

By: Senator(s) Doxey

To: Education;
Appropriations

SENATE BILL NO. 2091

1 AN ACT TO AMEND SECTION 37-151-7, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT IN NO EVENT MAY THE STATE'S CONTRIBUTION TO THE
3 MISSISSIPPI ADEQUATE EDUCATION PROGRAM BE INCREASED BY AN AMOUNT
4 GREATER THAN ANY PERCENTAGE INCREASE IN GENERAL FUND REVENUES FOR
5 THE PRECEDING FISCAL YEAR AS CERTIFIED TO THE STATE BOARD OF
6 EDUCATION BY THE STATE TREASURER; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 37-151-7, Mississippi Code of 1972, is
9 amended as follows:

10 37-151-7. The annual allocation to each school district for
11 the operation of the adequate education program shall be
12 determined as follows:

13 (1) **Computation of the basic amount to be included for**
14 **current operation in the adequate education program.** The
15 following procedure shall be followed in determining the annual
16 allocation to each school district:

17 (a) **Determination of average daily attendance.** During
18 months two and three of the current school year, the average daily
19 attendance of a school district shall be computed, or the average
20 daily attendance for the prior school year shall be used,
21 whichever is greater. The district's average daily attendance
22 shall be computed and currently maintained in accordance with
23 regulations promulgated by the State Board of Education.

24 (b) **Determination of base student cost.** The State
25 Board of Education, on or before August 1, with adjusted estimate
26 no later than January 2, shall annually submit to the Legislative
27 Budget Office and the Governor a proposed base student cost
28 adequate to provide the following cost components of educating a
29 pupil in an average school district meeting Level III

30 accreditation standards required by the Commission on School
31 Accreditation: (i) Instructional Cost; (ii) Administrative Cost;
32 (iii) Operation and Maintenance of Plant; and (iv) Ancillary
33 Support Cost. The department shall utilize a statistical
34 methodology which considers such factors as, but not limited to,
35 (i) school size; (ii) assessed valuation per pupil; (iii) the
36 percentage of students receiving free lunch; (iv) the local
37 district maintenance tax levy; (v) other local school district
38 revenues; and (vi) the district's accreditation level, in the
39 selection of the representative Mississippi school districts for
40 which cost information shall be obtained for each of the above
41 listed cost areas.

42 For the instructional cost component, the department shall
43 determine the instructional cost of each of the representative
44 school districts selected above, excluding instructional cost of
45 self-contained special education programs and vocational education
46 programs, and the average daily attendance in the selected school
47 districts. The instructional cost is then totaled and divided by
48 the total average daily attendance for the selected school
49 districts to yield the instructional cost component. For the
50 administrative cost component, the department shall determine the
51 administrative cost of each of the representative school districts
52 selected above, excluding administrative cost of self-contained
53 special education programs and vocational education programs, and
54 the average daily attendance in the selected school districts.
55 The administrative cost is then totaled and divided by the total
56 average daily attendance for the selected school districts to
57 yield the administrative cost component. For the plant and
58 maintenance cost component, the department shall determine the
59 plant and maintenance cost of each of the representative school
60 districts selected above, excluding plant and maintenance cost of
61 self-contained special education programs and vocational education
62 programs, and the average daily attendance in the selected school

63 districts. The plant and maintenance cost is then totaled and
64 divided by the total average daily attendance for the selected
65 school districts to yield the plant and maintenance cost
66 component. For the ancillary support cost component, the
67 department shall determine the ancillary support cost of each of
68 the representative school districts selected above, excluding
69 ancillary support cost of self-contained special education
70 programs and vocational education programs, and the average daily
71 attendance in the selected school districts. The ancillary
72 support cost is then totaled and divided by the total average
73 daily attendance for the selected school districts to yield the
74 ancillary support cost component. The total base cost for each
75 year shall be the sum of the instructional cost component,
76 administrative cost component, plant and maintenance cost
77 component and ancillary support cost component, and any estimated
78 adjustments for additional state requirements as determined by the
79 State Board of Education. Provided, however, that the base
80 student cost in fiscal year 1998 shall be Two Thousand Six Hundred
81 Sixty-four Dollars (\$2,664.00).

