
612 supplemental powers and authorizations conferred by the provisions
613 of the Registered Bond Act, being Sections 31-21-1 through
614 31-21-7.

615 **SECTION 27.** Section 37-47-51, Mississippi Code of 1972, is
616 brought forward as follows:

617 37-47-51. All bonds issued under the provisions of this
618 chapter and all interim certificates issued under the provisions
619 of this chapter, except those fully registered, shall be fully
620 negotiable within the meaning and for all the purposes of the
621 Uniform Commercial Code.

622 **SECTION 28.** Section 37-47-53, Mississippi Code of 1972, is
623 brought forward as follows:

624 37-47-53. All bonds and interim certificates issued under
625 the provisions of this chapter and all interest thereon and income
626 therefrom shall be exempt from all taxation, except gift,
627 transfer, and inheritance taxes.



628 **SECTION 29.** Section 37-47-55, Mississippi Code of 1972, is
629 brought forward as follows:

630 37-47-55. The state treasurer shall keep a record in his
631 office of the issuance of all bonds issued under the provisions of
632 this chapter, and he shall execute a certificate to that effect on
633 the back of each bond, which certificate may be signed by either
634 the original or the facsimile signature of the state treasurer.
635 The state treasurer shall also keep proper records relating to the
636 sale and issuance of bonds under the provisions of this chapter,
637 and the amounts received therefor and paid into the state treasury
638 for the purposes provided in this chapter. He shall also keep a
639 full and complete record of all registered bonds issued under the
640 provisions of this chapter.

641 **SECTION 30.** Section 37-47-57, Mississippi Code of 1972, is
642 brought forward as follows:

643 37-47-57. The state educational finance commission is hereby
644 authorized and directed to pay, on approval of the governor, out
645 of any funds derived from the issuance of state school bonds or
646 otherwise in its hands and available for such purpose, any expense
647 which may be incurred by the state bond commission or by the State
648 of Mississippi or its officials in connection with the
649 authorization and issuance of bonds and interim certificates under
650 the provisions of this chapter, including the expense of preparing
651 and delivering said bonds or interim certificates, legal fees, and
652 all other expenses necessarily incurred in connection with the



653 issuance, sale, and delivery of any such bonds and interim
654 certificates.

655 **SECTION 31.** Section 37-47-59, Mississippi Code of 1972, is
656 brought forward as follows:

657 37-47-59. All bonds issued under the authority of this
658 chapter may, in the discretion of the state bond commission, be
659 validated in the chancery court of Hinds County, Mississippi, in
660 the manner and with the force and effect now or hereafter provided
661 by Chapter 13, Title 31, of the Mississippi Code of 1972. In the
662 event of such validation, the necessary papers shall be
663 transmitted to the state bond attorney by the secretary of said
664 state bond commission and the required notice shall be addressed
665 to the taxpayers of the State of Mississippi and shall be
666 published in a newspaper of general circulation published in the
667 City of Jackson, Mississippi.

668 **SECTION 32.** Section 37-47-61, Mississippi Code of 1972, is
669 brought forward as follows:

670 37-47-61. For the purpose of providing for the payment of
671 the principal of and interest upon bonds issued under the
672 provisions of this chapter according to the terms thereof, there
673 shall be and there is hereby established in the state treasury a
674 sinking fund for such payment. Said sinking fund shall consist of
675 the premiums and accrued interest paid upon any such bonds so
676 issued and of such other amount as shall be paid into such fund by
677 appropriation or other authorization by the legislature. In cases



678 where the loan or advance to a school district was made from the
679 proceeds of bonds issued under the provisions of this chapter, the
680 state educational finance commission shall annually pay into said
681 sinking fund the amounts of annual grants to which any school
682 district is entitled and which are used for the repayment of the
683 principal of and interest upon a loan or grant made to such school
684 district under the authority of Section 37-47-25. However, where
685 the loan or advance was made from accumulations in the state
686 public school building fund the amounts of the annual grants to
687 which the school districts are entitled which are used for the
688 repayment of principal of and interest upon such loan or grant
689 shall be paid into the state public school building fund and not
690 into the bond and interest sinking fund.

691 **SECTION 33.** Section 37-47-63, Mississippi Code of 1972, is
692 brought forward as follows:

693 37-47-63. In consideration of the acceptance and purchase of
694 the bonds authorized under the provisions of this chapter, by
695 those who shall hold the same from time to time, this chapter
696 shall be deemed and shall constitute a contract between the State
697 of Mississippi and such holders and shall be irrevocable until
698 such time as all bonds and interim certificates issued under the
699 provisions of this chapter shall have been fully paid.

700 **SECTION 34.** Section 37-47-65, Mississippi Code of 1972, is
701 brought forward as follows:



702 37-47-65. Nothing in this chapter shall be construed to
703 prohibit a school district from issuing its bonds, negotiable
704 notes, or certificates of indebtedness for the purposes, in the
705 manner, to the extent, and subject to the limitations provided by
706 Sections 37-59-1 through 37-59-45, or any other applicable
707 sections, and the authority granted by this chapter shall be
708 construed as being additional, supplemental, and cumulative
709 thereto. The proceeds of the sale of any such bonds, negotiable
710 notes, or certificates of indebtedness so issued by any such
711 school district may be used for the purpose for which they were
712 issued and may be expended in conjunction with funds provided by
713 the state educational finance commission under the provisions of
714 this chapter, or may be expended without such funds, if same be
715 not available.

