

By: Representatives Roberson, Jackson

To: Education;
Appropriations

HOUSE BILL NO. 258

1 AN ACT TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972,
 2 TO EXTEND THE DATE OF THE REPEALER ON THE PROVISION OF LAW THAT
 3 REQUIRES MONTHLY PAYMENTS PREVIOUSLY MADE TO THE STATE PUBLIC
 4 SCHOOL BUILDING FUND TO INSTEAD BE PAID TO THE EDUCATIONAL
 5 FACILITIES REVOLVING LOAN FUND AND TO DELETE OUTDATED REFERENCES
 6 TO CODE SECTIONS THAT HAVE BEEN REPEALED; TO AMEND SECTIONS
 7 37-47-11, 37-47-13, 37-47-15, 37-47-17, 37-47-19, 37-47-21,
 8 37-47-23 AND 37-47-29, MISSISSIPPI CODE OF 1972, TO EXTEND THE
 9 DATE OF THE REPEALERS ON THOSE STATUTES RELATING TO THE
 10 ADMINISTRATION OF THE STATE PUBLIC SCHOOL BUILDING FUND AND TO
 11 REVISE OUTDATED AGENCY NOMENCLATURE; TO AMEND SECTION 37-47-27,
 12 MISSISSIPPI CODE OF 1972, TO REVISE OUTDATED AGENCY NOMENCLATURE;
 13 AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** Section 27-65-75, Mississippi Code of 1972, is
 16 amended as follows:

17 27-65-75. On or before the fifteenth day of each month, the
 18 revenue collected under the provisions of this chapter during the
 19 preceding month shall be paid and distributed as follows:

20 (1) (a) On or before August 15, 1992, and each succeeding
 21 month thereafter through July 15, 1993, eighteen percent (18%) of
 22 the total sales tax revenue collected during the preceding month
 23 under the provisions of this chapter, except that collected under



24 the provisions of Sections * * * 27-65-19(3) and 27-65-21, on
25 business activities within a municipal corporation shall be
26 allocated for distribution to the municipality and paid to the
27 municipal corporation. Except as otherwise provided in this
28 paragraph (a), on or before August 15, 1993, and each succeeding
29 month thereafter, eighteen and one-half percent (18-1/2%) of the
30 total sales tax revenue collected during the preceding month under
31 the provisions of this chapter, except that collected under the
32 provisions of Sections * * * 27-65-19(3), 27-65-21 and 27-65-24,
33 on business activities within a municipal corporation shall be
34 allocated for distribution to the municipality and paid to the
35 municipal corporation. However, in the event the State Auditor
36 issues a certificate of noncompliance pursuant to Section
37 21-35-31, the Department of Revenue shall withhold ten percent
38 (10%) of the allocations and payments to the municipality that
39 would otherwise be payable to the municipality under this
40 paragraph (a) until such time that the department receives written
41 notice of the cancellation of a certificate of noncompliance from
42 the State Auditor.

43 A municipal corporation, for the purpose of distributing the
44 tax under this subsection, shall mean and include all incorporated
45 cities, towns and villages.

46 Monies allocated for distribution and credited to a municipal
47 corporation under this paragraph may be pledged as security for a
48 loan if the distribution received by the municipal corporation is



49 otherwise authorized or required by law to be pledged as security
50 for such a loan.

51 In any county having a county seat that is not an
52 incorporated municipality, the distribution provided under this
53 subsection shall be made as though the county seat was an
54 incorporated municipality; however, the distribution to the
55 municipality shall be paid to the county treasury in which the
56 municipality is located, and those funds shall be used for road,
57 bridge and street construction or maintenance in the county.

58 (b) On or before August 15, 2006, and each succeeding
59 month thereafter, eighteen and one-half percent (18-1/2%) of the
60 total sales tax revenue collected during the preceding month under
61 the provisions of this chapter, except that collected under the
62 provisions of Sections * * * 27-65-19(3) and 27-65-21, on business
63 activities on the campus of a state institution of higher learning
64 or community or junior college whose campus is not located within
65 the corporate limits of a municipality, shall be allocated for
66 distribution to the state institution of higher learning or
67 community or junior college and paid to the state institution of
68 higher learning or community or junior college.

