

By: Representative Fleming

To: Education;
Appropriations

HOUSE BILL NO. 73

1 AN ACT TO PROHIBIT PUBLIC SCHOOLS FROM ENGAGING IN ABILITY
2 GROUPING AND OTHER TRACKING PRACTICES DESIGNED TO PLACE STUDENTS
3 ACCORDING TO ABILITY; TO AMEND SECTIONS 37-151-5, 37-151-7 AND
4 37-151-81, MISSISSIPPI CODE OF 1972, TO DELETE PROVISIONS FOR THE
5 FUNDING OF GIFTED EDUCATION PROGRAMS UNDER THE MISSISSIPPI
6 ADEQUATE EDUCATION PROGRAM; TO REPEAL SECTIONS 37-23-171 THROUGH
7 37-23-181, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR GIFTED
8 EDUCATION PROGRAMS IN ADDITION TO THE REGULAR PROGRAMS OF
9 INSTRUCTION IN THE PUBLIC SCHOOLS; AND FOR RELATED PURPOSES.

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

11 SECTION 1. Beginning with the 2001-2002 school year, the
12 principal or any other school employee who is responsible for
13 assigning students in the public schools to the various classrooms
14 may not group the students by ability or engage in any other
15 tracking practice that places students in certain classrooms based
16 upon their ability. In assigning students to various classrooms,
17 each public school shall endeavor to achieve heterogeneously
18 grouped classes only.

19 SECTION 2. Section 37-151-5, Mississippi Code of 1972, is
20 amended as follows:

21 37-151-5. As used in Sections 37-151-3, 37-151-5 and
22 37-151-7:

23 (a) "Adequate program" or "adequate education program"
24 or "Mississippi Adequate Education Program (M.A.E.P.)" shall mean
25 the program proposed to establish adequate current operation
26 funding levels necessary for the programs of such school district
27 to meet at least Level III of the accreditation system as
28 established by the State Board of Education, acting through the

29 Mississippi Commission on School Accreditation, regardless of the
30 school district's geographic location.

31 (b) "Educational programs or elements of programs not
32 included in the adequate education program calculations, but which
33 may be included in appropriations and transfers to school
34 districts" shall mean:

35 (i) "Capital outlay" shall mean those funds used
36 for the constructing, improving, equipping, renovating or major
37 repairing of school buildings or other school facilities, or the
38 cost of acquisition of land whereon to construct or establish such
39 school facilities.

40 (ii) "Pilot programs" shall mean programs of a
41 pilot or experimental nature usually designed for special purposes
42 and for a specified period of time other than those included in
43 the adequate education program.

44 (iii) "Adult education" shall mean public
45 education dealing primarily with students above eighteen (18)
46 years of age not enrolled as full-time public school students and
47 not classified as students of technical schools, colleges or
48 universities of the state.

49 (iv) "Food service programs" shall mean those
50 programs dealing directly with the nutritional welfare of the
51 student, such as the school lunch and school breakfast programs.

52 (c) "Base student" shall mean that student
53 classification that represents the most economically educated
54 pupil in a school system meeting Level III accreditation, as
55 determined by the State Board of Education.

56 (d) "Base student cost" shall mean the funding level
57 necessary for providing an adequate education program for one (1)
58 base student, subject to any minimum amounts prescribed in Section
59 37-151-7(1).

60 (e) "Add-on program costs" shall mean those items which
61 are included in the adequate education program appropriations and
62 are outside of the program calculations:

63 (i) "Transportation" shall mean transportation to
64 and from public schools for the students of Mississippi's public
65 schools provided for under law and funded from state funds.

66 (ii) "Vocational or technical education program"
67 shall mean a secondary vocational or technical program approved by
68 the State Department of Education and provided for from state
69 funds.

70 (iii) "Special education program" shall mean a
71 program for exceptional children as defined and authorized by
72 Sections 37-23-1 through 37-23-9, and approved by the State
73 Department of Education and provided from state funds.