716 **SECTION 35.** Section 37-47-67, Mississippi Code of 1972, is
717 brought forward as follows:

718 37-47-67. Any county board of education or board of trustees
719 of any school district, including a municipal separate school
720 district, which may be aggrieved by any final rule, regulation, or
721 order of the state educational finance commission adopted under
722 the provisions of this chapter shall have the right to appeal
723 therefrom to the chancery court of the county in which the school
724 district involved or any part thereof is located in like manner,
725 within the same time, with like effect, and subject in all other
726 respects to appeals from orders, rules, and regulations of the



727 state educational finance commission as provided in Chapter 45 of
728 this Title, the provisions of which are hereby made applicable in
729 all respects to appeals from orders, rules, and regulations of the
730 commission under the provisions of this chapter.

731 **SECTION 36.** Section 27-65-75, Mississippi Code of 1972, is
732 brought forward as follows:

733 27-65-75. On or before the fifteenth day of each month, the
734 revenue collected under the provisions of this chapter during the
735 preceding month shall be paid and distributed as follows:

736 (1) (a) On or before August 15, 1992, and each succeeding
737 month thereafter through July 15, 1993, eighteen percent (18%) of
738 the total sales tax revenue collected during the preceding month
739 under the provisions of this chapter, except that collected under
740 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
741 business activities within a municipal corporation shall be
742 allocated for distribution to the municipality and paid to the
743 municipal corporation. Except as otherwise provided in this
744 paragraph (a), on or before August 15, 1993, and each succeeding
745 month thereafter, eighteen and one-half percent (18-1/2%) of the
746 total sales tax revenue collected during the preceding month under
747 the provisions of this chapter, except that collected under the
748 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
749 27-65-24, on business activities within a municipal corporation
750 shall be allocated for distribution to the municipality and paid
751 to the municipal corporation. However, in the event the State



752 Auditor issues a certificate of noncompliance pursuant to Section
753 21-35-31, the Department of Revenue shall withhold ten percent
754 (10%) of the allocations and payments to the municipality that
755 would otherwise be payable to the municipality under this
756 paragraph (a) until such time that the department receives written
757 notice of the cancellation of a certificate of noncompliance from
758 the State Auditor.

759 A municipal corporation, for the purpose of distributing the
760 tax under this subsection, shall mean and include all incorporated
761 cities, towns and villages.

762 Monies allocated for distribution and credited to a municipal
763 corporation under this paragraph may be pledged as security for a
764 loan if the distribution received by the municipal corporation is
765 otherwise authorized or required by law to be pledged as security
766 for such a loan.

767 In any county having a county seat that is not an
768 incorporated municipality, the distribution provided under this
769 subsection shall be made as though the county seat was an
770 incorporated municipality; however, the distribution to the
771 municipality shall be paid to the county treasury in which the
772 municipality is located, and those funds shall be used for road,
773 bridge and street construction or maintenance in the county.

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



777 the provisions of this chapter, except that collected under the
778 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
779 business activities on the campus of a state institution of higher
780 learning or community or junior college whose campus is not
781 located within the corporate limits of a municipality, shall be
782 allocated for distribution to the state institution of higher
783 learning or community or junior college and paid to the state
784 institution of higher learning or community or junior college.

785 (c) On or before August 15, 2018, and each succeeding
786 month thereafter until August 14, 2019, two percent (2%) of the
787 total sales tax revenue collected during the preceding month under
788 the provisions of this chapter, except that collected under the
789 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
790 27-65-24, on business activities within the corporate limits of
791 the City of Jackson, Mississippi, shall be deposited into the
792 Capitol Complex Improvement District Project Fund created in
793 Section 29-5-215. On or before August 15, 2019, and each
794 succeeding month thereafter until August 14, 2020, four percent
795 (4%) of the total sales tax revenue collected during the preceding
796 month under the provisions of this chapter, except that collected
797 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
798 and 27-65-24, on business activities within the corporate limits
799 of the City of Jackson, Mississippi, shall be deposited into the
800 Capitol Complex Improvement District Project Fund created in
801 Section 29-5-215. On or before August 15, 2020, and each



802 succeeding month thereafter, six percent (6%) of the total sales
803 tax revenue collected during the preceding month under the
804 provisions of this chapter, except that collected under the
805 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
806 27-65-24, on business activities within the corporate limits of
807 the City of Jackson, Mississippi, shall be deposited into the
808 Capitol Complex Improvement District Project Fund created in
809 Section 29-5-215.

810 (d) (i) On or before the fifteenth day of the month
811 that the diversion authorized by this section begins, and each
812 succeeding month thereafter, eighteen and one-half percent
813 (18-1/2%) of the total sales tax revenue collected during the
814 preceding month under the provisions of this chapter, except that
815 collected under the provisions of Sections 27-65-15, 27-65-19(3)
816 and 27-65-21, on business activities within a redevelopment
817 project area developed under a redevelopment plan adopted under
818 the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be
819 allocated for distribution to the county in which the project area
820 is located if:

- 821 1. The county:
- 822 a. Borders on the Mississippi Sound and
823 the State of Alabama, or
- 824 b. Is Harrison County, Mississippi, and
825 the project area is within a radius of two (2) miles from the
826 intersection of Interstate 10 and Menge Avenue;



827 2. The county has issued bonds under Section
828 21-45-9 to finance all or a portion of a redevelopment project in
829 the redevelopment project area;

830 3. Any debt service for the indebtedness
831 incurred is outstanding; and

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

835 (ii) Before any sales tax revenue may be allocated
836 for distribution to a county under this paragraph, the county
837 shall certify to the Department of Revenue that the requirements
838 of this paragraph have been met, the amount of bonded indebtedness
839 that has been incurred by the county for the redevelopment project
840 and the expected date the indebtedness incurred by the county will
841 be satisfied.

