

By: Representative Ford

To: Education;  
Appropriations

## HOUSE BILL NO. 482

1 AN ACT TO REENACT SECTIONS 37-19-1 THROUGH 37-19-5, 37-19-9,  
 2 37-19-11, 37-19-15 THROUGH 37-19-19, 37-19-21 AND 37-19-23 THROUGH  
 3 37-19-53, MISSISSIPPI CODE OF 1972, WHICH ESTABLISH THE MINIMUM  
 4 EDUCATION PROGRAM AND DEFINE THE VARIOUS FUNDING COMPONENTS OF THE  
 5 PROGRAM; TO REENACT SECTIONS 37-22-1 AND 37-22-3, MISSISSIPPI CODE  
 6 OF 1972, WHICH ESTABLISH THE MISSISSIPPI SCHOOL DISTRICT UNIFORM  
 7 MILLAGE ASSISTANCE GRANT PROGRAM AND THE SECOND LEVEL FUNDING  
 8 PROGRAM; TO REENACT SECTION 37-151-3, MISSISSIPPI CODE OF 1972,  
 9 WHICH REQUIRES THE STATE DEPARTMENT OF EDUCATION TO ANNUALLY  
 10 CONDUCT STATE FUNDING PROJECTIONS AND COMPARISONS FOR SCHOOL  
 11 DISTRICTS; TO AMEND REENACTED SECTION 37-19-21, MISSISSIPPI CODE  
 12 OF 1972, TO DELETE THE JULY 1, 2002, REPEALER DATE ON THAT  
 13 SECTION, WHICH PROVIDES AN ALLOTMENT UNDER THE MINIMUM EDUCATION  
 14 PROGRAM FOR SUPPORTIVE SERVICES; TO AMEND REENACTED SECTION  
 15 37-19-24, MISSISSIPPI CODE OF 1972, TO DELETE THE JULY 1, 2002,  
 16 REPEALER DATE ON THAT SECTION, WHICH PROVIDES AN ALLOTMENT UNDER  
 17 THE MINIMUM EDUCATION PROGRAM FOR THE LOCAL COST OF TEACHER SALARY  
 18 INCREASES; TO AMEND REENACTED SECTION 37-151-3, MISSISSIPPI CODE  
 19 OF 1972, TO PROVIDE FOR THE REPEAL OF THE STATUTE THAT REQUIRES  
 20 THE STATE DEPARTMENT OF EDUCATION TO ANNUALLY CONDUCT STATE  
 21 FUNDING PROJECTIONS AND COMPARISONS FOR SCHOOL DISTRICTS,  
 22 EFFECTIVE JULY 1, 2003; TO REPEAL SECTION 30, CHAPTER 612, LAWS OF  
 23 1997, WHICH PROVIDES FOR THE JULY 1, 2002, REPEAL OF THE MINIMUM  
 24 EDUCATION PROGRAM, THE MISSISSIPPI SCHOOL DISTRICT UNIFORM MILLAGE  
 25 ASSISTANCE GRANT PROGRAM AND SECOND LEVEL FUNDING PROGRAM, AND THE  
 26 STATUTE REQUIRING THE STATE DEPARTMENT OF EDUCATION TO ANNUALLY  
 27 CONDUCT STATE FUNDING PROJECTIONS AND COMPARISONS FOR SCHOOL  
 28 DISTRICTS; TO CREATE NEW SECTION 37-19-55, MISSISSIPPI CODE OF  
 29 1972, TO PROVIDE FOR THE REPEAL OF THE MINIMUM EDUCATION PROGRAM  
 30 ON JULY 1, 2003; TO CREATE NEW SECTION 37-22-4, MISSISSIPPI CODE  
 31 OF 1972, TO PROVIDE FOR THE REPEAL OF THE MISSISSIPPI SCHOOL  
 32 DISTRICT UNIFORM MILLAGE ASSISTANCE GRANT PROGRAM AND SECOND LEVEL  
 33 FUNDING PROGRAM ON JULY 1, 2003; AND FOR RELATED PURPOSES.

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

35 **SECTION 1.** Section 37-19-1, Mississippi Code of 1972, is  
 36 reenacted as follows:

37 37-19-1. As used in this chapter:

38 (a) The term "minimum education program" shall mean the  
 39 program of education made possible by the financing plan provided  
 40 for in this chapter;

41 (b) The term "teacher" shall include any employee of a  
 42 school board of a school district who is required by law to obtain



43 a teacher's license from the State Board of Education and who is  
44 assigned to an instructional area of work as defined by the State  
45 Department of Education the equivalent of a minimum of three (3)  
46 normal periods per school day;

47 (c) The term "principal" shall mean the head of an  
48 attendance center or division thereof;

49 (d) The term "superintendent" shall mean the head of a  
50 school district;