74 * * *

75 (iv) "Alternative school program" shall mean those
76 programs for certain compulsory-school-age students as defined and
77 provided for in Sections 37-13-92 and 37-19-22.

78 (v) "Extended school year programs" shall mean
79 those programs authorized by law which extend beyond the normal
80 school year.

81 (vi) "University-based programs" shall mean those
82 university-based programs for handicapped children as defined and
83 provided for in Section 37-23-131 et seq.

84 (vii) "Bus driver training" programs shall mean
85 those driver training programs as provided for in Section 37-41-1.

86 (f) "Teacher" shall include any employee of a local
87 school who is required by law to obtain a teacher's license from
88 the State Board of Education and who is assigned to an
89 instructional area of work as defined by the State Department of
90 Education.

91 (g) "Principal" shall mean the head of an attendance
92 center or division thereof.

93 (h) "Superintendent" shall mean the head of a school
94 district.

95 (i) "School district" shall mean any type of school
96 district in the State of Mississippi, and shall include
97 agricultural high schools.

98 (j) "Minimum school term" shall mean a term of at least
99 one hundred eighty (180) days of school in which both teachers and
100 pupils are in regular attendance for scheduled classroom
101 instruction for not less than sixty percent (60%) of the normal
102 school day. It is the intent of the Legislature that any tax
103 levies generated to produce additional local funds required by any
104 school district to operate school terms in excess of one hundred
105 seventy-five (175) days shall not be construed to constitute a new
106 program for the purposes of exemption from the limitation on tax
107 revenues as allowed under Sections 27-39-321 and 37-57-107 for new
108 programs mandated by the Legislature.

109 (k) The term "transportation density" shall mean the
110 number of transported children in average daily attendance per
111 square mile of area served in a school district, as determined by
112 the State Department of Education.

113 (l) The term "transported children" shall mean children
114 being transported to school who live within legal limits for
115 transportation and who are otherwise qualified for being
116 transported to school at public expense as fixed by Mississippi
117 state law.

118 (m) The term "year of teaching experience" shall mean
119 nine (9) months of actual teaching in the public or private
120 schools of this or some other state. In no case shall more than
121 one (1) year of teaching experience be given for all services in
122 one (1) calendar or school year. In determining a teacher's
123 experience, no deduction shall be made because of the temporary
124 absence of the teacher because of illness or other good cause, and
125 the teacher shall be given credit therefor. The State Board of

126 Education shall fix a number of days, not to exceed twenty-five
127 (25) consecutive school days, during which a teacher may not be
128 under contract of employment during any school year and still be
129 considered to have been in full-time employment for a regular
130 scholastic term. In determining the experience of school
131 librarians, each complete year of continuous, full-time employment
132 as a professional librarian in a public library in this or some
133 other state shall be considered a year of teaching experience. If
134 a full-time school administrator returns to actual teaching in the
135 public schools, the term "year of teaching experience" shall
136 include the period of time he or she served as a school
137 administrator.

138 (n) The term "average daily attendance" shall be the
139 figure which results when the total aggregate attendance during
140 the period or months counted is divided by the number of days
141 during the period or months counted upon which both teachers and
142 pupils are in regular attendance for scheduled classroom
143 instruction less the average daily attendance for self-contained
144 special education classes and, prior to full implementation of the
145 adequate education program the department shall deduct the average
146 daily attendance for the alternative school program provided for
147 in Section 37-19-22.

148 (o) The term "local supplement" shall mean the amount
149 paid to an individual teacher over and above the adequate
150 education program salary schedule for regular teaching duties.

151 (p) The term "aggregate amount of support from ad
152 valorem taxation" shall mean the amounts produced by the
153 district's total tax levies for operations.

154 (q) The term "adequate education program funds" shall
155 mean all funds, both state and local, constituting the
156 requirements for meeting the cost of the adequate program as
157 provided for in Section 37-151-7.

158 (r) "Department" shall mean the State Department of
159 Education.

160 (s) "Commission" shall mean the Mississippi Commission
161 on School Accreditation created under Section 37-17-3.