842 (iii) The diversion of sales tax revenue
843 authorized by this paragraph shall begin the month following the
844 month in which the Department of Revenue determines that the
845 requirements of this paragraph have been met. The diversion shall
846 end the month the indebtedness incurred by the county is
847 satisfied. All revenue received by the county under this
848 paragraph shall be deposited in the fund required to be created in
849 the tax increment financing plan under Section 21-45-11 and be
850 utilized solely to satisfy the indebtedness incurred by the
851 county.



852 (2) On or before September 15, 1987, and each succeeding
853 month thereafter, from the revenue collected under this chapter
854 during the preceding month, One Million One Hundred Twenty-five
855 Thousand Dollars (\$1,125,000.00) shall be allocated for
856 distribution to municipal corporations as defined under subsection
857 (1) of this section in the proportion that the number of gallons
858 of gasoline and diesel fuel sold by distributors to consumers and
859 retailers in each such municipality during the preceding fiscal
860 year bears to the total gallons of gasoline and diesel fuel sold
861 by distributors to consumers and retailers in municipalities
862 statewide during the preceding fiscal year. The Department of
863 Revenue shall require all distributors of gasoline and diesel fuel
864 to report to the department monthly the total number of gallons of
865 gasoline and diesel fuel sold by them to consumers and retailers
866 in each municipality during the preceding month. The Department
867 of Revenue shall have the authority to promulgate such rules and
868 regulations as is necessary to determine the number of gallons of
869 gasoline and diesel fuel sold by distributors to consumers and
870 retailers in each municipality. In determining the percentage
871 allocation of funds under this subsection for the fiscal year
872 beginning July 1, 1987, and ending June 30, 1988, the Department
873 of Revenue may consider gallons of gasoline and diesel fuel sold
874 for a period of less than one (1) fiscal year. For the purposes
875 of this subsection, the term "fiscal year" means the fiscal year
876 beginning July 1 of a year.



877 (3) On or before September 15, 1987, and on or before the
878 fifteenth day of each succeeding month, until the date specified
879 in Section 65-39-35, the proceeds derived from contractors' taxes
880 levied under Section 27-65-21 on contracts for the construction or
881 reconstruction of highways designated under the highway program
882 created under Section 65-3-97 shall, except as otherwise provided
883 in Section 31-17-127, be deposited into the State Treasury to the
884 credit of the State Highway Fund to be used to fund that highway
885 program. The Mississippi Department of Transportation shall
886 provide to the Department of Revenue such information as is
887 necessary to determine the amount of proceeds to be distributed
888 under this subsection.

889 (4) On or before August 15, 1994, and on or before the
890 fifteenth day of each succeeding month through July 15, 1999, from
891 the proceeds of gasoline, diesel fuel or kerosene taxes as
892 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
893 (\$4,000,000.00) shall be deposited in the State Treasury to the
894 credit of a special fund designated as the "State Aid Road Fund,"
895 created by Section 65-9-17. On or before August 15, 1999, and on
896 or before the fifteenth day of each succeeding month, from the
897 total amount of the proceeds of gasoline, diesel fuel or kerosene
898 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
899 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
900 one-fourth percent (23-1/4%) of those funds, whichever is the
901 greater amount, shall be deposited in the State Treasury to the



902 credit of the "State Aid Road Fund," created by Section 65-9-17.
903 Those funds shall be pledged to pay the principal of and interest
904 on state aid road bonds heretofore issued under Sections 19-9-51
905 through 19-9-77, in lieu of and in substitution for the funds
906 previously allocated to counties under this section. Those funds
907 may not be pledged for the payment of any state aid road bonds
908 issued after April 1, 1981; however, this prohibition against the
909 pledging of any such funds for the payment of bonds shall not
910 apply to any bonds for which intent to issue those bonds has been
911 published for the first time, as provided by law before March 29,
912 1981. From the amount of taxes paid into the special fund under
913 this subsection and subsection (9) of this section, there shall be
914 first deducted and paid the amount necessary to pay the expenses
915 of the Office of State Aid Road Construction, as authorized by the
916 Legislature for all other general and special fund agencies. The
917 remainder of the fund shall be allocated monthly to the several
918 counties in accordance with the following formula:

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

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

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



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

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

932 The amount of funds allocated to any county under this
933 subsection for any fiscal year after fiscal year 1994 shall not be
934 less than the amount allocated to the county for fiscal year 1994.

935 Any reference in the general laws of this state or the
936 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
937 construed to refer and apply to subsection (4) of Section
938 27-65-75.

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

945 (6) An amount each month beginning August 15, 1983, through
946 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
947 1983, shall be paid into the special fund known as the
948 Correctional Facilities Construction Fund created in Section 6,
949 Chapter 542, Laws of 1983.