69 (c) On or before August 15, 2018, and each succeeding
70 month thereafter until August 14, 2019, two percent (2%) of the
71 total sales tax revenue collected during the preceding month under
72 the provisions of this chapter, except that collected under the
73 provisions of Sections * * * 27-65-19(3), 27-65-21 and 27-65-24,



74 on business activities within the corporate limits of the City of
75 Jackson, Mississippi, shall be deposited into the Capitol Complex
76 Improvement District Project Fund created in Section 29-5-215. On
77 or before August 15, 2019, and each succeeding month thereafter
78 until August 14, 2020, four percent (4%) of the total sales tax
79 revenue collected during the preceding month under the provisions
80 of this chapter, except that collected under the provisions of
81 Sections * * * 27-65-19(3), 27-65-21 and 27-65-24, on business
82 activities within the corporate limits of the City of Jackson,
83 Mississippi, shall be deposited into the Capitol Complex
84 Improvement District Project Fund created in Section 29-5-215. On
85 or before August 15, 2020, and each succeeding month thereafter,
86 six percent (6%) of the total sales tax revenue collected during
87 the preceding month under the provisions of this chapter, except
88 that collected under the provisions of Sections * * * 27-65-19(3),
89 27-65-21 and 27-65-24, on business activities within the corporate
90 limits of the City of Jackson, Mississippi, shall be deposited
91 into the Capitol Complex Improvement District Project Fund created
92 in Section 29-5-215.

93 (d) (i) On or before the fifteenth day of the month
94 that the diversion authorized by this section begins, and each
95 succeeding month thereafter, eighteen and one-half percent
96 (18-1/2%) of the total sales tax revenue collected during the
97 preceding month under the provisions of this chapter, except that
98 collected under the provisions of Sections * * * 27-65-19(3) and



99 27-65-21, on business activities within a redevelopment project
100 area developed under a redevelopment plan adopted under the Tax
101 Increment Financing Act (Section 21-45-1 et seq.) shall be
102 allocated for distribution to the county in which the project area
103 is located if:

104 1. The county:

105 a. Borders on the Mississippi Sound and
106 the State of Alabama, or

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

110 2. The county has issued bonds under Section
111 21-45-9 to finance all or a portion of a redevelopment project in
112 the redevelopment project area;

113 3. Any debt service for the indebtedness
114 incurred is outstanding; and

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

118 (ii) Before any sales tax revenue may be allocated
119 for distribution to a county under this paragraph, the county
120 shall certify to the Department of Revenue that the requirements
121 of this paragraph have been met, the amount of bonded indebtedness
122 that has been incurred by the county for the redevelopment project



123 and the expected date the indebtedness incurred by the county will
124 be satisfied.

125 (iii) The diversion of sales tax revenue
126 authorized by this paragraph shall begin the month following the
127 month in which the Department of Revenue determines that the
128 requirements of this paragraph have been met. The diversion shall
129 end the month the indebtedness incurred by the county is
130 satisfied. All revenue received by the county under this
131 paragraph shall be deposited in the fund required to be created in
132 the tax increment financing plan under Section 21-45-11 and be
133 utilized solely to satisfy the indebtedness incurred by the
134 county.

135 (2) On or before September 15, 1987, and each succeeding
136 month thereafter, from the revenue collected under this chapter
137 during the preceding month, One Million One Hundred Twenty-five
138 Thousand Dollars (\$1,125,000.00) shall be allocated for
139 distribution to municipal corporations as defined under subsection
140 (1) of this section in the proportion that the number of gallons
141 of gasoline and diesel fuel sold by distributors to consumers and
142 retailers in each such municipality during the preceding fiscal
143 year bears to the total gallons of gasoline and diesel fuel sold
144 by distributors to consumers and retailers in municipalities
145 statewide during the preceding fiscal year. The Department of
146 Revenue shall require all distributors of gasoline and diesel fuel
147 to report to the department monthly the total number of gallons of



148 gasoline and diesel fuel sold by them to consumers and retailers
149 in each municipality during the preceding month. The Department
150 of Revenue shall have the authority to promulgate such rules and
151 regulations as is necessary to determine the number of gallons of
152 gasoline and diesel fuel sold by distributors to consumers and
153 retailers in each municipality. In determining the percentage
154 allocation of funds under this subsection for the fiscal year
155 beginning July 1, 1987, and ending June 30, 1988, the Department
156 of Revenue may consider gallons of gasoline and diesel fuel sold
157 for a period of less than one (1) fiscal year. For the purposes
158 of this subsection, the term "fiscal year" means the fiscal year
159 beginning July 1 of a year.