162 SECTION 3. Section 37-151-7, Mississippi Code of 1972, is
163 amended as follows:

164 37-151-7. The annual allocation to each school district for
165 the operation of the adequate education program shall be
166 determined as follows:

167 (1) Computation of the basic amount to be included for
168 current operation in the adequate education program. The
169 following procedure shall be followed in determining the annual
170 allocation to each school district:

171 (a) **Determination of average daily attendance.** During
172 months two (2) and three (3) of the current school year, the
173 average daily attendance of a school district shall be computed,
174 or the average daily attendance for the prior school year shall be
175 used, whichever is greater. The district's average daily
176 attendance shall be computed and currently maintained in
177 accordance with regulations promulgated by the State Board of
178 Education.

179 (b) **Determination of base student cost.** The State
180 Board of Education, on or before August 1, with adjusted estimate
181 no later than January 2, shall annually submit to the Legislative
182 Budget Office and the Governor a proposed base student cost
183 adequate to provide the following cost components of educating a
184 pupil in an average school district meeting Level III
185 accreditation standards required by the Commission on School
186 Accreditation: (i) Instructional Cost; (ii) Administrative Cost;
187 (iii) Operation and Maintenance of Plant; and (iv) Ancillary
188 Support Cost. The department shall utilize a statistical
189 methodology which considers such factors as, but not limited to,
190 (i) school size; (ii) assessed valuation per pupil; (iii) the

191 percentage of students receiving free lunch; (iv) the local
192 district maintenance tax levy; (v) other local school district
193 revenues; and (vi) the district's accreditation level, in the
194 selection of the representative Mississippi school districts for
195 which cost information shall be obtained for each of the above
196 listed cost areas.

197 For the instructional cost component, the department shall
198 determine the instructional cost of each of the representative
199 school districts selected above, excluding instructional cost of
200 self-contained special education programs and vocational education
201 programs, and the average daily attendance in the selected school
202 districts. The instructional cost is then totalled and divided by
203 the total average daily attendance for the selected school
204 districts to yield the instructional cost component. For the
205 administrative cost component, the department shall determine the
206 administrative cost of each of the representative school districts
207 selected above, excluding administrative cost of self-contained
208 special education programs and vocational education programs, and
209 the average daily attendance in the selected school districts.
210 The administrative cost is then totalled and divided by the total
211 average daily attendance for the selected school districts to
212 yield the administrative cost component. For the plant and
213 maintenance cost component, the department shall determine the
214 plant and maintenance cost of each of the representative school
215 districts selected above, excluding plant and maintenance cost of
216 self-contained special education programs and vocational education
217 programs, and the average daily attendance in the selected school
218 districts. The plant and maintenance cost is then totalled and
219 divided by the total average daily attendance for the selected
220 school districts to yield the plant and maintenance cost
221 component. For the ancillary support cost component, the
222 department shall determine the ancillary support cost of each of
223 the representative school districts selected above, excluding

224 ancillary support cost of self-contained special education
225 programs and vocational education programs, and the average daily
226 attendance in the selected school districts. The ancillary
227 support cost is then totalled and divided by the total average
228 daily attendance for the selected school districts to yield the
229 ancillary support cost component. The total base cost for each
230 year shall be the sum of the instructional cost component,
231 administrative cost component, plant and maintenance cost
232 component and ancillary support cost component, and any estimated
233 adjustments for additional state requirements as determined by the
234 State Board of Education. Provided, however, that the base
235 student cost in fiscal year 1998 shall be Two Thousand Six Hundred
236 Sixty-four Dollars (\$2,664.00).

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

241 Multiply the average daily attendance of the district by the
242 base student cost as established by the Legislature, which yields
243 the total base program cost for each school district.

244 (d) **Adjustment to the base student cost for at-risk**
245 **pupils.** The amount to be included for at-risk pupil programs for
246 each school district shall be computed as follows: Multiply the
247 base student cost for the appropriate fiscal year as determined
248 under paragraph (b) by five percent (5%), and multiply that
249 product by the number of pupils participating in the federal free
250 school lunch program in such school district, which yields the
251 total adjustment for at-risk pupil programs for such school
252 district.

