

By: Senator(s) Hawks

To: Education

SENATE BILL NO. 2415

1 AN ACT ENTITLED THE "MISSISSIPPI LOCAL SCHOOLS OF EXCELLENCE  
 2 ACT"; TO AUTHORIZE LOCAL SCHOOL BOARDS TO APPROVE AND ENTER INTO  
 3 CONTRACTS WITH PETITIONERS ON BEHALF OF LOCAL SCHOOLS FOR SCHOOL  
 4 OF EXCELLENCE STATUS, UNDER WHICH SUCH SCHOOL IS LOCALLY MANAGED  
 5 AND EXEMPT FROM ANY GOVERNMENTAL REGULATION OR STATUTE RELATING TO  
 6 THE MANAGEMENT OF SCHOOLS; TO PRESCRIBE THE CONTENTS THAT MUST BE  
 7 INCLUDED IN LOCAL SCHOOLS' PETITIONS REQUESTING SCHOOL OF  
 8 EXCELLENCE STATUS; TO PROVIDE THAT IF THE LOCAL SCHOOL BOARD  
 9 DISAPPROVES THE PETITION, IT SHALL BE SUBMITTED TO THE ELECTORS OF  
 10 THE SCHOOL DISTRICT FOR A REFERENDUM ON THE PROPOSITION IN THE  
 11 SAME MANNER AS SCHOOL BOND ELECTIONS ARE HELD; TO PROVIDE THAT  
 12 SCHOOLS OF EXCELLENCE SHALL BE FUNDED IN THE SAME MANNER AS OTHER  
 13 PUBLIC SCHOOLS; TO AMEND SECTION 37-17-6, MISSISSIPPI CODE OF  
 14 1972, IN CONFORMITY; AND FOR RELATED PURPOSES.

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

16 SECTION 1. This act shall be entitled and may be cited as  
 17 the "Mississippi Local Schools of Excellence Act."

18 SECTION 2. It is the intent of the Legislature that this act  
 19 provides a means whereby the right of the people of Mississippi to  
 20 control and govern the local public schools of this state shall  
 21 not be abridged.

22 SECTION 3. For purposes of this act, the following words and  
 23 phrases shall have the meanings respectively ascribed in this  
 24 section unless the context clearly indicates otherwise:

25 (a) "School of Excellence Contract" means an academic  
 26 or vocational, or both, contract between the State Board of  
 27 Education, the school board of the local school district, and a

28 local school which exempts the school from rules, regulations,  
29 policies and procedures of the State Board of Education and the  
30 local school district and, except as otherwise provided, the  
31 provisions of Title 37 of the Mississippi Code of 1972 which are  
32 applicable to schools and school districts and their employees and  
33 students.

34 (b) "School of Excellence" means a school that is  
35 operating under the terms of a School of Excellence Contract  
36 granted by the local school board.

37 (c) "Local school" means a public school in Mississippi  
38 which is under the management and control of the school board of  
39 the school district in which the school is located.

40 (d) "Petition" means a proposal to enter into a  
41 contract between the local school board and a local school whereby  
42 the local school obtains School of Excellence status.

43 SECTION 4. (1) The residents of any Mississippi public  
44 school district shall have the right to pursue excellence in their  
45 local public schools by creating and submitting proposals for  
46 management of their local public schools under a School of  
47 Excellence Contract. The residents of any such school district,  
48 on behalf of a local school, may submit a petition to the school  
49 board of the school district in which the school is located, and  
50 the school board may approve or disapprove the petition.