160 (3) On or before September 15, 1987, and on or before the
161 fifteenth day of each succeeding month, until the date specified
162 in Section 65-39-35, the proceeds derived from contractors' taxes
163 levied under Section 27-65-21 on contracts for the construction or
164 reconstruction of highways designated under the highway program
165 created under Section 65-3-97 shall, except as otherwise provided
166 in Section 31-17-127, be deposited into the State Treasury to the
167 credit of the State Highway Fund to be used to fund that highway
168 program. The Mississippi Department of Transportation shall
169 provide to the Department of Revenue such information as is
170 necessary to determine the amount of proceeds to be distributed
171 under this subsection.



172 (4) On or before August 15, 1994, and on or before the
173 fifteenth day of each succeeding month through July 15, 1999, from
174 the proceeds of gasoline, diesel fuel or kerosene taxes as
175 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
176 (\$4,000,000.00) shall be deposited in the State Treasury to the
177 credit of a special fund designated as the "State Aid Road Fund,"
178 created by Section 65-9-17. On or before August 15, 1999, and on
179 or before the fifteenth day of each succeeding month, from the
180 total amount of the proceeds of gasoline, diesel fuel or kerosene
181 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
182 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
183 one-fourth percent (23-1/4%) of those funds, whichever is the
184 greater amount, shall be deposited in the State Treasury to the
185 credit of the "State Aid Road Fund," created by Section 65-9-17.
186 Those funds shall be pledged to pay the principal of and interest
187 on state aid road bonds heretofore issued under Sections 19-9-51
188 through 19-9-77, in lieu of and in substitution for the funds
189 previously allocated to counties under this section. Those funds
190 may not be pledged for the payment of any state aid road bonds
191 issued after April 1, 1981; however, this prohibition against the
192 pledging of any such funds for the payment of bonds shall not
193 apply to any bonds for which intent to issue those bonds has been
194 published for the first time, as provided by law before March 29,
195 1981. From the amount of taxes paid into the special fund under
196 this subsection and subsection (9) of this section, there shall be



197 first deducted and paid the amount necessary to pay the expenses
198 of the Office of State Aid Road Construction, as authorized by the
199 Legislature for all other general and special fund agencies. The
200 remainder of the fund shall be allocated monthly to the several
201 counties in accordance with the following formula:

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

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

208 (c) One-third (1/3) shall be allocated to counties
209 based on the proportion that the rural population of the county
210 bears to the total rural population in all counties of the state,
211 according to the latest federal decennial census.

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

215 The amount of funds allocated to any county under this
216 subsection for any fiscal year after fiscal year 1994 shall not be
217 less than the amount allocated to the county for fiscal year 1994.

218 Any reference in the general laws of this state or the
219 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
220 construed to refer and apply to subsection (4) of Section
221 27-65-75.



222 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
223 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
224 the special fund known as the "Educational Facilities Revolving
225 Loan Fund" created and existing under the provisions of Section
226 37-47-24. Those payments into that fund are to be made on the
227 last day of each succeeding month hereafter. This subsection (5)
228 shall stand repealed on July 1, * * * 2026.

229 (6) An amount each month beginning August 15, 1983, through
230 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
231 1983, shall be paid into the special fund known as the
232 Correctional Facilities Construction Fund created in Section 6,
233 Chapter 542, Laws of 1983.

234 (7) On or before August 15, 1992, and each succeeding month
235 thereafter through July 15, 2000, two and two hundred sixty-six
236 one-thousandths percent (2.266%) of the total sales tax revenue
237 collected during the preceding month under the provisions of this
238 chapter, except that collected under the provisions of Section
239 27-65-17(2), shall be deposited by the department into the School
240 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
241 or before August 15, 2000, and each succeeding month thereafter,
242 two and two hundred sixty-six one-thousandths percent (2.266%) of
243 the total sales tax revenue collected during the preceding month
244 under the provisions of this chapter, except that collected under
245 the provisions of Section 27-65-17(2), shall be deposited into the
246 School Ad Valorem Tax Reduction Fund created under Section



247 37-61-35 until such time that the total amount deposited into the
248 fund during a fiscal year equals Forty-two Million Dollars
249 (\$42,000,000.00). Thereafter, the amounts diverted under this
250 subsection (7) during the fiscal year in excess of Forty-two
251 Million Dollars (\$42,000,000.00) shall be deposited into the
252 Education Enhancement Fund created under Section 37-61-33 for
253 appropriation by the Legislature as other education needs and
254 shall not be subject to the percentage appropriation requirements
255 set forth in Section 37-61-33.