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

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

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

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

266 * * *

267 (iv) Alternative school program cost shall be the
268 amount allocated to such school district from state funds for the
269 operational support of such programs.

270 (v) Extended school year programs shall be the
271 amount allocated to school districts for those programs authorized
272 by law which extend beyond the normal school year.

273 (vi) University-based programs shall be the amount
274 allocated to school districts for those university-based programs
275 for handicapped children as defined and provided for in Section
276 37-23-131 et seq., Mississippi Code of 1972.

277 (vii) Bus driver training programs shall be the
278 amount provided for those driver training programs as provided for
279 in Section 37-41-1.

280 The sum of the items listed above--(i) transportation, (ii)
281 vocational or technical education, (iii) special education,
282 (iv) * * * alternative school, (v) extended school year, and (vi)
283 university-based--shall yield the add-on cost for each school
284 district.

285 (f) **Total projected adequate education program cost.**

286 The total Mississippi Adequate Education Program Cost shall be the
287 sum of the total basic adequate education program cost (paragraph
288 (c)), and the adjustment to the base student cost for at-risk
289 pupils (paragraph (d)) for each school district.

290 (g) **Supplemental grant to school districts.** In
291 addition to the adequate education program grant, the State
292 Department of Education shall annually distribute an additional
293 amount as follows: Multiply the base student cost for the
294 appropriate fiscal year as determined under paragraph (b) by .13%
295 and multiply that product by the average daily attendance of each
296 school district. Such grant shall not be subject to the local
297 revenue requirement provided in subsection (2).

298 (2) Computation of the required local revenue in support of
299 the adequate education program. The amount that each district
300 shall provide toward the cost of the adequate education program
301 shall be calculated as follows:

302 (a) The State Board of Education shall certify to each
303 school district that twenty-eight (28) mills, less the estimated
304 amount of the yield of the School Ad Valorem Tax Reduction Fund
305 grants as determined by the State Department of Education, is the
306 millage rate required to provide the district required local
307 effort for that year, or twenty-seven percent (27%) of the basic
308 adequate education program cost for such school district as
309 determined under subsection (c), whichever is a lesser amount. In
310 the case of an agricultural high school the millage requirement
311 shall be set at a level which generates an equitable amount per
312 pupil to be determined by the State Board of Education.

313 (b) The State Board of Education shall determine (i)
314 the total assessed valuation of nonexempt property for school
315 purposes in each school district; (ii) assessed value of exempt
316 property owned by homeowners aged sixty-five (65) or older or
317 disabled as defined in Section 27-33-67(2); (iii) the school
318 district's tax loss from exemptions provided to applicants under
319 the age of sixty-five (65) and not disabled as defined in Section
320 27-33-67(1); and (iv) the school district's homestead
321 reimbursement revenues.

322 (c) The amount of the total adequate education program
323 funding which shall be contributed by each school district shall
324 be the sum of the ad valorem receipts generated by the millage
325 required under this subsection plus the following local revenue
326 sources for the appropriate fiscal year which are or may be
327 available for current expenditure by the school district:

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

330 (3) Computation of the required state effort in support of
331 the adequate education program.

332 The required state effort in support of the adequate
333 education program shall be determined by subtracting the sum of
334 the required local tax effort as set forth in subsection (2)(a) of
335 this section and the other local revenue sources as set forth in
336 subsection (2)(c) of this section in an amount not to exceed
337 twenty-seven percent (27%) of the total projected adequate
338 education program cost as set forth in subsection (1)(f) of this
339 section from the total projected adequate education program cost
340 as set forth in subsection (1)(f) of this section.