82 (c) **Determination of the basic adequate education**
83 **program cost.** The basic amount for current operation to be
84 included in the Mississippi Adequate Education Program for each
85 school district shall be computed as follows:

86 Multiply the average daily attendance of the district by the
87 base student cost as established by the Legislature, which yields
88 the total base program cost for each school district.

89 (d) **Adjustment to the base student cost for at-risk**
90 **pupils.** The amount to be included for at-risk pupil programs for
91 each school district shall be computed as follows: Multiply the
92 base student cost for the appropriate fiscal year as determined
93 under paragraph (b) by five percent (5%), and multiply that
94 product by the number of pupils participating in the federal free
95 school lunch program in such school district, which yields the

96 total adjustment for at-risk pupil programs for such school
97 district.

98 (e) **Add-on program cost.** The amount to be allocated to
99 school districts in addition to the adequate education program
100 cost for add-on programs for each school district shall be
101 computed as follows:

102 (i) Transportation cost shall be the amount
103 allocated to such school district for the operational support of
104 the district transportation system from state funds.

105 (ii) Vocational or technical education program
106 cost shall be the amount allocated to such school district from
107 state funds for the operational support of such programs.

108 (iii) Special education program cost shall be the
109 amount allocated to such school district from state funds for the
110 operational support of such programs.

111 (iv) Gifted education program cost shall be the
112 amount allocated to such school district from state funds for the
113 operational support of such programs.

114 (v) Alternative school program cost shall be the
115 amount allocated to such school district from state funds for the
116 operational support of such programs.

117 (vi) Extended school year programs shall be the
118 amount allocated to school districts for those programs authorized
119 by law which extend beyond the normal school year.

120 (vii) University-based programs shall be the
121 amount allocated to school districts for those university-based
122 programs for handicapped children as defined and provided for in
123 Section 37-23-131 et seq., Mississippi Code of 1972.

124 (viii) Bus driver training programs shall be the
125 amount provided for those driver training programs as provided for
126 in Section 37-41-1, Mississippi Code of 1972.

127 The sum of the items listed above (i) transportation, (ii)
128 vocational or technical education, (iii) special education, (iv)

129 gifted education, (v) alternative school, (vi) extended school
130 year, (vii) university-based, and (viii) bus driver training shall
131 yield the add-on cost for each school district.

132 (f) **Total projected adequate education program cost.**
133 The total Mississippi Adequate Education Program cost shall be the
134 sum of the total basic adequate education program cost (paragraph
135 (c)), and the adjustment to the base student cost for at-risk
136 pupils (paragraph (d)) for each school district.

137 (g) **Supplemental grant to school districts.** In
138 addition to the adequate education program grant, the State
139 Department of Education shall annually distribute an additional
140 amount as follows: Multiply the base student cost for the
141 appropriate fiscal year as determined under paragraph (b) by
142 thirteen one-hundredths percent (.13%) and multiply that product
143 by the average daily attendance of each school district. Such
144 grant shall not be subject to the local revenue requirement
145 provided in subsection (2).

146 (h) The State Auditor shall annually verify the State
147 Board of Education's estimated calculations for the Mississippi
148 Adequate Education Program that are submitted each year to the
149 Legislative Budget Office on August 1 and the final calculation
150 that is submitted on January 2.