256 (8) On or before August 15, 1992, and each succeeding month
257 thereafter, nine and seventy-three one-thousandths percent
258 (9.073%) of the total sales tax revenue collected during the
259 preceding month under the provisions of this chapter, except that
260 collected under the provisions of Section 27-65-17(2), shall be
261 deposited into the Education Enhancement Fund created under
262 Section 37-61-33.

263 (9) On or before August 15, 1994, and each succeeding month
264 thereafter, from the revenue collected under this chapter during
265 the preceding month, Two Hundred Fifty Thousand Dollars
266 (\$250,000.00) shall be paid into the State Aid Road Fund.

267 (10) On or before August 15, 1994, and each succeeding month
268 thereafter through August 15, 1995, from the revenue collected
269 under this chapter during the preceding month, Two Million Dollars
270 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
271 Valorem Tax Reduction Fund established in Section 27-51-105.



272 (11) Notwithstanding any other provision of this section to
273 the contrary, on or before February 15, 1995, and each succeeding
274 month thereafter, the sales tax revenue collected during the
275 preceding month under the provisions of Section 27-65-17(2) and
276 the corresponding levy in Section 27-65-23 on the rental or lease
277 of private carriers of passengers and light carriers of property
278 as defined in Section 27-51-101 shall be deposited, without
279 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
280 established in Section 27-51-105.

281 (12) Notwithstanding any other provision of this section to
282 the contrary, on or before August 15, 1995, and each succeeding
283 month thereafter, the sales tax revenue collected during the
284 preceding month under the provisions of Section 27-65-17(1) on
285 retail sales of private carriers of passengers and light carriers
286 of property, as defined in Section 27-51-101 and the corresponding
287 levy in Section 27-65-23 on the rental or lease of these vehicles,
288 shall be deposited, after diversion, into the Motor Vehicle Ad
289 Valorem Tax Reduction Fund established in Section 27-51-105.

290 (13) On or before July 15, 1994, and on or before the
291 fifteenth day of each succeeding month thereafter, that portion of
292 the avails of the tax imposed in Section 27-65-22 that is derived
293 from activities held on the Mississippi State Fairgrounds Complex
294 shall be paid into a special fund that is created in the State
295 Treasury and shall be expended upon legislative appropriation



296 solely to defray the costs of repairs and renovation at the Trade
297 Mart and Coliseum.

298 (14) On or before August 15, 1998, and each succeeding month
299 thereafter through July 15, 2005, that portion of the avails of
300 the tax imposed in Section 27-65-23 that is derived from sales by
301 cotton compresses or cotton warehouses and that would otherwise be
302 paid into the General Fund shall be deposited in an amount not to
303 exceed Two Million Dollars (\$2,000,000.00) into the special fund
304 created under Section 69-37-39. On or before August 15, 2007, and
305 each succeeding month thereafter through July 15, 2010, that
306 portion of the avails of the tax imposed in Section 27-65-23 that
307 is derived from sales by cotton compresses or cotton warehouses
308 and that would otherwise be paid into the General Fund shall be
309 deposited in an amount not to exceed Two Million Dollars
310 (\$2,000,000.00) into the special fund created under Section
311 69-37-39 until all debts or other obligations incurred by the
312 Certified Cotton Growers Organization under the Mississippi Boll
313 Weevil Management Act before January 1, 2007, are satisfied in
314 full. On or before August 15, 2010, and each succeeding month
315 thereafter through July 15, 2011, fifty percent (50%) of that
316 portion of the avails of the tax imposed in Section 27-65-23 that
317 is derived from sales by cotton compresses or cotton warehouses
318 and that would otherwise be paid into the General Fund shall be
319 deposited into the special fund created under Section 69-37-39
320 until such time that the total amount deposited into the fund



321 during a fiscal year equals One Million Dollars (\$1,000,000.00).
322 On or before August 15, 2011, and each succeeding month
323 thereafter, that portion of the avails of the tax imposed in
324 Section 27-65-23 that is derived from sales by cotton compresses
325 or cotton warehouses and that would otherwise be paid into the
326 General Fund shall be deposited into the special fund created
327 under Section 69-37-39 until such time that the total amount
328 deposited into the fund during a fiscal year equals One Million
329 Dollars (\$1,000,000.00).

