

By: Representatives Scott, Gibbs (36th),  
Gibbs (72nd), Holloway (76th), Osborne,  
Paden, Mickens, Jackson (45th), Butler-  
Washington

To: Universities and  
Colleges; Appropriations A

HOUSE BILL NO. 604

1 AN ACT TO AMEND SECTION 27-103-203, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A CERTAIN AMOUNT OF THE INTEREST EARNED EACH  
3 FISCAL YEAR ON THE SUMS IN THE WORKING CASH-STABILIZATION RESERVE  
4 FUND MUST BE DEPOSITED INTO THE AYERS SETTLEMENT FUND FOR THE NEXT  
5 TEN FISCAL YEARS; TO DELETE THE REQUIREMENT TO MAKE ANNUAL  
6 REDUCTIONS IN THE AYERS ENDOWMENT TRUST AFTER A CERTAIN AMOUNT HAS  
7 BEEN DEPOSITED INTO THE AYERS SETTLEMENT FUND UNDER THIS SECTION;  
8 TO AMEND SECTION 37-101-27, MISSISSIPPI CODE OF 1972, TO CONFORM  
9 TO THE PRECEDING PROVISIONS; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 27-103-203, Mississippi Code of 1972, is  
12 amended as follows:

13 27-103-203. (1) There is created in the State Treasury a  
14 special fund, separate and apart from any other fund, to be  
15 designated the Working Cash-Stabilization Reserve Fund.

16 (2) The Working Cash-Stabilization Reserve Fund shall not be  
17 considered as a surplus or available funds when adopting a  
18 balanced budget as required by law. The State Treasurer shall  
19 invest all sums in the Working Cash-Stabilization Reserve Fund not  
20 needed for the purposes provided for in this section in  
21 certificates of deposit, repurchase agreements and other



22 securities as authorized in Section 27-105-33(d) or Section  
23 7-9-103, as the State Treasurer may determine to yield the highest  
24 market rate available. \* \* \* Through June 30, 2034, the first  
25 Five Million Dollars (\$5,000,000.00) of interest earned on those  
26 sums each fiscal year shall be deposited into \* \* \* the Ayers  
27 Settlement Fund created under Section 37-101-27(5). The interest,  
28 or the remaining interest \* \* \* after the deposit of interest into  
29 the Ayers Settlement Fund \* \* \*, that is earned on those sums  
30 shall be deposited in the Working Cash-Stabilization Reserve Fund  
31 until the balance of principal and interest in the fund reaches  
32 ten percent (10%) of the total General Fund appropriations for the  
33 current fiscal year, and all interest earned in excess of amounts  
34 necessary to maintain the ten percent (10%) fund balance  
35 requirement shall be deposited by the State Treasurer into the  
36 State General Fund.

37 (3) The Working Cash-Stabilization Reserve Fund, except for  
38 Fifteen Million Dollars (\$15,000,000.00) and the amount of the  
39 interest and income earned on the principal of the Ayers Endowment  
40 Trust created by Section 37-101-27, shall be used by the State  
41 Treasurer for cash flow needs throughout the year when the  
42 Executive Director of the Department of Finance and Administration  
43 certifies that in his opinion there will be cash flow deficiencies  
44 in the State General Fund. No borrowing of monies from other  
45 special funds for such purposes as authorized by Section 31-17-101  
46 et seq., shall be made as long as an unencumbered balance in



47 excess of Fifteen Million Dollars (\$15,000,000.00) and the  
48 interest and income earned on the principal of the Ayers Endowment  
49 Trust created by Section 37-101-27 remains in the fund. The State  
50 Treasurer shall reimburse the fund for all sums borrowed for those  
51 purposes from General Fund revenues collected during the fiscal  
52 year in which those funds are used. The State Treasurer shall  
53 immediately notify the Legislative Budget Office and the State  
54 Department of Finance and Administration of each transfer into and  
55 out of the fund. Fifteen Million Dollars (\$15,000,000.00) in the  
56 Working Cash-Stabilization Reserve Fund shall remain available for  
57 exclusive use of the Ayers Endowment Trust created by Section  
58 37-101-27. \* \* \*

59 (4) The Working Cash-Stabilization Reserve Fund, except for  
60 Forty Million Dollars (\$40,000,000.00), shall also be used for the  
61 purpose of covering any projected deficits that may occur in the  
62 General Fund at the end of a fiscal year as a result of revenue  
63 shortfalls. If the Governor determines that a deficit in revenues  
64 from all sources may occur, it shall be the duty of the Executive  
65 Director of the Department of Finance and Administration to  
66 transfer such funds as necessary to the General Fund to alleviate  
67 the deficit in accordance with Sections 27-104-13 and 31-17-123;  
68 however, not more than Fifty Million Dollars (\$50,000,000.00) may  
69 be transferred from the fund for that purpose in any one (1)  
70 fiscal year.