151 (2) **Computation of the required local revenue in support of**
152 **the adequate education program.** The amount that each district
153 shall provide toward the cost of the adequate education program
154 shall be calculated as follows:

155 (a) The State Board of Education shall certify to each
156 school district that twenty-eight (28) mills, less the estimated
157 amount of the yield of the School Ad Valorem Tax Reduction Fund
158 grants as determined by the State Department of Education, is the
159 millage rate required to provide the district required local
160 effort for that year, or twenty-seven percent (27%) of the basic
161 adequate education program cost for such school district as

162 determined under paragraph (c), whichever is a lesser amount. In
163 the case of an agricultural high school the millage requirement
164 shall be set at a level which generates an equitable amount per
165 pupil to be determined by the State Board of Education.

166 (b) The State Board of Education shall determine (i)
167 the total assessed valuation of nonexempt property for school
168 purposes in each school district; (ii) assessed value of exempt
169 property owned by homeowners aged sixty-five (65) or older or
170 disabled as defined in Section 27-33-67(2), Mississippi Code of
171 1972; (iii) the school district's tax loss from exemptions
172 provided to applicants under the age of sixty-five (65) and not
173 disabled as defined in Section 27-33-67(1), Mississippi Code of
174 1972; and (iv) the school district's homestead reimbursement
175 revenues.

176 (c) The amount of the total adequate education program
177 funding which shall be contributed by each school district shall
178 be the sum of the ad valorem receipts generated by the millage
179 required under this subsection plus the following local revenue
180 sources for the appropriate fiscal year which are or may be
181 available for current expenditure by the school district:

182 One hundred percent (100%) of Grand Gulf income as prescribed
183 in Section 27-35-309.

184 (3) **Computation of the required state effort in support of**
185 **the adequate education program.**

186 (a) The required state effort in support of the
187 adequate education program shall be determined by subtracting the
188 sum of the required local tax effort as set forth in subsection
189 (2)(a) of this section and the other local revenue sources as set
190 forth in subsection (2)(c) of this section in an amount not to
191 exceed twenty-seven percent (27%) of the total projected adequate
192 education program cost as set forth in subsection (1)(f) of this
193 section from the total projected adequate education program cost
194 as set forth in subsection (1)(f) of this section. Provided,

195 however, that in fiscal year 2006 and fiscal years thereafter, the
196 required state contribution to the adequate education program as
197 determined under this section shall not be increased over that
198 amount expended in the immediately preceding fiscal year by a
199 percentage amount greater than the percentage of any increase in
200 revenues to the State General Fund in the preceding fiscal year as
201 determined by the State Treasurer. On July 1, 2006, and annually
202 thereafter, the State Treasurer shall determine the percentage
203 increase in revenues to the State General Fund in fiscal year 2006
204 (the current fiscal year) as compared to fiscal year 2005 (the
205 preceding fiscal year), if any, and shall certify such percentage
206 to the State Board of Education. In the event the state
207 contribution to the adequate education program for the next fiscal
208 year as determined under this section is greater than the
209 percentage increase in General Fund revenues as certified by the
210 State Treasurer, the State Board of Education shall, on or before
211 August 1, calculate pro rata reductions in allocations to each
212 school district in the state in the same percentage, and shall
213 spread the new allocations upon its minutes. The State Board of
214 Education shall provide a report on any such adjustments in
215 adequate education program allocations which shall be forwarded to
216 the Legislative Budget Committee.

217 (b) Provided, however, that in fiscal year 1998 and in
218 the fiscal year in which the adequate education program is fully
219 funded by the Legislature, any increase in the said state
220 contribution, including the supplemental grant to school districts
221 provided under subsection (1)(g), to any district calculated under
222 this section shall be not less than eight percent (8%) in excess
223 of the amount received by said district from state funds for the
224 fiscal year immediately preceding. For purposes of this paragraph
225 (b), state funds shall include minimum program funds less the
226 add-on programs, State Uniform Millage Assistance Grant Funds,

227 Education Enhancement Funds appropriated for Uniform Millage
228 Assistance Grants and state textbook allocations, and State
229 General Funds allocated for textbooks.