51 (2) If the local school board declines to approve the  
52 petition, the petition shall automatically be submitted to the  
53 electors of the affected school district for approval or rejection  
54 in the same manner that propositions for school bond issues are  
55 submitted, as follows: The school board shall adopt a resolution  
56 calling an election to be held within such school district for the  
57 purpose of submitting to the qualified electors thereof the  
58 question of the granting of a School of Excellence Contract for

59 the particular school in the district. The resolution calling  
60 such election shall designate the date upon which the election  
61 shall be held and the place or places within such district at  
62 which such election shall be held, which place or places may or  
63 may not be the school or school buildings of the district. Where  
64 an election has been called as provided herein, notice of such  
65 election shall be signed by the president of the school board and  
66 shall be published once a week for at least three (3) consecutive  
67 weeks, in at least one (1) newspaper published in such school  
68 district. The first publication of such notice shall be made not  
69 less than twenty-one (21) days prior to the date fixed for such  
70 election, and the last publication shall be made not more than  
71 seven (7) days prior to such date. If no newspaper is published  
72 in such school district, then such notice shall be given by  
73 publishing the same for the required time in some newspaper having  
74 a general circulation in such school district. At such election,  
75 all qualified electors of such school district may vote. The  
76 ballots used at such election shall have printed thereon a brief  
77 statement of the purpose of the petition and its effect on the  
78 particular school, and the words "FOR THE SCHOOL OF EXCELLENCE  
79 CONTRACT," and "AGAINST THE SCHOOL OF EXCELLENCE CONTRACT." The  
80 voter shall vote by placing a cross (X) or check mark (\_) opposite  
81 his choice on the proposition. When the results of the election  
82 on the question of the School of Excellence Contract shall have  
83 been canvassed by the election commissioners of such county or  
84 municipality, and certified by them to the school board of the  
85 school district, it shall be the duty of such school board to  
86 determine and adjudicate whether or not three-fifths (3/5) of the

87 qualified electors who voted in such election voted in favor of  
88 the petition. Unless three-fifths (3/5) of the qualified electors  
89 who voted in such election shall have voted in favor of the  
90 petition, then such contract shall not be approved. Should  
91 three-fifths (3/5) of the qualified electors who vote in such  
92 election vote in favor of the petition, then the School of  
93 Excellence Contract shall be approved, to become effective and  
94 implemented within one (1) year from the date of such election, at  
95 a date deemed best by the school board.

96 (3) In order to be accepted by a local school board or by  
97 referendum of the electors as provided in subsection (2), any  
98 petition shall contain the following provisions:

99 (a) A feasible business plan for the fiscal,  
100 administrative, personnel and legal management of the School of  
101 Excellence;

102 (b) A description of the curriculum and courses of  
103 study to be pursued at the School of Excellence;

104 (c) A description of the accountability measures and  
105 methods of assessment to be used at the School of Excellence;

106 (d) A description of the legal plans for the proper  
107 bonding of school officials to assure compliance with financial  
108 auditing requirements imposed on all public schools by state law;  
109 and

110 (e) A provision to exempt the school from the rules,  
111 regulations, policies and procedures of the State Board of  
112 Education and the local school board and from the provisions of  
113 Title 37 of the Mississippi Code of 1972 which are applicable to  
114 schools and school districts and their employees and students,

115 unless otherwise provided by law.

116 (4) A petition shall not be disapproved by a local school  
117 board for any of the following reasons:

118 (a) Because the petition would allow for the enrollment  
119 of any student who desires to attend the School of Excellence;

120 (b) Because compensation of administrators and teachers  
121 of the School of Excellence would be based in whole or in part on  
122 performance;

123 (c) Because the School of Excellence would hire experts  
124 in different subjects to teach in their areas of expertise  
125 regardless of whether those experts have teaching certificates or  
126 other government permission to teach; or

127 (d) Because of a substantial reduction in government  
128 regulations or paperwork requirements.

129 (5) State and federal funding for Schools of Excellence  
130 managed under petitions submitted and approved under this section  
131 shall be in the same amount and by use of the same funding  
132 formulas as would be applied to any public school and without  
133 regard to the fact that the school is subject to local control as  
134 a School of Excellence, and not under the jurisdiction of the  
135 local school board.

136 (6) No local school board shall impose a more restrictive  
137 procedure for the submission of petitions for the establishment of  
138 local Schools of Excellence that are established by the  
139 Legislature in this section.

140 SECTION 5. Section 37-17-6, Mississippi Code of 1972, is  
141 amended as follows:

142 37-17-6. (1) The State Board of Education, acting through

143 the Commission on School Accreditation, shall establish and  
144 implement a permanent performance-based accreditation system, and  
145 all public elementary and secondary schools shall be accredited  
146 under this system, with the exception of any school subject to a  
147 "School of Excellence Contract" as provided in Senate Bill No.  
148 2415, 1999 Regular Session.

