

By: Harden

To: Finance

SENATE BILL NO. 3120
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 37-57-104, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT SCHOOL DISTRICTS LEVYING MORE THAT 52 MILLS ON
3 JULY 1, 1997, MAY LEVY AN ADDITIONAL 3 MILLS PRIOR TO JULY 1,
4 2003, WITHOUT EXCEEDING THE STATUTORY LIMITATION; AND FOR RELATED
5 PURPOSES.

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

7 SECTION 1. Section 37-57-104, Mississippi Code of 1972, is
8 amended as follows:[RDD1]

9 37-57-104. (1) Each school board shall submit to the
10 levying authority for the school district a certified copy of an
11 order adopted by the school board requesting an ad valorem tax
12 effort in dollars for the support of the school district. The
13 copy of the order shall be submitted by the school board when the
14 copies of the school district's budget are filed with the levying
15 authority pursuant to Section 37-61-9. Upon receipt of the school
16 board's order requesting the ad valorem tax effort in dollars, the
17 levying authority shall determine the millage rate necessary to
18 generate funds equal to the dollar amount requested by the school
19 board. For the purpose of calculating this millage rate, any
20 additional amount that is levied pursuant to Section 37-57-105(1)
21 to cover anticipated delinquencies and costs of collection or any
22 amount that may be levied for the payment of the principal and
23 interest on school bonds or notes shall be excluded from the
24 limitation of fifty-five (55) mills provided for in subsection (2)
25 of this section.

26 (2) (a) Except as otherwise provided under paragraphs (b)
27 or (c) of this subsection, if the millage rate necessary to

28 generate funds equal to the dollar amount requested by the school
29 board is greater than fifty-five (55) mills, and if this millage
30 rate is higher than the millage then being levied pursuant to the
31 school board's order requesting the ad valorem tax effort for the
32 currently existing fiscal year, then the levying authority shall
33 call a referendum on the question of exceeding, during the next
34 fiscal year, the then existing millage rate being levied for
35 school district purposes. The referendum shall be scheduled for
36 not more than six (6) weeks after the date on which the levying
37 authority receives the school board's order requesting the ad
38 valorem tax effort.

39 When a referendum has been called, notice of the
40 referendum shall be published at least five (5) days per week,
41 unless the only newspaper published in the school district is
42 published less than five (5) days per week, for at least three (3)
43 consecutive weeks, in at least one (1) newspaper published in the
44 school district. The notice shall be no less than one-fourth
45 (1/4) page in size, and the type used shall be no smaller than
46 eighteen (18) point and surrounded by a one-fourth-inch solid
47 black border. The notice may not be placed in that portion of the
48 newspaper where legal notices and classified advertisements
49 appear. The first publication of the notice shall be made not
50 less than twenty-one (21) days before the date fixed for the
51 referendum, and the last publication shall be made not more than
52 seven (7) days before that date. If no newspaper is published in
53 the school district, then the notice shall be published in a
54 newspaper having a general circulation in the school district.
55 The referendum shall be held, as far as is practicable, in the
56 same manner as other referendums and elections are held in the
57 county or municipality. At the referendum, all registered,
58 qualified electors of the school district may vote. The ballots
59 used at the referendum shall have printed thereon a brief
60 statement of the amount and purpose of the increased tax levy and
61 the words "FOR INCREASING THE MILLAGE LEVIED FOR SCHOOL DISTRICT
62 PURPOSES FROM (MILLAGE RATE CURRENTLY LEVIED) MILLS TO (MILLAGE
63 RATE REQUIRED UNDER SCHOOL BOARD'S ORDER) MILLS," and "AGAINST
64 INCREASING THE MILLAGE LEVIED FOR SCHOOL DISTRICT PURPOSES FROM

65 (MILLAGE RATE CURRENTLY LEVIED) MILLS TO (MILLAGE RATE REQUIRED
66 UNDER SCHOOL BOARD'S ORDER) MILLS." The voter shall vote by
67 placing a cross (X) or check mark (3) opposite his choice on the
68 proposition.

69 If a majority of the registered, qualified electors of
70 the school district who vote in the referendum vote in favor of
71 the question, then the ad valorem tax effort in dollars requested
72 by the school board shall be approved. However, if a majority of
73 the registered, qualified electors who vote in the referendum vote
74 against the question, the millage rate levied by the levying
75 authority shall not exceed the millage then being levied pursuant
76 to the school board's order requesting the ad valorem tax effort
77 for the then currently existing fiscal year.

78 Nothing in this subsection shall be construed to require
79 any school district that is levying more than fifty-five (55)
80 mills pursuant to Sections 37-57-1 and 37-57-105 to decrease its
81 millage rate to fifty-five (55) mills or less. Further, nothing
82 in this subsection shall be construed to require a referendum in a
83 school district where the requested ad valorem tax effort in
84 dollars requires a millage rate of greater than fifty-five (55)
85 mills but the requested dollar amount does not require any
86 increase in the then existing millage rate. Further, nothing in
87 this subsection shall be construed to require a referendum in a
88 school district where, because of a decrease in the assessed
89 valuation of the district, a millage rate of greater than
90 fifty-five (55) mills is necessary to generate funds equal to the
91 dollar amount generated by the ad valorem tax effort for the
92 currently existing fiscal year.