230 (c) If the appropriation is less than full funding for
231 fiscal year 2003, allocations for state contributions to school
232 districts in support of the adequate education program will be
233 determined by the State Department of Education in the following
234 manner:

235 (i) Calculation of the full funding amount under
236 this chapter, with proportionate reductions as required by the
237 appropriation level.

238 (ii) Calculation of the amount equal to the state
239 funds allocated to school districts for fiscal year 2002 plus the
240 estimated amount to fund the adequate education program salary
241 schedule for fiscal year 2003. For purposes of this item (ii),
242 state funds shall be those described in paragraph (b) and an
243 amount equal to the allocation for the adequate education program
244 in fiscal year 2002, plus any additional amount required to
245 satisfy fiscal year 2003 pledges in accordance with paragraphs
246 (d), (e) and (f) of subsection (5) of this section. If a school
247 district's fiscal year 2003 pledge is different than the pledge
248 amount for fiscal year 2002, the district shall receive an amount
249 equal to the fiscal year 2003 pledge or the amount of funds
250 calculated under the adequate education formula for fiscal year
251 2002 before any pledge guarantee for fiscal year 2002, whichever
252 is greater. If the pledge is no longer in effect, the district
253 shall receive the amount of funds calculated under the formula for
254 fiscal year 2002 before any pledge guarantee for fiscal year 2002.

255 (iii) The portion of any district's allocation
256 calculated in item (i) of this paragraph which exceeds amounts as
257 calculated in item (ii) shall be reduced by an amount not to
258 exceed twenty-one percent (21%). The amount of funds generated by
259 this reduction of funds shall be redistributed proportionately

260 among those districts receiving insufficient funds to meet the
261 amount calculated in item (ii). In no case may any district
262 receive funds in an amount greater than the amount that the
263 district would have received under full funding of the program for
264 fiscal year 2003.

265 (d) If the school board of any school district shall
266 determine that it is not economically feasible or practicable to
267 operate any school within the district for the full one hundred
268 eighty (180) days required for a school term of a scholastic year
269 as required in Section 37-13-63, Mississippi Code of 1972, due to
270 an enemy attack, a man-made, technological or natural disaster in
271 which the Governor has declared a disaster emergency under the
272 laws of this state or the President of the United States has
273 declared an emergency or major disaster to exist in this state,
274 said school board may notify the State Department of Education of
275 such disaster and submit a plan for altering the school term. If
276 the State Board of Education finds such disaster to be the cause
277 of the school not operating for the contemplated school term and
278 that such school was in a school district covered by the
279 Governor's or President's disaster declaration, it may permit said
280 school board to operate the schools in its district for less than
281 one hundred eighty (180) days and, in such case, the State
282 Department of Education shall not reduce the state contributions
283 to the adequate education program allotment for such district,
284 because of the failure to operate said schools for one hundred
285 eighty (180) days.

286 (4) If during the year for which adequate education program
287 funds are appropriated, any school district experiences a three
288 percent (3%) or greater increase in average daily attendance
289 during the second and third month over the preceding year's second
290 and third month and the school district has requested a minimum
291 increase of four percent (4%) in local ad valorem revenues over
292 the previous year as authorized in Sections 37-57-104 and

293 37-57-105, an additional allocation of adequate education program
294 funds calculated in the following manner shall be granted to that
295 district, using any additional funds available to the Department
296 of Education that exceed the amount of funds due to the school
297 districts under the basic adequate education program distribution
298 as provided for in this chapter:

299 (a) Determine the percentage increase in average daily
300 attendance for the second and third months of the year for which
301 adequate education program funds are appropriated over the
302 preceding year's second and third month average daily attendance.

303 (b) For those districts that have a three percent (3%)
304 or greater increase as calculated in paragraph (a) of this
305 subsection, multiply the total increase in students in average
306 daily attendance for the second and third months of the year for
307 which adequate education program funds are appropriated over the
308 preceding year's second and third month average daily attendance
309 times the base student cost used in the appropriation.