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



952 one-thousandths percent (2.266%) of the total sales tax revenue
953 collected during the preceding month under the provisions of this
954 chapter, except that collected under the provisions of Section
955 27-65-17(2), shall be deposited by the department into the School
956 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
957 or before August 15, 2000, and each succeeding month thereafter,
958 two and two hundred sixty-six one-thousandths percent (2.266%) of
959 the total sales tax revenue collected during the preceding month
960 under the provisions of this chapter, except that collected under
961 the provisions of Section 27-65-17(2), shall be deposited into the
962 School Ad Valorem Tax Reduction Fund created under Section
963 37-61-35 until such time that the total amount deposited into the
964 fund during a fiscal year equals Forty-two Million Dollars
965 (\$42,000,000.00). Thereafter, the amounts diverted under this
966 subsection (7) during the fiscal year in excess of Forty-two
967 Million Dollars (\$42,000,000.00) shall be deposited into the
968 Education Enhancement Fund created under Section 37-61-33 for
969 appropriation by the Legislature as other education needs and
970 shall not be subject to the percentage appropriation requirements
971 set forth in Section 37-61-33.

972 (8) On or before August 15, 1992, and each succeeding month
973 thereafter, nine and seventy-three one-thousandths percent
974 (9.073%) of the total sales tax revenue collected during the
975 preceding month under the provisions of this chapter, except that
976 collected under the provisions of Section 27-65-17(2), shall be



977 deposited into the Education Enhancement Fund created under
978 Section 37-61-33.

979 (9) On or before August 15, 1994, and each succeeding month
980 thereafter, from the revenue collected under this chapter during
981 the preceding month, Two Hundred Fifty Thousand Dollars
982 (\$250,000.00) shall be paid into the State Aid Road Fund.

983 (10) On or before August 15, 1994, and each succeeding month
984 thereafter through August 15, 1995, from the revenue collected
985 under this chapter during the preceding month, Two Million Dollars
986 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
987 Valorem Tax Reduction Fund established in Section 27-51-105.

988 (11) Notwithstanding any other provision of this section to
989 the contrary, on or before February 15, 1995, and each succeeding
990 month thereafter, the sales tax revenue collected during the
991 preceding month under the provisions of Section 27-65-17(2) and
992 the corresponding levy in Section 27-65-23 on the rental or lease
993 of private carriers of passengers and light carriers of property
994 as defined in Section 27-51-101 shall be deposited, without
995 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
996 established in Section 27-51-105.

997 (12) Notwithstanding any other provision of this section to
998 the contrary, on or before August 15, 1995, and each succeeding
999 month thereafter, the sales tax revenue collected during the
1000 preceding month under the provisions of Section 27-65-17(1) on
1001 retail sales of private carriers of passengers and light carriers



1002 of property, as defined in Section 27-51-101 and the corresponding
1003 levy in Section 27-65-23 on the rental or lease of these vehicles,
1004 shall be deposited, after diversion, into the Motor Vehicle Ad
1005 Valorem Tax Reduction Fund established in Section 27-51-105.

1006 (13) On or before July 15, 1994, and on or before the
1007 fifteenth day of each succeeding month thereafter, that portion of
1008 the avails of the tax imposed in Section 27-65-22 that is derived
1009 from activities held on the Mississippi State Fairgrounds Complex
1010 shall be paid into a special fund that is created in the State
1011 Treasury and shall be expended upon legislative appropriation
1012 solely to defray the costs of repairs and renovation at the Trade
1013 Mart and Coliseum.

1014 (14) On or before August 15, 1998, and each succeeding month
1015 thereafter through July 15, 2005, that portion of the avails of
1016 the tax imposed in Section 27-65-23 that is derived from sales by
1017 cotton compresses or cotton warehouses and that would otherwise be
1018 paid into the General Fund shall be deposited in an amount not to
1019 exceed Two Million Dollars (\$2,000,000.00) into the special fund
1020 created under Section 69-37-39. On or before August 15, 2007, and
1021 each succeeding month thereafter through July 15, 2010, that
1022 portion of the avails of the tax imposed in Section 27-65-23 that
1023 is derived from sales by cotton compresses or cotton warehouses
1024 and that would otherwise be paid into the General Fund shall be
1025 deposited in an amount not to exceed Two Million Dollars
1026 (\$2,000,000.00) into the special fund created under Section



1027 69-37-39 until all debts or other obligations incurred by the
1028 Certified Cotton Growers Organization under the Mississippi Boll
1029 Weevil Management Act before January 1, 2007, are satisfied in
1030 full. On or before August 15, 2010, and each succeeding month
1031 thereafter through July 15, 2011, fifty percent (50%) of that
1032 portion of the avails of the tax imposed in Section 27-65-23 that
1033 is derived from sales by cotton compresses or cotton warehouses
1034 and that would otherwise be paid into the General Fund shall be
1035 deposited into the special fund created under Section 69-37-39
1036 until such time that the total amount deposited into the fund
1037 during a fiscal year equals One Million Dollars (\$1,000,000.00).
1038 On or before August 15, 2011, and each succeeding month
1039 thereafter, that portion of the avails of the tax imposed in
1040 Section 27-65-23 that is derived from sales by cotton compresses
1041 or cotton warehouses and that would otherwise be paid into the
1042 General Fund shall be deposited into the special fund created
1043 under Section 69-37-39 until such time that the total amount
1044 deposited into the fund during a fiscal year equals One Million
1045 Dollars (\$1,000,000.00).