71           (5) The Working Cash-Stabilization Reserve Fund also shall  
72 be used to provide funds for the Disaster Assistance Trust Fund  
73 when those funds are immediately needed to provide for disaster  
74 assistance under Sections 33-15-301 through 33-15-317. Any  
75 transfer of funds from the Working Cash-Stabilization Reserve Fund  
76 to the Disaster Assistance Trust Fund shall be made in accordance  
77 with the provisions of subsection (5) of Section 33-15-307.

78           (6) The Department of Finance and Administration shall  
79 immediately send notice of any transfers made, or other action  
80 taken under authority of this section, to the Legislative Budget  
81 Office.

82           (7) Funds deposited in the Working Cash-Stabilization  
83 Reserve Fund shall be used only for the purposes specified in this  
84 section, and as long as the provisions of this section remain in  
85 effect, no other expenditure, appropriation or transfer of funds  
86 in the Working Cash-Stabilization Reserve Fund shall be made  
87 except by act of the Legislature making specific reference to the  
88 Working Cash-Stabilization Reserve Fund as the source of those  
89 funds.

90           (8) Any funds appropriated from the Working  
91 Cash-Stabilization Reserve Fund that are unexpended at the end of  
92 a fiscal year shall lapse into the Working Cash-Stabilization  
93 Reserve Fund.

94           **SECTION 2.** Section 37-101-27, Mississippi Code of 1972, is  
95 amended as follows:



96           37-101-27. (1) There is created within the Working  
97 Cash-Stabilization Reserve Fund in the State Treasury a trust to  
98 be known as the Ayers Endowment Trust, which shall be used as  
99 provided in this section. On July 1, 1997, Fifteen Million  
100 Dollars (\$15,000,000.00) in the Working Cash-Stabilization Reserve  
101 Fund shall be set aside and placed in the Ayers Endowment Trust.

102           (2) The principal of the Ayers Endowment Trust shall remain  
103 inviolate within the Working Cash-Stabilization Reserve Fund, and  
104 shall be invested in the same manner as the remainder of the  
105 Working Cash-Stabilization Reserve Fund.

106           (3) The interest and income earned from the investment of  
107 the principal of the Ayers Endowment Trust shall be appropriated  
108 by the Legislature to the Board of Trustees of State Institutions  
109 of Higher Learning for the benefit of Jackson State University,  
110 Alcorn State University and Mississippi Valley State University,  
111 the historically black institutions of higher learning in  
112 Mississippi, with one-third (1/3) of the amount of the interest  
113 and income earned being allocated for the benefit of each of those  
114 universities. The money allotted for each university shall be  
115 used for continuing educational enhancement and racial diversity,  
116 including recruitment of white students and scholarships for white  
117 applicants.

118           (4) The creation of the Ayers Endowment Trust and the  
119 appropriation of the interest and income for the purposes  
120 specified in this section shall be \* \* \* to provide Mississippi



121 Valley State University with an equal amount of funding for the  
122 same purposes as for the other historically black institutions of  
123 higher learning.

124 (5) \* \* \* There shall be created in the State Treasury a  
125 fund to be known as the Ayers Settlement Fund. Monies deposited  
126 into the Ayers Settlement Fund under Section 27-103-203(2) shall  
127 be appropriated by the Legislature to the Board of Trustees of  
128 State Institutions of Higher Learning for the purpose of  
129 establishing a public endowment for the benefit of Jackson State  
130 University, Alcorn State University and Mississippi Valley State  
131 University \* \* \*.

132 \* \* \*

133 **SECTION 3.** This act shall take effect and be in force from  
134 and after July 1, 2024.