149 (2) No later than June 30, 1995, the State Board of  
150 Education, acting through the Commission on School Accreditation,  
151 shall require school districts to provide school classroom space  
152 that is air conditioned as a minimum requirement for  
153 accreditation.

154 (3) (a) Beginning with the 1994-1995 school year, the State  
155 Board of Education, acting through the Commission on School  
156 Accreditation, shall require as a minimum requirement for Level  
157 III, IV and V accreditation, that school districts employ  
158 certified school librarians according to the following formula:

| 159 | Number of Students   |   | Number of Certified  |
|-----|----------------------|---|----------------------|
| 160 | Per School Library   |   | School Librarians    |
| 161 | 0 - 499 Students     | ½ | Full-time Equivalent |
| 162 |                      |   | Certified Librarian  |
| 163 | 500 or More Students | 1 | Full-time Certified  |
| 164 |                      |   | Librarian            |

165 (b) The State Board of Education, however, may increase  
166 the number of positions beyond the above requirements.

167 (c) The assignment of such school librarians to the  
168 particular schools shall be at the discretion of the local school  
169 district. No individual shall be employed as a certified school  
170 librarian without appropriate training and certification as a

171 school librarian by the State Department of Education.

172 (d) To qualify for Level III accreditation, school  
173 librarians in such district shall spend at least fifty percent  
174 (50%) of direct work time in a school library and shall devote no  
175 more than one-fourth (1/4) of the workday to administrative  
176 activities which are library related.

177 (e) Nothing in this subsection shall prohibit any  
178 school district from employing more certified school librarians  
179 than are provided for in this section.

180 (f) Any additional millage levied to fund school  
181 librarians required for accreditation under this subsection shall  
182 be included in the tax increase limitation set forth in Sections  
183 37-57-105 and 37-57-107 and shall not be deemed a new program for  
184 purposes of the limitation.

185 (4) On or before July 1, 1994, the State Board of Education  
186 shall implement the performance-based accreditation system which  
187 shall include school performance standards that are comparable to  
188 any national standards which may be established. The system shall  
189 establish rigorous minimum standards; establish levels above the  
190 minimum which demand exemplary performance; hold all school  
191 districts accountable for their students' educational progress;  
192 and establish strict measures for those districts which fail to  
193 meet minimum standards.

194 (5) Nothing in this section shall be deemed to require a  
195 nonpublic school which receives no local, state or federal funds  
196 for support to become accredited by the State Board of Education.

197 (6) The State Board of Education shall create an  
198 accreditation audit unit under the Commission on School

199 Accreditation. This audit unit shall be made up of full-time  
200 employees of the State Department of Education who are trained as  
201 accreditation auditors. This audit unit shall conduct field  
202 audits of schools on a random basis or when ordered by the  
203 Commission on School Accreditation, to determine whether schools  
204 are complying with accreditation standards. The audit unit shall  
205 also train the evaluators set forth in subsection (10) of this  
206 section. The audit unit shall report directly to the Commission  
207 on School Accreditation on the result of all audits.

208 (7) The State Board of Education shall be specifically  
209 authorized and empowered to withhold adequate minimum education  
210 program or adequate education program fund allocations, whichever  
211 is applicable, to any public school district for failure to timely  
212 report student, school personnel and fiscal data necessary to meet  
213 state and/or federal requirements.

214 (8) The Commission on School Accreditation shall select,  
215 approve, train and assign all evaluators who conduct on-site  
216 accreditation reviews. Prior to this action, the commission shall  
217 have established guidelines and criteria for the selection and  
218 training of all evaluators and shall have obtained the approval of  
219 the State Board of Education of these guidelines and criteria.  
220 All on-site accreditation reviews shall be submitted directly to  
221 the Commission on School Accreditation.