341 Provided, however, that in fiscal year 1998 and in the fiscal
342 year in which the adequate education program is fully funded by
343 the Legislature, any increase in the said state contribution,
344 including the supplemental grant to school districts provided
345 under subsection (1)(g), to any district calculated under this
346 section shall be not less than eight percent (8%) in excess of the
347 amount received by said district from state funds for the fiscal
348 year immediately preceding. For purposes of this section, state
349 funds shall include minimum program funds less the add-on
350 programs, state Uniform Millage Assistance Grant funds,
351 Education Enhancement Funds appropriated for Uniform Millage
352 Assistance Grants and state textbook allocations, and State
353 General Funds allocated for textbooks.

354 (4) The State Adequate Education Program Fund is hereby
355 established in the State Treasury which shall be used to
356 distribute any funds specifically appropriated by the Legislature
357 to such fund, to school districts entitled to increased
358 allocations of state funds under the adequate education program
359 funding formula prescribed in Sections 37-151-3, 37-151-5 and
360 37-151-7 of this article. If the Legislature provides less funds
361 than the total state funds needed for support of such increased
362 allocations under the adequate education program, the State
363 Department of Education shall reduce all elements of the cost of
364 the adequate education program proportionately. Any such adequate
365 education program funds shall be transferred to the school
366 district maintenance fund of such district in the manner
367 prescribed in Section 37-19-47, and shall be expended in the
368 manner provided by law.

369 (5) The Interim School District Capital Expenditure Fund is
370 hereby established in the State Treasury which shall be used to
371 distribute any funds specifically appropriated by the Legislature
372 to such fund to school districts entitled to increased allocations
373 of state funds under the adequate education program funding
374 formula prescribed in Sections 37-151-3 through 37-151-7, until
375 such time as the said adequate education program is fully funded
376 by the Legislature. The following percentages of the total state
377 cost of increased allocations of funds under the adequate
378 education program funding formula shall be appropriated by the
379 Legislature into the Interim School District Capital Expenditure
380 Fund to be distributed to all school districts under the formula:
381 Nine and two-tenths percent (9.2%) shall be appropriated in fiscal
382 year 1998, twenty percent (20%) shall be appropriated in fiscal
383 year 1999, forty percent (40%) shall be appropriated in fiscal
384 year 2000, sixty percent (60%) shall be appropriated in fiscal
385 year 2001, eighty percent (80%) shall be appropriated in fiscal
386 year 2002, and one hundred percent (100%) shall be appropriated in

387 fiscal year 2003 into the State Adequate Education Program Fund
388 created in subsection (4). Until such time as the adequate
389 education program is fully funded by the Legislature, such money
390 shall be used by school districts for the following purposes:

391 (a) Purchasing, erecting, repairing, equipping,
392 remodeling and enlarging school buildings and related facilities,
393 including gymnasiums, auditoriums, lunchrooms, vocational training
394 buildings, libraries, school barns and garages for transportation
395 vehicles, school athletic fields and necessary facilities
396 connected therewith, and purchasing land therefor. Any such
397 capital improvement project by a school district shall be approved
398 by the State Board of Education, and based on an approved
399 long-range plan. The State Board of Education shall promulgate
400 minimum requirements for the approval of school district capital
401 expenditure plans.

402 (b) Providing necessary water, light, heating, air
403 conditioning, and sewerage facilities for school buildings, and
404 purchasing land therefor.

405 (c) Paying debt service on existing capital improvement
406 debt of the district or refinancing outstanding debt of a district
407 if such refinancing will result in an interest cost savings to the
408 district.