93 (b) Provided, however, that if a levying authority is
94 levying in excess of fifty-two (52) mills on July 1, 1997, the
95 levying authority may levy an additional amount not exceeding
96 three (3) mills in the aggregate for the period beginning July 1,
97 1997, and ending June 30, 2003, subject to the limitation on

98 increased receipts from ad valorem taxes prescribed in Sections
99 37-57-105 and 37-57-107.

100 (c) If the levying authority for any school district
101 lawfully has decreased the millage levied for school district
102 purposes, but subsequently determines that there is a need to
103 increase the millage rate due to a disaster in which the Governor
104 has declared a disaster emergency or the President of the United
105 States has declared an emergency or major disaster, then the
106 levying authority may increase the millage levied for school
107 district purposes up to an amount that does not exceed the millage
108 rate in any one (1) of the immediately preceding ten (10) fiscal
109 years without any referendum that otherwise would be required
110 under this subsection.

111 (3) If the millage rate necessary to generate funds equal to
112 the dollar amount requested by the school board is equal to
113 fifty-five (55) mills or less, but the dollar amount requested by
114 the school board exceeds the next preceding fiscal year's ad
115 valorem tax effort in dollars by more than four percent (4%), but
116 not more than seven percent (7%) (as provided for under subsection
117 (4) of this section), then the school board shall publish notice
118 thereof at least five (5) days per week, unless the only newspaper
119 published in the school district is published less than five (5)
120 days per week, for at least three (3) consecutive weeks in a
121 newspaper published in the school district. The notice shall be
122 no less than one-fourth (1/4) page in size, and the type used
123 shall be no smaller than eighteen (18) point and surrounded by a
124 one-fourth-inch solid black border. The notice may not be placed
125 in that portion of the newspaper where legal notices and
126 classified advertisements appear. The first publication shall be
127 made not less than fifteen (15) days before the final adoption of
128 the budget by the school board. If no newspaper is published in
129 the school district, then the notice shall be published in a
130 newspaper having a general circulation in the school district. If

131 at any time before the adoption of the budget a petition signed by
132 not less than twenty percent (20%) or fifteen hundred (1500),
133 whichever is less, of the registered, qualified electors of the
134 school district is filed with the school board requesting that a
135 referendum be called on the question of exceeding the next
136 preceding fiscal year's ad valorem tax effort in dollars by more
137 than four percent (4%), then the school board shall adopt, not
138 later than the next regular meeting, a resolution calling a
139 referendum to be held within the school district upon the
140 question. The referendum shall be called and held, and notice
141 thereof shall be given, in the same manner provided for in
142 subsection (2) of this section. The ballot shall contain the
143 language "FOR THE SCHOOL TAX INCREASE OVER FOUR PERCENT (4%)" and
144 "AGAINST THE SCHOOL TAX INCREASE OVER FOUR PERCENT (4%)." If a
145 majority of the registered, qualified electors of the school
146 district who vote in the referendum vote in favor of the question,
147 then the increase requested by the school board shall be approved.

148 For the purposes of this subsection, the revenue sources excluded
149 from the increase limitation under Section 37-57-107 also shall be
150 excluded from the limitation described in this subsection in the
151 same manner as they are excluded under Section 37-57-107.

152 (4) If the millage rate necessary to generate funds equal to
153 the dollar amount requested by the school board is equal to
154 fifty-five (55) mills or less, but the dollar amount requested by
155 the school board exceeds the seven percent (7%) increase
156 limitation provided for in Section 37-57-107, the school board may
157 exceed the seven percent (7%) increase limitation only after the
158 school board has determined the need for additional revenues and
159 three-fifths ($3/5$) of the registered, qualified electors voting
160 in a referendum called by the levying authority have voted in
161 favor of the increase. The notice and manner of holding the
162 referendum shall be as prescribed in subsection (2) of this
163 section for a referendum on the question of increasing the millage

164 rate in school districts levying more than fifty-five (55) mills
165 for school district purposes.

166 (5) The aggregate receipts from ad valorem taxes levied for
167 school district purposes pursuant to Sections 37-57-1 and
168 37-57-105, excluding collection fees, additional revenue from the
169 ad valorem tax on any newly constructed properties or any existing
170 properties added to the tax rolls or any properties previously
171 exempt which were not assessed in the next preceding year, and
172 amounts received by school districts from the School Ad Valorem
173 Tax Reduction Fund pursuant to Section 37-61-35, shall be subject
174 to the increase limitation under this section and Section
175 37-57-107.

176 (6) The school board shall pay to the levying authority all
177 costs that are incurred by the levying authority in the calling
178 and holding of any election under this section.

179 (7) The provisions of this section shall not be construed to
180 affect in any manner the authority of school boards to levy
181 millage for the following purposes:

182 (a) The issuance of bonds, notes and certificates of
183 indebtedness, as authorized in Sections 37-59-1 through 37-59-45
184 and Sections 37-59-101 through 37-59-115;

185 (b) The lease of property for school purposes, as
186 authorized under the Emergency School Leasing Authority Act of
187 1986 (Sections 37-7-351 through 37-7-359);

188 (c) The lease or lease-purchase of school buildings, as
189 authorized under Section 37-7-301;

190 (d) The issuance of promissory notes in the event of a
191 shortfall of ad valorem taxes and/or revenue from local sources,
192 as authorized under Section 27-39-333; and

193 (e) The construction of school building outside the
194 school district, as authorized under Section 37-7-401.

195 Any millage levied for the purposes specified in this
196 subsection shall be excluded from the millage limitations

197 established under this section.

198 SECTION 2. This act shall take effect and be in force from
199 and after July 1, 2000.