1046 (15) Notwithstanding any other provision of this section to
1047 the contrary, on or before September 15, 2000, and each succeeding
1048 month thereafter, the sales tax revenue collected during the
1049 preceding month under the provisions of Section
1050 27-65-19(1) (d) (i)2, and 27-65-19(1) (d) (i)3 shall be deposited,



1051 without diversion, into the Telecommunications Ad Valorem Tax
1052 Reduction Fund established in Section 27-38-7.

1053 (16) (a) On or before August 15, 2000, and each succeeding
1054 month thereafter, the sales tax revenue collected during the
1055 preceding month under the provisions of this chapter on the gross
1056 proceeds of sales of a project as defined in Section 57-30-1 shall
1057 be deposited, after all diversions except the diversion provided
1058 for in subsection (1) of this section, into the Sales Tax
1059 Incentive Fund created in Section 57-30-3.

1060 (b) On or before August 15, 2007, and each succeeding
1061 month thereafter, eighty percent (80%) of the sales tax revenue
1062 collected during the preceding month under the provisions of this
1063 chapter from the operation of a tourism project under the
1064 provisions of Sections 57-26-1 through 57-26-5, shall be
1065 deposited, after the diversions required in subsections (7) and
1066 (8) of this section, into the Tourism Project Sales Tax Incentive
1067 Fund created in Section 57-26-3.

1068 (17) Notwithstanding any other provision of this section to
1069 the contrary, on or before April 15, 2002, and each succeeding
1070 month thereafter, the sales tax revenue collected during the
1071 preceding month under Section 27-65-23 on sales of parking
1072 services of parking garages and lots at airports shall be
1073 deposited, without diversion, into the special fund created under
1074 Section 27-5-101(d).

1075 (18) [Repealed]



1076 (19) (a) On or before August 15, 2005, and each succeeding
1077 month thereafter, the sales tax revenue collected during the
1078 preceding month under the provisions of this chapter on the gross
1079 proceeds of sales of a business enterprise located within a
1080 redevelopment project area under the provisions of Sections
1081 57-91-1 through 57-91-11, and the revenue collected on the gross
1082 proceeds of sales from sales made to a business enterprise located
1083 in a redevelopment project area under the provisions of Sections
1084 57-91-1 through 57-91-11 (provided that such sales made to a
1085 business enterprise are made on the premises of the business
1086 enterprise), shall, except as otherwise provided in this
1087 subsection (19), be deposited, after all diversions, into the
1088 Redevelopment Project Incentive Fund as created in Section
1089 57-91-9.

1090 (b) For a municipality participating in the Economic
1091 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
1092 the diversion provided for in subsection (1) of this section
1093 attributable to the gross proceeds of sales of a business
1094 enterprise located within a redevelopment project area under the
1095 provisions of Sections 57-91-1 through 57-91-11, and attributable
1096 to the gross proceeds of sales from sales made to a business
1097 enterprise located in a redevelopment project area under the
1098 provisions of Sections 57-91-1 through 57-91-11 (provided that
1099 such sales made to a business enterprise are made on the premises
1100 of the business enterprise), shall be deposited into the



1101 Redevelopment Project Incentive Fund as created in Section
1102 57-91-9, as follows:

1103 (i) For the first six (6) years in which payments
1104 are made to a developer from the Redevelopment Project Incentive
1105 Fund, one hundred percent (100%) of the diversion shall be
1106 deposited into the fund;

1107 (ii) For the seventh year in which such payments
1108 are made to a developer from the Redevelopment Project Incentive
1109 Fund, eighty percent (80%) of the diversion shall be deposited
1110 into the fund;

1111 (iii) For the eighth year in which such payments
1112 are made to a developer from the Redevelopment Project Incentive
1113 Fund, seventy percent (70%) of the diversion shall be deposited
1114 into the fund;

1115 (iv) For the ninth year in which such payments are
1116 made to a developer from the Redevelopment Project Incentive Fund,
1117 sixty percent (60%) of the diversion shall be deposited into the
1118 fund; and

1119 (v) For the tenth year in which such payments are
1120 made to a developer from the Redevelopment Project Incentive Fund,
1121 fifty percent (50%) of the funds shall be deposited into the fund.

1122 (20) On or before January 15, 2007, and each succeeding
1123 month thereafter, eighty percent (80%) of the sales tax revenue
1124 collected during the preceding month under the provisions of this
1125 chapter from the operation of a tourism project under the



1126 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
1127 after the diversions required in subsections (7) and (8) of this
1128 section, into the Tourism Sales Tax Incentive Fund created in
1129 Section 57-28-3.

1130 (21) (a) On or before April 15, 2007, and each succeeding
1131 month thereafter through June 15, 2013, One Hundred Fifty Thousand
1132 Dollars (\$150,000.00) of the sales tax revenue collected during
1133 the preceding month under the provisions of this chapter shall be
1134 deposited into the MMEIA Tax Incentive Fund created in Section
1135 57-101-3.

1136 (b) On or before July 15, 2013, and each succeeding
1137 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
1138 of the sales tax revenue collected during the preceding month
1139 under the provisions of this chapter shall be deposited into the
1140 Mississippi Development Authority Job Training Grant Fund created
1141 in Section 57-1-451.

1142 (22) Notwithstanding any other provision of this section to
1143 the contrary, on or before August 15, 2009, and each succeeding
1144 month thereafter, the sales tax revenue collected during the
1145 preceding month under the provisions of Section 27-65-201 shall be
1146 deposited, without diversion, into the Motor Vehicle Ad Valorem
1147 Tax Reduction Fund established in Section 27-51-105.