409 (d) From and after October 1, 1997, through June 30,
410 1998, pursuant to a school district capital expenditure plan
411 approved by the State Department of Education, a school district
412 may pledge such funds until July 1, 2002, plus funds provided for
413 in paragraph (e) of this subsection (5) that are not otherwise
414 permanently pledged under such paragraph (e) to pay all or a
415 portion of the debt service on debt issued by the school district
416 under Sections 37-59-1 through 37-59-45, 37-59-101 through
417 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,
418 37-7-301, 37-7-302 and 37-41-81, or debt issued by boards of
419 supervisors for agricultural high schools pursuant to Section

420 37-27-65, or lease-purchase contracts entered into pursuant to
421 Section 31-7-13, or to retire or refinance outstanding debt of a
422 district, if such pledge is accomplished pursuant to a written
423 contract or resolution approved and spread upon the minutes of an
424 official meeting of the district's school board or board of
425 supervisors. It is the intent of this provision to allow school
426 districts to irrevocably pledge their Interim School District
427 Capital Expenditure Fund allotments as a constant stream of
428 revenue to secure a debt issued under the foregoing code sections.
429 To allow school districts to make such an irrevocable pledge, the
430 state shall take all action necessary to ensure that the amount of
431 a district's Interim School District Capital Expenditure Fund
432 allotments shall not be reduced below the amount certified by the
433 department or the district's total allotment under the Interim
434 Capital Expenditure Fund if fully funded, so long as such debt
435 remains outstanding.

436 (e) From and after October 1, 1997, through June 30,
437 1998, in addition to any other authority a school district may
438 have, any school district may issue State Aid Capital Improvement
439 Bonds secured in whole by a continuing annual pledge of any
440 Mississippi Adequate Education Program funds available to the
441 district, in an amount not to exceed One Hundred Sixty (\$160.00)
442 per pupil based on the latest completed average daily attendance
443 count certified by the department prior to the issuance of the
444 bonds. Such State Aid Capital Improvement Bonds may be issued for
445 the purposes enumerated in subsections (a), (b), (c) and (g) of
446 this section. Prior to issuing such bonds, the school board of
447 the district shall adopt a resolution declaring the necessity for
448 and its intention of issuing such bonds and borrowing such money,
449 specifying the approximate amount to be so borrowed, how such
450 money is to be used and how such indebtedness is to be evidenced.
451 Any capital improvement project financed with State Aid Capital
452 Improvement Bonds shall be approved by the department, and based

453 on an approved long-range plan. The State Board of Education
454 shall promulgate minimum requirements for the approval of such
455 school district capital expenditure plans. The State Board of
456 Education shall not approve any capital expenditure plan for a
457 pledge of funds under this paragraph unless it determines (i) that
458 the quality of instruction in such district will not be reduced as
459 a result of this pledge, and (ii) the district has other revenue
460 available to attain and maintain at least Level III accreditation.

461 A district issuing State Aid Capital Improvement Bonds may
462 pledge for the repayment of such bonds all funds received by the
463 district from the state, in an amount not to exceed One Hundred
464 Sixty Dollars (\$160.00) per pupil in average daily attendance in
465 the school district as set forth above, and not otherwise
466 permanently pledged under paragraph (d) of this subsection or
467 under Section 37-61-33(2)(d). The district's school board shall
468 specify by resolution the amount of state funds, which are being
469 pledged by the district for the repayment of the State Aid Capital
470 Improvement Bonds. Once such a pledge is made to secure the
471 bonds, the district shall notify the department of such pledge.
472 Upon making such a pledge, the school district may request the
473 department which may agree to irrevocably transfer a specified
474 amount or percentage of the district's state revenue pledged to
475 repay the district's State Aid Capital Improvement Bonds directly
476 to a state or federally chartered bank serving as a trustee or
477 paying agent on such bonds for the payment of all or portion of
478 such State Aid Capital Improvement Bonds. Such instructions shall
479 be incorporated into a resolution by the school board for the
480 benefit of holders of the bonds and may provide that such
481 withholding and transfer of such other available funds shall be
482 made only upon notification by a trustee or paying agent on such
483 bonds that the amounts available to pay such bonds on any payment
484 date will not be sufficient. It is the intent of this provision
485 to allow school districts to irrevocably pledge a certain,

486 constant stream of revenue as security for State Aid Capital
487 Improvement Bonds issued hereunder. To allow school districts to
488 make such an irrevocable pledge, the state shall take all action
489 necessary to ensure that the amount of a district's state revenues
490 up to an amount equal to One Hundred Sixty Dollars (\$160.00) per
491 pupil as set forth above which have been pledged to repay debt as
492 set forth herein shall not be reduced so long as any State Aid
493 Capital Improvement Bonds are outstanding.