222 (9) The State Board of Education shall establish, for those  
223 schools failing to meet accreditation standards, a program of  
224 development to be complied with in order to receive state funds,  
225 except as otherwise provided in subsection (14) of this section  
226 when the Governor has declared a state of emergency in a school



227 district or as otherwise provided in Section 206, Mississippi  
228 Constitution of 1890. The state board, in establishing these  
229 standards, shall provide for notice to schools and sufficient time  
230 and aid to enable schools to attempt to meet these standards,  
231 unless procedures under subsection (14) of this section have been  
232 invoked.

233 (10) Beginning July 1, 1998, the State Board of Education  
234 shall be charged with the implementation of the program of  
235 development in each applicable Level I and II school district as  
236 follows:

237 (a) Develop an impairment report for each district  
238 failing to meet accreditation standards in conjunction with school  
239 district officials, no later than the end of the school year, and  
240 make recommendations for corrective actions to remove the  
241 impairment status;

242 (b) Notify any applicable Level I school district  
243 failing to meet accreditation standards that it is on probation  
244 until the recommendations for corrective action are taken or until  
245 the deficiencies have been removed. When a school district has  
246 been assigned a Level I or II accreditation status, the State  
247 Department of Education shall develop a corrective action plan  
248 with the school district to improve its deficiencies. For  
249 district academic deficiencies, the corrective action plan for  
250 each such school district shall be based upon a complete analysis  
251 of the following: student test data, student grades, student  
252 attendance reports, student drop-out data, existence and other  
253 relevant data. The corrective action plan shall describe the  
254 specific measures to be taken by the particular school district to

255 improve: (a) instruction; (b) curriculum; (c) professional  
256 development; (d) personnel and classroom organization; (e) student  
257 incentives for performance; (f) process deficiencies; and (g)  
258 reporting to the local school board, parents and the community.  
259 The corrective action plan shall describe the specific individuals  
260 responsible for implementing each component of the recommendation  
261 and how each will be evaluated. All corrective action plans shall  
262 be presented to the State Board of Education for approval. Local  
263 school districts may revise their corrective action plans at any  
264 time; however, all revisions shall be submitted to the State  
265 Department of Education for review and shall be submitted to the  
266 State Board of Education for final approval. Local school  
267 districts may recommend to the State Board of Education a schedule  
268 for the completion of its corrective action plan, to be approved  
269 by the State Board of Education prior to its implementation. The  
270 decision of the State Board of Education establishing the  
271 probationary period of time shall be final;

272 (c) Offer, during the probationary period, technical  
273 assistance to the school district in making corrective actions.  
274 Beginning July 1, 1998, subject to the availability of funds, the  
275 State Department of Education shall provide technical and/or  
276 financial assistance to all Level I and Level II school districts  
277 in order to implement each measure identified in that district's  
278 corrective action plan through professional development and  
279 on-site assistance. Each Level I and Level II school district  
280 shall apply for and utilize all available federal funding in order  
281 to support its corrective action plan in addition to state funds  
282 made available under this paragraph;

283           (d) Contract, in its discretion, with the institutions  
284 of higher learning or other appropriate private entities to  
285 develop corrective action plans and provide professional  
286 development for schools placed on probation;

287           (e) Provide for publication of public notice at least  
288 one (1) time during the probationary period, in a newspaper  
289 published within the jurisdiction of the school district failing  
290 to meet accreditation standards, or if no newspaper is published  
291 therein, then in a newspaper having a general circulation therein.

292       The publication shall include the following: declaration of  
293 school system's status as being on probation; all details relating  
294 to the impairment report, length of probationary period, and  
295 corrective action recommendations made. Public notices issued  
296 under this section shall be subject to Section 13-3-31 and not  
297 contrary to other laws regarding newspaper publication.