1148 (23) (a) On or before August 15, 2019, and each month
1149 thereafter through July 15, 2020, one percent (1%) of the total
1150 sales tax revenue collected during the preceding month from



1151 restaurants and hotels shall be allocated for distribution to the
1152 Mississippi Development Authority Tourism Advertising Fund
1153 established under Section 57-1-64, to be used exclusively for the
1154 purpose stated therein. On or before August 15, 2020, and each
1155 month thereafter through July 15, 2021, two percent (2%) of the
1156 total sales tax revenue collected during the preceding month from
1157 restaurants and hotels shall be allocated for distribution to the
1158 Mississippi Development Authority Tourism Advertising Fund
1159 established under Section 57-1-64, to be used exclusively for the
1160 purpose stated therein. On or before August 15, 2021, and each
1161 month thereafter, three percent (3%) of the total sales tax
1162 revenue collected during the preceding month from restaurants and
1163 hotels shall be allocated for distribution to the Mississippi
1164 Development Authority Tourism Advertising Fund established under
1165 Section 57-1-64, to be used exclusively for the purpose stated
1166 therein. The revenue diverted pursuant to this subsection shall
1167 not be available for expenditure until February 1, 2020.

1168 (b) The Joint Legislative Committee on Performance
1169 Evaluation and Expenditure Review (PEER) must provide an annual
1170 report to the Legislature indicating the amount of funds deposited
1171 into the Mississippi Development Authority Tourism Advertising
1172 Fund established under Section 57-1-64, and a detailed record of
1173 how the funds are spent.



1174 (24) The remainder of the amounts collected under the
1175 provisions of this chapter shall be paid into the State Treasury
1176 to the credit of the General Fund.

1177 (25) (a) It shall be the duty of the municipal officials of
1178 any municipality that expands its limits, or of any community that
1179 incorporates as a municipality, to notify the commissioner of that
1180 action thirty (30) days before the effective date. Failure to so
1181 notify the commissioner shall cause the municipality to forfeit
1182 the revenue that it would have been entitled to receive during
1183 this period of time when the commissioner had no knowledge of the
1184 action.

1185 (b) (i) Except as otherwise provided in subparagraph
1186 (ii) of this paragraph, if any funds have been erroneously
1187 disbursed to any municipality or any overpayment of tax is
1188 recovered by the taxpayer, the commissioner may make correction
1189 and adjust the error or overpayment with the municipality by
1190 withholding the necessary funds from any later payment to be made
1191 to the municipality.

1192 (ii) Subject to the provisions of Sections
1193 27-65-51 and 27-65-53, if any funds have been erroneously
1194 disbursed to a municipality under subsection (1) of this section
1195 for a period of three (3) years or more, the maximum amount that
1196 may be recovered or withheld from the municipality is the total
1197 amount of funds erroneously disbursed for a period of three (3)
1198 years beginning with the date of the first erroneous disbursement.



1199 However, if during such period, a municipality provides written
1200 notice to the Department of Revenue indicating the erroneous
1201 disbursement of funds, then the maximum amount that may be
1202 recovered or withheld from the municipality is the total amount of
1203 funds erroneously disbursed for a period of one (1) year beginning
1204 with the date of the first erroneous disbursement.

1205 **SECTION 37.** Section 37-7-401, Mississippi Code of 1972, is
1206 brought forward as follows:

1207 37-7-401. In all cases where the same shall be necessary,
1208 advantageous or desirable from the standpoint of transportation,
1209 the efficiency of operating schools, or other pertinent
1210 considerations, any school district which has been reconstituted,
1211 reorganized or created under the provisions of Article 1 of this
1212 chapter may, with the prior consent and approval of the State
1213 Board of Education, acquire land outside of the boundaries of said
1214 school district and thereon construct, erect and equip any needed
1215 school building or other school facility of such school district.
1216 Any available state public school building funds, or any available
1217 funds derived from bonds issued by the school district for such
1218 purpose, or any other funds which are available to said school
1219 district for such purpose, may be expended for the construction,
1220 erecting and equipping of such a school building or school
1221 facility, all, however, subject to the prior consent and approval
1222 of the State Board of Education. Any school building or school
1223 facility so constructed outside of the boundaries of the school



1224 district owning same shall be operated, managed and supervised by
1225 the school board of the school district owning same in the same
1226 manner as though the building or facility were located within the
1227 school district, and all the laws of this state concerning the
1228 operation of schools shall be fully applicable thereto, and the
1229 school board shall have the power to specify the grades which
1230 shall be taught therein.

1231 **SECTION 38.** Section 37-7-409, Mississippi Code of 1972, is
1232 brought forward as follows:

1233 37-7-409. (1) When any school districts shall be authorized
1234 to unite, join and cooperate in the construction, erecting and
1235 equipping of a joint school building or school facility or in the
1236 joint operation of a school erected, constructed and equipped
1237 entirely by one of such districts, any school district so
1238 authorized may, with the prior consent and approval of the State
1239 Board of Education, expend in the construction, erecting and
1240 equipping of such joint school building or the school building
1241 which is to be jointly operated any available state public school
1242 building funds, or any available funds derived from bonds issued
1243 by such school district for such purpose, or any other funds which
1244 are otherwise available to such school district for such purpose,
1245 as is set forth and stipulated in the agreement entered into
1246 between the school districts involved. Except as is herein
1247 specifically provided all provisions of law relative to the
1248 construction, erecting and equipping of school buildings, the



1249 acquisition of land therefor, and the expenditure of funds for
1250 such purposes, shall be fully applicable to any joint school
1251 building which has been or is to be constructed, erected and
1252 equipped or which is to be operated jointly pursuant to an
1253 agreement entered into under the provisions of Section 37-7-405.