494 Any such State Aid Capital Improvement bonds shall mature as
495 determined by the district's school bond over a period not to
496 exceed twenty (20) years. Such bonds shall not bear a greater
497 overall maximum interest rate to maturity than that allowed in
498 Section 75-17-101. The further details and terms of such bonds
499 shall be as determined by the school board of the district.

500 The provisions of this subsection shall be cumulative and
501 supplemental to any existing funding programs or other authority
502 conferred upon school districts or school boards. Debt of a
503 school district secured in whole by a pledge of revenue pursuant
504 to this section shall not be subject to any debt limitation.

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

509 This paragraph (e) shall stand repealed from and after June
510 30, 1998.

511 (f) As an alternative to the authority granted under
512 paragraph (e), a school district, in its discretion, may authorize
513 the State Board of Education to withhold an amount of the
514 district's adequate education program allotment equal to up to One
515 Hundred Sixty Dollars (\$160.00) per student in average daily
516 attendance in the district to be allocated to the State Public
517 School Building Fund to the credit of such school district. A
518 school district may choose the option provided under this

519 paragraph (e) or paragraph (f), but not both. In addition to the
520 grants made by the state pursuant to Section 37-47-9, a school
521 district shall be entitled to grants based on the allotments to
522 the State Public School Building Fund credited to such school
523 district under this paragraph. This paragraph (f) shall stand
524 repealed from and after June 30, 1998.

525 (g) The State Board of Education may authorize the
526 school district to expend not more than twenty percent (20%) of
527 its annual allotment of such funds or Twenty Thousand Dollars
528 (\$20,000.00), whichever is greater, for technology needs of the
529 school district, including computers, software,
530 telecommunications, cable television, interactive video, film
531 low-power television, satellite communications, microwave
532 communications, technology-based equipment installation and
533 maintenance, and the training of staff in the use of such
534 technology-based instruction. Any such technology expenditure
535 shall be reflected in the local district technology plan approved
536 by the State Board of Education under Section 37-151-17.

537 (h) To the extent a school district has not utilized
538 twenty percent (20%) of its annual allotment for technology
539 purposes under paragraph (g), a school district may expend not
540 more than twenty percent (20%) of its annual allotment or Twenty
541 Thousand Dollars (\$20,000.00), whichever is greater, for
542 instructional purposes. The State Board of Education may
543 authorize a school district to expend more than said twenty
544 percent (20%) of its annual allotment for instructional purposes
545 if it determines that such expenditures are needed for
546 accreditation purposes.

547 (i) The State Department of Education or the State
548 Board of Education may require that any project commenced pursuant
549 to this act with an estimated project cost of not less than Five
550 Million Dollars (\$5,000,000.00) shall be done only pursuant to
551 program management of the process with respect to design and

552 construction. Any individuals, partnerships, companies or other
553 entities acting as a program manager on behalf of a local school
554 district and performing program management services for projects
555 covered under this subsection shall be approved by the State
556 Department of Education.

557 Any interest accruing on any unexpended balance in the
558 Interim School District Capital Expenditure Fund shall be invested
559 by the State Treasurer and placed to the credit of each school
560 district participating in such fund in its proportionate share.

561 The provisions of this subsection shall be cumulative and
562 supplemental to any existing funding programs or other authority
563 conferred upon school districts or school boards.

564 SECTION 4. Section 37-151-81, Mississippi Code of 1972, is
565 amended as follows:

566 37-151-81. (1) In addition to other funds provided for in
567 this chapter, there shall be added to the allotment for each
568 school district for each teacher employed in a State Department of
569 Education approved program for exceptional children as defined in
570 Section 37-23-3, the value of one hundred percent (100%) of the
571 adequate education program salary schedule prescribed in Section
572 37-19-7, based on the type of certificate and number of years'
573 teaching experience held by each approved special education
574 teacher plus one hundred percent (100%) of the applicable
575 employer's rate for social security and state retirement, except
576 that only seventy percent (70%) of the value will be added for the
577 program for three- and four-year old exceptional children.