330 (15) Notwithstanding any other provision of this section to
331 the contrary, on or before September 15, 2000, and each succeeding
332 month thereafter, the sales tax revenue collected during the
333 preceding month under the provisions of Section
334 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
335 without diversion, into the Telecommunications Ad Valorem Tax
336 Reduction Fund established in Section 27-38-7.

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

344 (b) On or before August 15, 2007, and each succeeding
345 month thereafter, eighty percent (80%) of the sales tax revenue



346 collected during the preceding month under the provisions of this
347 chapter from the operation of a tourism project under the
348 provisions of Sections 57-26-1 through 57-26-5, shall be
349 deposited, after the diversions required in subsections (7) and
350 (8) of this section, into the Tourism Project Sales Tax Incentive
351 Fund created in Section 57-26-3.

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

359 (18) [Repealed]

360 (19) (a) On or before August 15, 2005, and each succeeding
361 month thereafter, the sales tax revenue collected during the
362 preceding month under the provisions of this chapter on the gross
363 proceeds of sales of a business enterprise located within a
364 redevelopment project area under the provisions of Sections
365 57-91-1 through 57-91-11, and the revenue collected on the gross
366 proceeds of sales from sales made to a business enterprise located
367 in a redevelopment project area under the provisions of Sections
368 57-91-1 through 57-91-11 (provided that such sales made to a
369 business enterprise are made on the premises of the business
370 enterprise), shall, except as otherwise provided in this



371 subsection (19), be deposited, after all diversions, into the
372 Redevelopment Project Incentive Fund as created in Section
373 57-91-9.

374 (b) For a municipality participating in the Economic
375 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
376 the diversion provided for in subsection (1) of this section
377 attributable to the gross proceeds of sales of a business
378 enterprise located within a redevelopment project area under the
379 provisions of Sections 57-91-1 through 57-91-11, and attributable
380 to the gross proceeds of sales from sales made to a business
381 enterprise located in a redevelopment project area under the
382 provisions of Sections 57-91-1 through 57-91-11 (provided that
383 such sales made to a business enterprise are made on the premises
384 of the business enterprise), shall be deposited into the
385 Redevelopment Project Incentive Fund as created in Section
386 57-91-9, as follows:

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

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



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

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

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

406 (20) On or before January 15, 2007, and each succeeding
407 month thereafter, eighty percent (80%) of the sales tax revenue
408 collected during the preceding month under the provisions of this
409 chapter from the operation of a tourism project under the
410 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
411 after the diversions required in subsections (7) and (8) of this
412 section, into the Tourism Sales Tax Incentive Fund created in
413 Section 57-28-3.

414 (21) * * * On or before April 15, 2007, and each succeeding
415 month thereafter through June 15, 2013, One Hundred Fifty Thousand
416 Dollars (\$150,000.00) of the sales tax revenue collected during
417 the preceding month under the provisions of this chapter shall be
418 deposited into the MMEIA Tax Incentive Fund created in Section
419 57-101-3.



420 * * *

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

427 (23) (a) On or before August 15, 2019, and each month
428 thereafter through July 15, 2020, one percent (1%) of the total
429 sales tax revenue collected during the preceding month from
430 restaurants and hotels shall be allocated for distribution to the
431 Mississippi Development Authority Tourism Advertising Fund
432 established under Section 57-1-64, to be used exclusively for the
433 purpose stated therein. On or before August 15, 2020, and each
434 month thereafter through July 15, 2021, two percent (2%) of the
435 total sales tax revenue collected during the preceding month from
436 restaurants and hotels shall be allocated for distribution to the
437 Mississippi Development Authority Tourism Advertising Fund
438 established under Section 57-1-64, to be used exclusively for the
439 purpose stated therein. On or before August 15, 2021, and each
440 month thereafter, three percent (3%) of the total sales tax
441 revenue collected during the preceding month from restaurants and
442 hotels shall be allocated for distribution to the Mississippi
443 Development Authority Tourism Advertising Fund established under
444 Section 57-1-64, to be used exclusively for the purpose stated



445 therein. The revenue diverted pursuant to this subsection shall
446 not be available for expenditure until February 1, 2020.