1254 (2) When a contract is made and entered into for the
1255 construction, erecting and equipping of joint school facilities or
1256 the joint operation of school facilities erected, constructed and
1257 equipped entirely by one of such districts, as provided in Section
1258 37-7-405, and where such contract has been approved by the State
1259 Board of Education, then any funds which are available for the
1260 lawful operating and incidental expenses of a school district may
1261 be expended by such school district as provided and stipulated in
1262 the agreement entered into between the school districts involved
1263 (including, but not limited to, funds for payment of tuition,
1264 funds payable as a rental upon the use of the building and
1265 equipment, and funds for maintenance and incidental costs of
1266 operation). The levying authority for the school district, as
1267 defined in Section 37-57-1, upon receipt of a certified copy of an
1268 order adopted by the school board of the school district in the
1269 county requesting same, shall at the same time and in the same
1270 manner as other ad valorem taxes are levied, levy an annual tax in
1271 the amount fixed in such order as may be required to meet any
1272 monetary obligation incurred under such contract. Notwithstanding
1273 any statute to the contrary, such number of mills as is necessary



1274 to defray any such contractual obligation shall be levied.
1275 However, this provision shall in no way be construed to increase
1276 the number of mills now reimbursable under the homestead exemption
1277 laws of the State of Mississippi.

1278 (3) Before levying any taxes under the provisions of this
1279 section, which levy would exceed the limitations otherwise
1280 provided for school purposes, the levying authority for the school
1281 district, as defined in Section 37-57-1, shall adopt a resolution
1282 declaring its intention so to do, stating the amount of millage to
1283 be levied and the purpose for which the proceeds are to be used,
1284 and the date upon which it proposes to make such levy. Such
1285 resolution shall be published once a week for not less than three
1286 (3) consecutive weeks, in at least one (1) newspaper having
1287 general circulation in the school district. The first publication
1288 of such resolution shall be made not less than twenty-one (21)
1289 days prior to the date fixed in such resolution for the levying of
1290 taxes, and the last publication shall be made not more than seven
1291 (7) days prior to such date. If within fifteen (15) days after
1292 the final publication of said resolution, a petition signed by the
1293 lesser of fifteen hundred (1500) or twenty percent (20%) of the
1294 qualified electors of said school district, requesting an election
1295 on the proposition of levying such additional taxes for school
1296 purposes is filed with the clerk of the board of supervisors or
1297 the clerk of the municipality, as the case may be, such levy shall
1298 not be made until an election shall be held to determine whether



1299 or not three-fifths (3/5) of qualified electors of said school
1300 district shall favor the additional levy for school purposes. If
1301 three-fifths (3/5) of the qualified electors of said school
1302 district voting in such election approves the levying of the
1303 additional taxes, then the levy shall be made within the manner,
1304 form and time as required by law. If no such petition is filed
1305 with the clerk as herein provided, then said levy shall be made by
1306 the levying authority in the manner, form and time as required by
1307 law. If any election is held under the provisions of this
1308 section, said election shall be under the supervision of the
1309 county or municipal election commission, as the case may be, in
1310 the manner, form and time as required by law for conducting
1311 general elections in this state.

1312 **SECTION 39.** Section 37-27-55, Mississippi Code of 1972, is
1313 brought forward as follows:

1314 37-27-55. When any pupils shall attend any agricultural high
1315 school or junior college under the provisions of Section 37-27-51,
1316 such pupils shall be reported and accounted for the allocation of
1317 minimum education program funds and building funds just as though
1318 such pupils were attending the regular schools of the district in
1319 which they reside. For this purpose reports shall be made to the
1320 board of trustees of the school district involved by the
1321 agricultural high school or junior college of the number of
1322 children in average daily attendance, and the average daily
1323 attendance of such pupils shall thereupon be included in reports



1324 made to the county or school district under the provisions of
1325 Chapters 19 and 47 of this title. The allocation of minimum
1326 education program funds and state public school building funds
1327 shall be made for such children just as though such children were
1328 attending the regular schools of the district. However, all
1329 minimum education program funds which accrue to any district as a
1330 result of the pupils who are in attendance at such agricultural
1331 high school or junior college, except amounts allotted for
1332 transportation purposes, shall be paid by the board of trustees of
1333 the municipal separate school district or the county board of
1334 education, as the case may be, to the agricultural high school or
1335 junior college at which the pupils are in attendance, and shall be
1336 expended by said agricultural high school or junior college for
1337 the instruction of said pupils and for the purposes for which the
1338 funds were originally allotted. Funds allotted to the school
1339 district for building purposes under Chapter 47 of this title,
1340 shall, however, be retained by the school district entitled
1341 thereto. The term "school district" as used in Sections 37-27-51
1342 through 37-27-59 shall be defined as including all public school
1343 districts in this state and also all agricultural high schools not
1344 located on the campus of a junior college.