578 (2) In addition to the allowances provided above, for each
579 handicapped child who is being educated by a public school
580 district or is placed in accord with Section 37-23-77, and whose
581 individualized educational program (IEP) requires an extended
582 school year in accord with the State Department of Education
583 criteria, a sufficient amount of funds shall be allocated for the
584 purpose of providing the educational services the student

585 requires. The State Board of Education shall promulgate such
586 regulations as are required to insure the equitable distribution
587 of these funds. All costs for the extended school year for a
588 particular summer shall be reimbursed from funds appropriated for
589 the fiscal year beginning July 1 of that summer. If sufficient
590 funds are not made available to finance all of the required
591 educational services, the State Department of Education shall
592 expend available funds in such a manner that it does not limit the
593 availability of appropriate education to handicapped students more
594 severely than it does to nonhandicapped students.

595 (3) The State Department of Education is hereby authorized
596 to match adequate education program and other funds allocated for
597 provision of services to handicapped children with Division of
598 Medicaid funds to provide language-speech services, physical
599 therapy and occupational therapy to handicapped students who meet
600 State Department of Education or Division of Medicaid standards
601 and who are Medicaid eligible. Provided further, that the State
602 Department of Education is authorized to pay such funds as may be
603 required as a match directly to the Division of Medicaid pursuant
604 to an agreement to be developed between the State Department of
605 Education and the Division of Medicaid.

606 * * *

607 (4) When any children who are residents of the State of
608 Mississippi and qualify under the provisions of Section 37-23-31,
609 shall be provided a program of education, instruction and training
610 within a school under the provisions of said section, the State
611 Department of Education shall allocate the value of one hundred
612 percent (100%) of the adequate education program salary schedule
613 prescribed in Section 37-19-7, for each approved program based on
614 the type of certificate and number of years' teaching experience
615 held by each approved teacher plus one hundred percent (100%) of
616 the applicable employer's rate for social security and state
617 retirement. The university or college shall be eligible for state

618 and federal funds for such programs on the same basis as local
619 school districts. The university or college shall be responsible
620 for providing for the additional costs of the program.

621 (5) In addition to the allotments provided above, a school
622 district may provide a program of education and instruction to
623 children ages five (5) years through twenty-one (21) years, who
624 are resident citizens of the State of Mississippi, who cannot have
625 their educational needs met in a regular public school program and
626 who have not finished or graduated from high school, if those
627 children are determined by competent medical authorities and
628 psychologists to need placement in a state licensed facility for
629 inpatient treatment, day treatment or residential treatment or a
630 therapeutic group home. Such program shall operate under rules,
631 regulations, policies and standards of school districts as
632 determined by the State Board of Education. If a private school
633 approved by the State Board of Education is operated as an
634 integral part of the state licensed facility that provides for the
635 treatment of such children, the private school within the facility
636 may provide a program of education, instruction and training to
637 such children by requesting the State Department of Education to
638 allocate one (1) teacher unit or a portion of a teacher unit for
639 each approved class. The facility shall be responsible for
640 providing any additional costs of the program.

641 Such funds will be allotted based on the type of certificate
642 and number of years' teaching experience held by each approved
643 teacher. Such children shall not be counted in average daily
644 attendance when determining regular teacher unit allocation.

645 SECTION 5. Sections 37-23-171, 37-23-173, 37-23-175,
646 37-23-177, 37-23-179 and 37-23-181, Mississippi Code of 1972,
647 which provide for gifted education programs in addition to the
648 regular programs of instruction in the public schools, are
649 repealed.

650 SECTION 6. Sections 1 through 3 and 5 of this act shall take
651 effect and be in force from and after July 1, 2001. Section 4 of
652 this act shall take effect and be in force from and after July 1,
653 2002.