298           (11) If the recommendations for corrective action are not  
299 taken by the local school district or if the deficiencies are not  
300 removed by the end of the probationary period, the Commission on  
301 School Accreditation shall conduct a hearing to allow such  
302 affected school district to present evidence or other reasons why  
303 its accreditation should not be withdrawn. Subsequent to its  
304 consideration of the results of such hearing, the Commission on  
305 School Accreditation shall be authorized, with the approval of the  
306 State Board of Education, to withdraw the accreditation of a  
307 public school district, and issue a request to the Governor that a  
308 state of emergency be declared in that district which would allow  
309 the State Board of Education to select from the following actions:

310           (a) Declare a state of emergency, under which some or

311 all of state funds can be escrowed except as otherwise provided in  
312 Section 206, Constitution of 1890, until the board determines  
313 corrective actions are being taken or the deficiencies have been  
314 removed, or that the needs of students warrant the release of  
315 funds. Such funds may be released from escrow for any program  
316 which the board determines to have been restored to standard even  
317 though the state of emergency may not as yet be terminated for the  
318 district as a whole;

319 (b) Override any decision of the local school board  
320 concerning the management and operation of the school district;

321 (c) Assign an interim "conservator" who will administer  
322 the management and operation of the school system through the  
323 school superintendent until corrective actions are implemented or  
324 the deficiencies are removed. The school superintendent of a  
325 deficient school shall comply fully with the conservator appointed  
326 by the State Board of Education;

327 (d) If the district's accreditation deficiencies are  
328 related to the fact that a particular school lacks the resources  
329 to meet these standards, grant transfers to students who attend  
330 this school so that they may attend other accredited schools in a  
331 manner which is not in violation of state or federal law;

332 (e) If the accreditation deficiencies are related to  
333 the fact that the school district is too small, with too few  
334 resources, to meet the required standards and if another school  
335 district is willing to accept those students, abolish that  
336 district and assign that territory to another school district or  
337 districts. If the school district has proposed a voluntary  
338 consolidation with another school district or districts, then if

339 the State Board of Education finds that it is in the best interest  
340 of the pupils of the district for such consolidation to proceed,  
341 the voluntary consolidation shall have priority over any such  
342 assignment of territory by the State Board of Education.

343 (12) The Commission on School Accreditation shall be  
344 responsible for public notice at least once a week for at least  
345 three (3) consecutive weeks, after a state of emergency has been  
346 declared, in a newspaper published within the jurisdiction of the  
347 school district failing to meet accreditation standards, or if no  
348 newspaper is published therein, then in a newspaper having a  
349 general circulation therein. The size of such notice shall be no  
350 smaller than one-fourth (1/4) of a standard newspaper page and  
351 shall be printed in bold print. Such notice shall begin as  
352 follows: "By authority of Section 37-17-6, Mississippi Code of  
353 1972, adopted by the Mississippi Legislature during the 1991  
354 Regular Session, this school district (name of school district) is  
355 hereby placed under the jurisdiction of the State Department of  
356 Education acting through its appointed conservator (name of  
357 conservator)."

358 The notice shall also include all details relating to the  
359 school district's emergency status including impairment  
360 deficiencies, conditions of conservatorship and corrective actions  
361 recommended. Public notices issued under this section shall be  
362 subject to Section 13-3-31 and not contrary to other laws  
363 regarding newspaper publication.

364 (13) The State Board of Education or the Commission on  
365 School Accreditation shall have the authority to require school  
366 districts to produce the necessary reports, correspondence,

367 financial statements, and any other documents and information  
368 necessary to fulfill the requirements of this section.

369 Nothing in this section shall be construed to grant any  
370 individual, corporation, board or conservator the authority to  
371 levy taxes except in accordance with presently existing statutory  
372 provisions.

373 (14) If the State Board of Education and the Commission on  
374 School Accreditation determine that an extreme emergency situation  
375 exists in a school district which jeopardizes the safety, security  
376 or educational interests of the children enrolled in the schools  
377 in that district and such emergency situation is believed to be  
378 related to a serious violation or violations of accreditation  
379 standards or state or federal law, the State Board of Education,  
380 with the concurrence of the State Auditor, may request the  
381 Governor to declare a state of emergency in that school district.  
382 For purposes of this subsection, such declarations of a state of  
383 emergency shall not be limited to those instances when a school  
384 district's impairments are related to a lack of financial  
385 resources, but also shall include serious failure to meet minimum  
386 academic standards, as evidenced by a continued pattern of poor  
387 student performance. During the state of emergency, the State  
388 Board of Education shall take such action as prescribed in Section  
389 37-17-13 and may take one or more of the following actions:

390 (a) Assign an interim conservator who will be  
391 responsible for the administration, management and operation of  
392 the school district, including, but not limited to, the following  
393 activities:

394 (i) Approving or disapproving all financial

395 obligations of the district, including, but not limited to, the  
396 employment, termination, nonrenewal and reassignment of all  
397 certified and noncertified personnel, contractual agreements and  
398 purchase orders, and approving or disapproving all claim dockets  
399 and the issuance of checks; in approving or disapproving  
400 employment contracts of superintendents, assistant superintendents  
401 or principals, the interim conservator shall not be required to  
402 comply with the time limitations prescribed in Sections 37-9-15  
403 and 37-9-105;

404                   (ii) Supervising the day-to-day activities of the  
405 district's staff, including reassigning the duties and  
406 responsibilities of personnel in a manner which, in the  
407 determination of the conservator, will best suit the needs of the  
408 district;

409                   (iii) Reviewing the district's total financial  
410 obligations and operations and making recommendations to the  
411 district for cost savings, including, but not limited to,  
412 reassigning the duties and responsibilities of staff;

413                   (iv) Attending all meetings of the district's  
414 school board and administrative staff;

415                   (v) Approving or disapproving all athletic, band  
416 and other extracurricular activities and any matters related to  
417 those activities;

418                   (vi) Maintaining a detailed account of  
419 recommendations made to the district and actions taken in response  
420 to those recommendations; and

421                   (vii) Reporting periodically to the State Board of  
422 Education on the progress or lack of progress being made in the

423 district to improve the district's impairments during the state of  
424 emergency;

425           (b) Override any decision of the local school board or  
426 superintendent of education, or both, relating to the  
427 administration and operation of the school district;

428           (c) Reduce local supplements paid to school district  
429 employees, including, but not limited to, instructional personnel,  
430 assistant reading instructors and extracurricular activities  
431 personnel, if the district's impairment is related to a lack of  
432 financial resources, but only to an extent which will result in  
433 the salaries being comparable to districts similarly situated, as  
434 determined by the State Board of Education; and

435           (d) Require the production of the necessary reports,  
436 correspondence, financial statements and any other documents or  
437 information necessary to ascertain the extent of the district's  
438 deficiencies and the corrective action required to remove the  
439 district's impairment status.

440           Upon the declaration of a state of emergency in a school  
441 district under this subsection, the State Board of Education shall  
442 cause notice to be published for at least three (3) consecutive  
443 weeks in a newspaper published within the jurisdiction of that  
444 school district, or if no newspaper is published therein, in a  
445 newspaper having a general circulation in the school district.  
446 The notice shall be no smaller than one-fourth (1/4) of a standard  
447 newspaper page and shall be printed in bold print in a section  
448 other than the legal notices section of the newspaper. The notice  
449 shall include, in the discretion of the State Board of Education,  
450 any or all details relating to the district's emergency status,



451 including the declaration of a state of emergency in the school  
452 district and a description of the district's impairment  
453 deficiencies and corrective actions recommended and being taken in  
454 the emergency situation.

455         At such time as satisfactory corrective action has been taken  
456 in such school district, the State Board of Education, with the  
457 concurrence of the State Auditor, may request the Governor to  
458 declare that the state of emergency no longer exists in such  
459 district, and the powers and responsibilities of an interim  
460 conservator assigned to such district shall cease from and after  
461 the termination of the state of emergency. Upon termination of  
462 the state of emergency in such school district, the State Board of  
463 Education shall cause notice to be published in the school  
464 district in the same manner provided above, to include any or all  
465 details relating to the corrective action taken in the school  
466 district which resulted in the termination of the state of  
467 emergency.