1345 **SECTION 40.** Section 37-131-7, Mississippi Code of 1972, is
1346 brought forward as follows:

1347 37-131-7. When any pupils shall attend any demonstration or
1348 practice school under the provisions of Section 37-131-3, such



1349 children shall be reported and accounted for the allocation of
1350 minimum education program funds and state public school building
1351 funds just as though such children were attending the regular
1352 schools of the district in which they reside. For this purpose,
1353 reports shall be made to the school district involved by the
1354 demonstration or practice school of the number of pupils in
1355 average daily attendance, and the average daily attendance of such
1356 children shall thereupon be included in reports made to the State
1357 Board of Education and the State Educational Finance Commission by
1358 the county or school district under the provisions of Chapters 19
1359 and 47 of this title.

1360 Allocation of minimum education program funds shall be made
1361 by the State Board of Education for such children just as though
1362 such children were attending the regular schools of the district.
1363 All minimum education program funds, except funds allocated for
1364 transportation costs, which accrue to any district as a result of
1365 such children who are in attendance at a demonstration or practice
1366 school shall be paid by the board of trustees of the municipal
1367 separate school district or by the county board of education to
1368 the demonstration or practice school, and shall be used to defray
1369 the cost and expense of maintaining, operating and conducting such
1370 demonstration or practice school.

1371 All state public school building funds which accrue as a
1372 result of such children in attendance at a demonstration or
1373 practice school shall be credited directly to such demonstration



1374 or practice school, and all of the provisions of Chapter 47 of
1375 this title shall be fully applicable thereto.

1376 **SECTION 41.** This act shall take effect and be in force from
1377 and after July 1, 2022, and shall stand repealed on June 30, 2022.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

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 REQUIRE THE LEGISLATURE TO
5 APPROPRIATE MONIES TO THE FUND; TO AUTHORIZE PUBLIC SCHOOL
6 DISTRICTS, THE STATE BOARD OF EDUCATION ACTING ON BEHALF OF THE
7 MISSISSIPPI SCHOOL OF THE ARTS, THE MISSISSIPPI SCHOOL FOR THE
8 DEAF AND THE MISSISSIPPI SCHOOL FOR THE BLIND, COMMUNITY AND
9 JUNIOR COLLEGES TO SUBMIT APPLICATIONS TO THE DEPARTMENT OF
10 FINANCE AND ADMINISTRATION FOR LOANS FROM THE FUND; TO DESIGNATE
11 THE PURPOSES FOR WHICH LOANS MAY BE USED AND THE PERCENTAGE OF THE
12 REVOLVING LOAN FUND TO BE MADE AVAILABLE FOR LOANS TO DIFFERENT
13 EDUCATIONAL INSTITUTIONS; TO REQUIRE THE DEPARTMENT OF FINANCE AND
14 ADMINISTRATION TO ADMINISTER THE PROGRAM AND TO ESTABLISH RULES
15 AND REGULATIONS FOR ITS IMPLEMENTATION BEFORE OCTOBER 1, 2022; TO
16 REQUIRE LOANS MADE TO PUBLIC ENTITIES TO BE INTEREST FREE; TO
17 REQUIRE LOANS TO BE REPAYED IN TEN YEARS; TO REQUIRE THE STATE
18 DEPARTMENT OF EDUCATION AND THE MISSISSIPPI COMMUNITY COLLEGE
19 BOARD, ACTING JOINTLY WITH THE DEPARTMENT OF FINANCE AND
20 ADMINISTRATION, TO PROMULGATE RULES FOR PUBLIC EDUCATIONAL
21 ENTITIES PARTICIPATING IN THE PROGRAM; TO BRING FORWARD SECTIONS
22 37-47-1, 37-47-3, 37-47-5, 37-47-7, 37-47-9, 37-47-11, 37-47-13,
23 37-47-15, 37-47-17, 37-47-19, 37-47-21, 37-47-23, 37-47-25,
24 37-47-29, 37-47-31, 37-47-33, 37-47-35, 37-47-37, 37-47-39,
25 37-47-41, 37-47-43, 37-47-45, 37-47-47, 37-47-49, 37-47-51,
26 37-47-53, 37-47-55, 37-47-57, 37-47-59, 37-47-61, 37-47-63,
27 37-47-65 AND 37-47-67, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR
28 THE STATE AID FOR CONSTRUCTION OF SCHOOL FACILITIES, FOR THE
29 PURPOSES OF POSSIBLE AMENDMENT; TO AMEND SECTION 37-47-27,
30 MISSISSIPPI CODE OF 1972, TO UPDATE OBSOLETE TERMINOLOGY TO
31 REFLECT THE REFERENCES TO THE "STATE EDUCATIONAL FINANCE
32 COMMISSION" AS THE "STATE BOARD OF EDUCATION"; TO BRING FORWARD
33 SECTION 27-65-75, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE
34 DISTRIBUTION OF TAX REVENUES, FOR THE PURPOSES OF POSSIBLE
35 AMENDMENT; TO BRING FORWARD SECTIONS 37-7-401 AND 37-7-409,
36 MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE LAND ACQUISITION



37 AND THE FUNDING OF CONSTRUCTION OF SCHOOL BUILDINGS, FOR THE
38 PURPOSE OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 37-27-55,
39 MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE FUND ALLOCATION
40 FOR AGRICULTURAL HIGH SCHOOLS, FOR THE PURPOSE OF POSSIBLE
41 AMENDMENT; TO BRING FORWARD SECTION 37-131-7, MISSISSIPPI CODE OF
42 1972, WHICH PROVIDES FOR THE ALLOTMENT OF FUNDS IN GENERAL, FOR
43 THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