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

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

456 (25) (a) It shall be the duty of the municipal officials of
457 any municipality that expands its limits, or of any community that
458 incorporates as a municipality, to notify the commissioner of that
459 action thirty (30) days before the effective date. Failure to so
460 notify the commissioner shall cause the municipality to forfeit
461 the revenue that it would have been entitled to receive during
462 this period of time when the commissioner had no knowledge of the
463 action.

464 (b) (i) Except as otherwise provided in subparagraph
465 (ii) of this paragraph, if any funds have been erroneously
466 disbursed to any municipality or any overpayment of tax is
467 recovered by the taxpayer, the commissioner may make correction
468 and adjust the error or overpayment with the municipality by



469 withholding the necessary funds from any later payment to be made
470 to the municipality.

471 (ii) Subject to the provisions of Sections
472 27-65-51 and 27-65-53, if any funds have been erroneously
473 disbursed to a municipality under subsection (1) of this section
474 for a period of three (3) years or more, the maximum amount that
475 may be recovered or withheld from the municipality is the total
476 amount of funds erroneously disbursed for a period of three (3)
477 years beginning with the date of the first erroneous disbursement.
478 However, if during such period, a municipality provides written
479 notice to the Department of Revenue indicating the erroneous
480 disbursement of funds, then the maximum amount that may be
481 recovered or withheld from the municipality is the total amount of
482 funds erroneously disbursed for a period of one (1) year beginning
483 with the date of the first erroneous disbursement.

484 **SECTION 2.** Section 37-47-11, Mississippi Code of 1972, is
485 amended as follows:

486 37-47-11. (1) The sums becoming due to any school district
487 shall be disposed of in the following order of priority and for
488 the following purposes and for no others:

489 (a) To discharge the principal and interest due
490 the * * * State Board of Education by reason of any advance or
491 loan made to any such school district by the * * * board;



492 (b) To be applied by the school district, subject to
493 the approval of the * * * board, to defray the cost of any capital
494 improvement;

495 (c) To pay the principal and interest of school
496 district indebtedness represented by bonds or notes issued before
497 July 1, 1954, for capital improvements, provided that the capital
498 improvements for which such bonds or notes were issued fulfill the
499 rules and requirement for new capital improvements and district
500 organization as provided by the * * * board, or for bonds or notes
501 issued on or after July 1, 1954, for capital improvements which
502 have been approved by the * * * board as provided in this chapter.

503 (2) This section shall stand repealed on July 1, * * * 2026.

504 **SECTION 3.** Section 37-47-13, Mississippi Code of 1972, is
505 amended as follows:

506 37-47-13. (1) When the amounts of the annual grants to
507 school districts have been computed as provided in Section
508 37-47-9, the * * * State Board of Education shall credit each such
509 school district with the amount of the annual grant to which it is
510 entitled and shall issue to each such school district a
511 certificate of credit for the amount of such annual grant. All
512 such certificates of credit shall be signed by the chairman of
513 the * * * board and countersigned by the executive secretary
514 thereof. Such certificates shall constitute an indebtedness of
515 the State of Mississippi but shall be nontransferable and
516 nonnegotiable and shall bear no interest. All such certificates



517 so issued shall be held and retained by the school district to
518 which same are issued until the expenditure of the funds to the
519 credit of such school district shall be approved by the * * *
520 board as is otherwise provided in this chapter. Such certificates
521 shall be surrendered to the * * * board at the time the funds to
522 which the school district is entitled are withdrawn from the
523 public school building fund and deposited to the credit of the
524 school district entitled thereto.

525 (2) This section shall stand repealed on July 1, * * * 2026.

526 **SECTION 4.** Section 37-47-15, Mississippi Code of 1972, is
527 amended as follows:

528 37-47-15. (1) No grants accruing to any school district
529 shall be expended for any purpose unless such expenditure has been
530 approved by the * * * State Board of Education. In order to guide
531 the * * * board in passing upon requests for the use of grants,
532 the school boards of the respective school districts are directed
533 to prepare a survey of necessary capital improvements and/or a
534 plan for tax relief on school indebtedness within each school
535 district. Such surveys shall show existing facilities, desirable
536 consolidations, the new construction and new facilities necessary
537 and desirable for the efficient operation of the public schools of
538 the school districts, proper compliance with state energy
539 conservation standards, and the plan of tax reduction in the
540 school districts by use of such funds in retiring any outstanding
541 indebtedness for school facilities. The * * * board shall not



542 approve any application for the use of funds of the * * * public
543 school building fund from the school board of any school district
544 until such time as an acceptable and reasonably satisfactory plan,
545 looking particularly to efficiency through consolidations of
546 school attendance centers, has been submitted by the school board.