310 (c) Subtract the percentage of the district's local
311 contribution arrived at in subsection (2) of this section from the
312 amount calculated in paragraph (b) of this subsection. The
313 remainder is the additional allocation in adequate education
314 program funds for that district.

315 If the funds available to the Department of Education are not
316 sufficient to fully fund the additional allocations to school
317 districts eligible for those allocations, then the department
318 shall prorate the available funds among the eligible school
319 districts, using the same percentage of the total funds that the
320 school district would have received if the allocations were fully
321 funded. The State Department of Education shall study and develop
322 a report to the Chairmen of the Senate and House Committees on
323 Education by January 1, 2005, with options for legislative
324 consideration that will insure that the Mississippi Adequate

325 Education funds are distributed to school districts based on
326 current year student attendance or enrollment.

327 This subsection (4) shall stand repealed on July 1, 2006.

328 (5) The Interim School District Capital Expenditure Fund is
329 hereby established in the State Treasury which shall be used to
330 distribute any funds specifically appropriated by the Legislature
331 to such fund to school districts entitled to increased allocations
332 of state funds under the adequate education program funding
333 formula prescribed in Sections 37-151-3 through 37-151-7,
334 Mississippi Code of 1972, until such time as the said adequate
335 education program is fully funded by the Legislature. The
336 following percentages of the total state cost of increased
337 allocations of funds under the adequate education program funding
338 formula shall be appropriated by the Legislature into the Interim
339 School District Capital Expenditure Fund to be distributed to all
340 school districts under the formula: Nine and two-tenths percent
341 (9.2%) shall be appropriated in fiscal year 1998, twenty percent
342 (20%) shall be appropriated in fiscal year 1999, forty percent
343 (40%) shall be appropriated in fiscal year 2000, sixty percent
344 (60%) shall be appropriated in fiscal year 2001, eighty percent
345 (80%) shall be appropriated in fiscal year 2002, and one hundred
346 percent (100%) shall be appropriated in fiscal year 2003 into the
347 State Adequate Education Program Fund created in subsection (4).
348 Until July 1, 2002, such money shall be used by school districts
349 for the following purposes:

350 (a) Purchasing, erecting, repairing, equipping,
351 remodeling and enlarging school buildings and related facilities,
352 including gymnasiums, auditoriums, lunchrooms, vocational training
353 buildings, libraries, school barns and garages for transportation
354 vehicles, school athletic fields and necessary facilities
355 connected therewith, and purchasing land therefor. Any such
356 capital improvement project by a school district shall be approved
357 by the State Board of Education, and based on an approved

358 long-range plan. The State Board of Education shall promulgate
359 minimum requirements for the approval of school district capital
360 expenditure plans.

361 (b) Providing necessary water, light, heating, air
362 conditioning, and sewerage facilities for school buildings, and
363 purchasing land therefor.

364 (c) Paying debt service on existing capital improvement
365 debt of the district or refinancing outstanding debt of a district
366 if such refinancing will result in an interest cost savings to the
367 district.

368 (d) From and after October 1, 1997, through June 30,
369 1998, pursuant to a school district capital expenditure plan
370 approved by the State Department of Education, a school district
371 may pledge such funds until July 1, 2002, plus funds provided for
372 in paragraph (e) of this subsection (5) that are not otherwise
373 permanently pledged under such paragraph (e) to pay all or a
374 portion of the debt service on debt issued by the school district
375 under Sections 37-59-1 through 37-59-45, 37-59-101 through
376 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,
377 37-7-301, 37-7-302 and 37-41-81, Mississippi Code of 1972, or debt
378 issued by boards of supervisors for agricultural high schools
379 pursuant to Section 37-27-65, Mississippi Code of 1972, or
380 lease-purchase contracts entered into pursuant to Section 31-7-13,
381 Mississippi Code of 1972, or to retire or refinance outstanding
382 debt of a district, if such pledge is accomplished pursuant to a
383 written contract or resolution approved and spread upon the
384 minutes of an official meeting of the district's school board or
385 board of supervisors. It is the intent of this provision to allow
386 school districts to irrevocably pledge their Interim School
387 District Capital Expenditure Fund allotments as a constant stream
388 of revenue to secure a debt issued under the foregoing code
389 sections. To allow school districts to make such an irrevocable
390 pledge, the state shall take all action necessary to ensure that