468         In order to provide loans to school districts under a state  
469 of emergency which have impairments related to a lack of financial  
470 resources, the School District Emergency Assistance Fund is  
471 created as a special fund in the State Treasury into which monies  
472 may be transferred or appropriated by the Legislature from any  
473 available public education funds. The maximum amount that may be  
474 appropriated or transferred to the School District Emergency  
475 Assistance Fund for any one (1) emergency shall be Two Million  
476 Dollars (\$2,000,000.00), and the maximum amount that may be  
477 appropriated during any fiscal year shall be Three Million Dollars  
478 (\$3,000,000.00).

479           The State Board of Education may loan monies from the School  
480 District Emergency Assistance Fund to a school district that is  
481 under a state of emergency in such amounts, as determined by the  
482 board, which are necessary to correct the district's impairments  
483 related to a lack of financial resources. The loans shall be  
484 evidenced by an agreement between the school district and the  
485 State Board of Education and shall be repayable in principal,  
486 without necessity of interest, to the State General Fund or the  
487 Education Enhancement Fund, depending on the source of funding for  
488 such loan, by the school district from any allowable funds that  
489 are available. The total amount loaned to the district shall be  
490 due and payable within five (5) years after the impairments  
491 related to a lack of financial resources are corrected. If a  
492 school district fails to make payments on the loan in accordance  
493 with the terms of the agreement between the district and the State  
494 Board of Education, the State Department of Education, in  
495 accordance with rules and regulations established by the State  
496 Board of Education, may withhold that district's minimum program  
497 funds in an amount and manner that will effectuate repayment  
498 consistent with the terms of the agreement; such funds withheld by  
499 the department shall be deposited into the State General Fund or  
500 the Education Enhancement Fund, as the case may be.

501           If the State Board of Education determines that an extreme  
502 emergency exists, simultaneous with the powers exercised in this  
503 subsection, it shall take immediate action against all parties  
504 responsible for the affected school districts having been  
505 determined to be in an extreme emergency. Such action shall  
506 include, but not be limited to, initiating civil actions to

507 recover funds and criminal actions to account for criminal  
508 activity. Any funds recovered by the State Auditor or the State  
509 Board of Education from the surety bonds of school officials or  
510 from any civil action brought under this subsection shall be  
511 applied toward the repayment of any loan made to a school district  
512 hereunder.

513 A declaration by the Governor that a state of emergency  
514 exists in a school district under this subsection shall have no  
515 effect on the requirements set forth in subsections (9) through  
516 (12) of this section. During the period of a state of emergency  
517 declared under this subsection, the State Board of Education may  
518 proceed under the authority of subsections (9) through (12) of  
519 this section. If a provision in this subsection directly  
520 conflicts with a provision in subsection (9), (10), (11) or (12),  
521 during the state of emergency, this subsection shall prevail.

522 (15) In the event a majority of the membership of the school  
523 board of any school district resigns from office, the State Board  
524 of Education shall be authorized to assign an interim conservator,  
525 who shall be responsible for the administration, management and  
526 operation of the school district until such time as new board  
527 members are selected or the Governor declares a state of emergency  
528 in that school district under subsection (14), whichever occurs  
529 first. In such case, the State Board of Education, acting through  
530 the interim conservator, shall have all powers which were held by  
531 the previously existing school board, and may take such action as  
532 prescribed in Section 37-17-13 and/or one or more of the actions  
533 authorized in subsection (14)(a) through (d) of this section.

534 (16) Beginning with the school district audits conducted for

535 the 1997-1998 fiscal year, the State Board of Education, acting  
536 through the Commission on School Accreditation, shall require each  
537 school district to comply with standards established by the State  
538 Department of Audit for the verification of fixed assets and the  
539 auditing of fixed assets records as a minimum requirement for  
540 accreditation.

541 SECTION 6. The Attorney General of the State of Mississippi  
542 is directed to submit this act, immediately upon approval by the  
543 Governor, or upon approval by the Legislature subsequent to a  
544 veto, to the Attorney General of the United States or to the  
545 United States District Court for the District of Columbia in  
546 accordance with the provisions of the Voting Rights Act of 1965,  
547 as amended and extended.

548 SECTION 7. This act shall take effect and be in force from  
549 and after the date it is effectuated under Section 5 of the Voting  
550 Rights Act of 1965, as amended and extended.