547 Furthermore, the * * * board shall not approve any
548 application for the use of funds of the public school building
549 fund until such time as an acceptable plan has been submitted by
550 the appropriate board which complies with improved design,
551 heating, cooling, ventilation, lighting, insulation and
552 architectural standards provided by the State of Mississippi to
553 promote maximum energy conservation in new and existing public
554 buildings.

555 All applications from school districts shall conform to the
556 plan of the school board.

557 (2) This section shall stand repealed on July 1, * * * 2026.

558 **SECTION 5.** Section 37-47-17, Mississippi Code of 1972, is
559 amended as follows:

560 37-47-17. (1) Applications for the expenditure of funds to
561 the credit of any school district in the state public school
562 building fund shall originate with the school board of the school
563 district entitled to such funds. Before any funds to the credit
564 of a school district shall be expended for capital improvements or
565 the retirement of outstanding bonded indebtedness, the school
566 board of such school district shall prepare and submit an



567 application in such form as may be prescribed by the * * * State
568 Board of Education. There shall be included with such application
569 a statement in which there is set forth the enrollment and average
570 daily attendance in the schools of the district divided as to
571 schools and grades, the number of teachers employed, the
572 facilities in use, the facilities to be provided with the funds to
573 be expended, the outstanding school indebtedness, and such other
574 information as the * * * board may require. Such application and
575 statement shall be submitted directly to the * * * board and
576 approved or disapproved by it. The decision of the * * * board
577 shall be final, unless an appeal to the chancery court shall be
578 taken in the manner provided by law. In the event any application
579 shall be disapproved by the * * * board, the school board
580 submitting same shall be notified of such disapproval, which
581 notice of disapproval shall be accompanied by a statement of the
582 reason or reasons for such disapproval.

583 The * * * board shall approve only those applications which
584 are found to be proper under the provisions of this chapter and
585 the applicable rules and regulations of the * * * board. When an
586 application is approved for the expenditure of funds for capital
587 improvements, the contract for the construction of such capital
588 improvements shall be entered into and awarded by the school board
589 of the school district in the manner provided in this chapter;
590 however, the contract for construction of a secondary vocational
591 and technical training center for exclusive use and operation by a



592 school district may be entered into and awarded by the board of
593 trustees of a junior college district where a grant of federal
594 funds by the Appalachian Commission has been made to the board of
595 trustees of such junior college district to assist in financing
596 construction of such secondary vocational and technical training
597 facility for such school district.

598 (2) This section shall stand repealed on July 1, * * * 2026.

599 **SECTION 6.** Section 37-47-19, Mississippi Code of 1972, is
600 amended as follows:

601 37-47-19. (1) Where the expenditure of any funds to which
602 any school district may be entitled has been authorized, as
603 provided in Section 37-47-17, such funds shall be withdrawn from
604 the public school building fund by the * * * State Board of
605 Education and deposited in the school depository to the credit of
606 the school district entitled thereto as a special fund to be known
607 as the "Public School Building Fund" of the school district
608 entitled thereto. Such money so deposited shall be paid out and
609 expended in the same manner as may be now or hereafter provided by
610 law for the expenditure of other school funds belonging to such
611 district; however, where the contract for construction of a
612 secondary vocational and technical training center shall have been
613 entered into and awarded by the board of trustees of a junior
614 college district as authorized by Section 37-47-29, the money so
615 deposited in the public school building fund of the school
616 district for which * * * the facility is being constructed may be



617 paid out and expended to pay a part of the cost of construction of
618 such facility.

619 (2) This section shall stand repealed on July 1, * * * 2026.