391 the amount of a district's Interim School District Capital
392 Expenditure Fund allotments shall not be reduced below the amount
393 certified by the department or the district's total allotment
394 under the Interim Capital Expenditure Fund if fully funded, so
395 long as such debt remains outstanding.

396 (e) From and after October 1, 1997, through June 30,
397 1998, in addition to any other authority a school district may
398 have, any school district may issue State Aid Capital Improvement
399 Bonds secured in whole by a continuing annual pledge of any
400 Mississippi Adequate Education Program funds available to the
401 district, in an amount not to exceed One Hundred Sixty Dollars
402 (\$160.00) per pupil based on the latest completed average daily
403 attendance count certified by the department prior to the issuance
404 of the bonds. Such State Aid Capital Improvement Bonds may be
405 issued for the purposes enumerated in paragraphs (a), (b), (c) and
406 (g) of this section. Prior to issuing such bonds, the school
407 board of the district shall adopt a resolution declaring the
408 necessity for and its intention of issuing such bonds and
409 borrowing such money, specifying the approximate amount to be so
410 borrowed, how such money is to be used and how such indebtedness
411 is to be evidenced. Any capital improvement project financed with
412 State Aid Capital Improvement Bonds shall be approved by the
413 department, and based on an approved long-range plan. The State
414 Board of Education shall promulgate minimum requirements for the
415 approval of such school district capital expenditure plans. The
416 State Board of Education shall not approve any capital expenditure
417 plan for a pledge of funds under this paragraph unless it
418 determines (i) that the quality of instruction in such district
419 will not be reduced as a result of this pledge, and (ii) the
420 district has other revenue available to attain and maintain at
421 least Level III accreditation.

422 A district issuing State Aid Capital Improvement Bonds may
423 pledge for the repayment of such bonds all funds received by the

424 district from the state, in an amount not to exceed One Hundred
425 Sixty Dollars (\$160.00) per pupil in average daily attendance in
426 the school district as set forth above, and not otherwise
427 permanently pledged under paragraph (d) of this subsection or
428 under Section 37-61-33(2)(d), Mississippi Code of 1972. The
429 district's school board shall specify by resolution the amount of
430 state funds, which are being pledged by the district for the
431 repayment of the State Aid Capital Improvement Bonds. Once such a
432 pledge is made to secure the bonds, the district shall notify the
433 department of such pledge. Upon making such a pledge, the school
434 district may request the department which may agree to irrevocably
435 transfer a specified amount or percentage of the district's state
436 revenue pledged to repay the district's State Aid Capital
437 Improvement Bonds directly to a state or federally chartered bank
438 serving as a trustee or paying agent on such bonds for the payment
439 of all or portion of such State Aid Capital Improvement Bonds.
440 Such instructions shall be incorporated into a resolution by the
441 school board for the benefit of holders of the bonds and may
442 provide that such withholding and transfer of such other available
443 funds shall be made only upon notification by a trustee or paying
444 agent on such bonds that the amounts available to pay such bonds
445 on any payment date will not be sufficient. It is the intent of
446 this provision to allow school districts to irrevocably pledge a
447 certain, constant stream of revenue as security for State Aid
448 Capital Improvement Bonds issued hereunder. To allow school
449 districts to make such an irrevocable pledge, the state shall take
450 all action necessary to ensure that the amount of a district's
451 state revenues up to an amount equal to One Hundred Sixty Dollars
452 (\$160.00) per pupil as set forth above which have been pledged to
453 repay debt as set forth herein shall not be reduced so long as any
454 State Aid Capital Improvement Bonds are outstanding.