620 **SECTION 7.** Section 37-47-21, Mississippi Code of 1972, is
621 amended as follows:

622 37-47-21. (1) All funds, if any, which may accumulate in
623 the state public school building fund under the provisions of this
624 chapter because school districts entitled thereto do not make
625 application for the expenditure of same for the purposes
626 authorized by this chapter at the time same are credited to such
627 school district may be used as a revolving fund for the purpose of
628 making loans or advances to other school districts as is provided
629 in Section 37-47-25.

630 (2) This section shall stand repealed on July 1, * * * 2026.

631 **SECTION 8.** Section 37-47-23, Mississippi Code of 1972, is
632 amended as follows:

633 37-47-23. (1) When any school district holding certificates
634 of credit shall desire to expend funds which have accumulated to
635 its credit under the provisions of this chapter and the
636 expenditure thereof has been approved by the * * * State Board of
637 Education but insufficient funds are available in the state public
638 school building fund because of loans or advances having been made
639 to other school districts, the * * * board shall * * * transmit to
640 the * * * State Bond Commission its request for the issuance of
641 state school bonds, as is otherwise provided in this chapter, in



642 an amount sufficient to provide the funds to which the school
643 district holding the certificate of credit is entitled, or such
644 portion of such funds as such school district then desires to
645 expend.

646 (2) This section shall stand repealed on July 1, * * * 2026.

647 **SECTION 9.** Section 37-47-29, Mississippi Code of 1972, is
648 amended as follows:

649 37-47-29. (1) All contracts for capital improvements by any
650 school district which are financed in whole or in part with funds
651 received from the state public school building fund pursuant to an
652 application approved by the * * * State Board of Education shall
653 be awarded and entered into upon receipt of sealed bids or
654 proposals after the time and place of letting such contracts and
655 the manner of bidding has been duly advertised. The contract
656 shall be let and awarded to the lowest and best bidder but the
657 board of trustees or other governing body of the school district
658 shall have the power to reject any and all bids. No such contract
659 shall be finally awarded or entered into without the prior written
660 approval of the * * * board. * * * In order to bid upon and be
661 awarded contracts for the construction of school facilities under
662 the provisions of this chapter, if such contract, subcontract or
663 undertaking is less than Fifty Thousand Dollars (\$50,000.00), it
664 shall not be necessary that the bidder obtain a certificate of
665 responsibility from the Board of Public Contractors under the
666 provisions of Chapter 3, Title 31, of the Mississippi Code of



667 1972, or otherwise be qualified under * * * that chapter, and none
668 of the provisions of * * * that chapter shall be applicable to
669 such contracts for the construction of school facilities under the
670 provisions hereof. Notwithstanding the foregoing provisions of
671 this section or any other provisions of law, the contract for
672 construction of a secondary vocational and technical training
673 center for exclusive use and operation by a county school district
674 may be entered into and awarded by the board of trustees of a
675 community or junior college district where a grant of federal
676 funds by the Appalachian Commission has been made to the board of
677 trustees of such community or junior college district to assist in
678 financing construction of such secondary vocational and technical
679 training facility for such county school district.

680 (2) This section shall stand repealed on July 1, * * * 2026.

681 **SECTION 10.** Section 37-47-27, Mississippi Code of 1972, is
682 amended as follows:

683 37-47-27. All capital improvements by any school district
684 which are financed, in whole or in part, with funds received from
685 the State Public School Building Fund pursuant to an application
686 approved by the * * * State Board of Education, shall be
687 constructed by contract entered into and awarded by the board of
688 trustees or other governing body of such school district. The
689 awarding of such contract shall be in the sole province of such
690 board of trustees or other governing body except as is herein
691 provided. No such contract shall be entered into unless and until



692 the site for the location of and the plans and specifications for
693 the construction of the capital improvements shall have been
694 approved by the * * * board. The * * * board shall not exclude
695 from approval plans and specifications which involve the use of
696 preengineered steel building systems. Plans and specifications
697 for preengineered steel building systems, in order to be approved
698 by the * * * board, must be submitted to and certified by an
699 architect or professional engineer registered in the State of
700 Mississippi and not an employee of the contractor, as meeting the
701 minimum requirements of the local building, plumbing and
702 electrical codes, the Southern Standard Building Code, Coastal
703 Region Loading, the Metal Building Manufacturers Association, the
704 American Institute of Steel Construction and the American Iron and
705 Steel Institute, as to design, materials and construction.

706 **SECTION 11.** This act shall take effect and be in force from
707 and after July 1, 2023.