455 Any such State Aid Capital Improvement Bonds shall mature as
456 determined by the district's school bond over a period not to

457 exceed twenty (20) years. Such bonds shall not bear a greater
458 overall maximum interest rate to maturity than that allowed in
459 Section 75-17-101, Mississippi Code of 1972. The further details
460 and terms of such bonds shall be as determined by the school board
461 of the district.

462 The provisions of this subsection shall be cumulative and
463 supplemental to any existing funding programs or other authority
464 conferred upon school districts or school boards. Debt of a
465 school district secured in whole by a pledge of revenue pursuant
466 to this section shall not be subject to any debt limitation.

467 For purposes of this paragraph (e), "State Aid Capital
468 Improvement Bond" shall mean any bond, note, or other certificate
469 of indebtedness issued by a school district under the provisions
470 hereof.

471 This paragraph (e) shall stand repealed from and after June
472 30, 1998.

473 (f) As an alternative to the authority granted under
474 paragraph (e), a school district, in its discretion, may authorize
475 the State Board of Education to withhold an amount of the
476 district's adequate education program allotment equal to up to One
477 Hundred Sixty Dollars (\$160.00) per student in average daily
478 attendance in the district to be allocated to the State Public
479 School Building Fund to the credit of such school district. A
480 school district may choose the option provided under this
481 paragraph (e) or paragraph (f), but not both. In addition to the
482 grants made by the state pursuant to Section 37-47-9, a school
483 district shall be entitled to grants based on the allotments to
484 the State Public School Building Fund credited to such school
485 district under this paragraph. This paragraph (f) shall stand
486 repealed from and after June 30, 1998.

487 (g) The State Board of Education may authorize the
488 school district to expend not more than twenty percent (20%) of
489 its annual allotment of such funds or Twenty Thousand Dollars

490 (\$20,000.00), whichever is greater, for technology needs of the
491 school district, including computers, software,
492 telecommunications, cable television, interactive video, film
493 low-power television, satellite communications, microwave
494 communications, technology-based equipment installation and
495 maintenance, and the training of staff in the use of such
496 technology-based instruction. Any such technology expenditure
497 shall be reflected in the local district technology plan approved
498 by the State Board of Education under Section 37-151-17,
499 Mississippi Code of 1972.

500 (h) To the extent a school district has not utilized
501 twenty percent (20%) of its annual allotment for technology
502 purposes under paragraph (g), a school district may expend not
503 more than twenty percent (20%) of its annual allotment or Twenty
504 Thousand Dollars (\$20,000.00), whichever is greater, for
505 instructional purposes. The State Board of Education may
506 authorize a school district to expend more than said twenty
507 percent (20%) of its annual allotment for instructional purposes
508 if it determines that such expenditures are needed for
509 accreditation purposes.

510 (i) The State Department of Education or the State
511 Board of Education may require that any project commenced under
512 this section with an estimated project cost of not less than Five
513 Million Dollars (\$5,000,000.00) shall be done only pursuant to
514 program management of the process with respect to design and
515 construction. Any individuals, partnerships, companies or other
516 entities acting as a program manager on behalf of a local school
517 district and performing program management services for projects
518 covered under this subsection shall be approved by the State
519 Department of Education.

520 Any interest accruing on any unexpended balance in the
521 Interim School District Capital Expenditure Fund shall be invested

522 by the State Treasurer and placed to the credit of each school
523 district participating in such fund in its proportionate share.

524 The provisions of this subsection (5) shall be cumulative and
525 supplemental to any existing funding programs or other authority
526 conferred upon school districts or school boards.

527 **SECTION 2.** This act shall take effect and be in force from
528 and after its passage.