51 (e) The term "teacher unit" means one (1) teacher unit  
52 for each twenty-four (24) pupils in average daily attendance in  
53 kindergarten and in Grades 1, 2, 3 and 4 and one (1) teacher unit  
54 for each twenty-seven (27) pupils in average daily attendance in  
55 all other grades;

56 (f) The term "cost of the minimum program" shall mean  
57 the calculated allowance as fixed by law or by regulations of the  
58 State Board of Education for teachers' salaries, administrative  
59 expense, transportation, the employer's part of the public  
60 employees' retirement and social security, and "supportive  
61 services" as defined elsewhere in this chapter;

62 (g) The term "school district" shall, for purposes of  
63 this chapter, be construed to include any type of school district  
64 in the State of Mississippi;

65 (h) "Minimum school term" shall mean a term of at least  
66 one hundred eighty (180) days of school in which both teachers and  
67 pupils are in regular attendance for scheduled classroom  
68 instruction for not less than sixty percent (60%) of the normal  
69 school day. It is the intent of the Legislature that any tax  
70 levies generated to produce additional local funds required by any  
71 school district to operate school terms in excess of one hundred  
72 seventy-five (175) days shall not be construed to constitute a new  
73 program for the purposes of exemption from the limitation on tax  
74 revenues as allowed under Sections 27-39-321 and 37-57-107 for new  
75 programs mandated by the Legislature;



76 (i) The term "transportation density" shall mean the  
77 number of transported children in average daily attendance per  
78 square mile of area served in a county or a separate school  
79 district, as determined by the State Department of Education;

80 (j) The term "transported children" shall mean children  
81 being transported to school who live within legal limits for  
82 transportation and who are otherwise qualified for being  
83 transported to school at public expense as fixed by Mississippi  
84 state law;

85 (k) The term "year of teaching experience" shall mean  
86 nine (9) months of actual teaching in the public or private  
87 schools of this or some other state. In no case shall more than  
88 one (1) year of teaching experience be given for all services in  
89 one (1) calendar or school year. In determining a teacher's  
90 experience, no deduction shall be made because of the temporary  
91 absence of the teacher because of illness or other good cause, and  
92 the teacher shall be given credit therefor. The State Board of  
93 Education shall fix a number of days, not to exceed twenty-five  
94 (25) consecutive school days, during which a teacher may not be  
95 under contract of employment during any school year and still be  
96 considered to have been in full-time employment for a regular  
97 scholastic term. In determining the experience of school  
98 librarians, each complete year of continuous, full-time employment  
99 as a professional librarian in a public library in this or some  
100 other state shall be considered a year of teaching experience. If  
101 a full-time school administrator returns to actual teaching in the  
102 public schools, the term "year of teaching experience" shall  
103 include the period of time he or she served as a school  
104 administrator;

105 (l) The term "average daily attendance" shall be the  
106 figure which results when the total aggregate attendance during  
107 the period or months counted is divided by the number of days  
108 during the period or months counted upon which both teachers and



109 pupils are in regular attendance for scheduled classroom  
110 instruction;

111 (m) The term "local supplement" shall mean the amount  
112 paid to an individual teacher over and above the minimum  
113 foundation program salary schedule for regular teaching duties;

114 (n) The term "aggregate amount of support from ad  
115 valorem taxation" shall mean the amounts produced by the  
116 district's total tax levies for operations;

117 (o) The term "minimum program funds" shall mean all  
118 funds, both state and local, constituting the requirements for  
119 meeting the cost of the minimum program as provided for in this  
120 chapter.

121 **SECTION 2.** Section 37-19-3, Mississippi Code of 1972, is  
122 reenacted as follows:

123 37-19-3. The total cost of the minimum education program  
124 shall be the sum of the amounts provided for in Sections 37-19-5  
125 through 37-19-33.

126 **SECTION 3.** Section 37-19-5, Mississippi Code of 1972, is  
127 reenacted as follows:

128 37-19-5. (1) The total number of teachers included in the  
129 program for each school district shall not be in excess of the  
130 number of teachers employed or the number of teacher units  
131 allowed, whichever number is smaller. The number of teacher units  
132 shall be determined by the State Department of Education for each  
133 school district for the current year as follows: For Kindergarten  
134 and Grades 1, 2, 3 and 4, one (1) teacher unit shall be allotted  
135 for each twenty-four (24) pupils in average daily attendance for  
136 the prior school year or for months two and three of the current  
137 year, whichever is greater, and for all other grades, one (1)  
138 teacher unit shall be allotted for each twenty-seven (27) pupils  
139 in average daily attendance for the prior school year or for  
140 months two and three of the current year, whichever is greater. A  
141 remaining major fraction of a unit shall be counted as a whole



142 unit. It shall be the duty of the State Department of Education  
143 to determine that each school district actually has employed in  
144 Kindergarten and Grades 1, 2, 3 and 4, a number of teachers which  
145 shall not be fewer than the earned units calculated in accordance  
146 with this subsection and, to that end, the State Department of  
147 Education is empowered to make regulations not inconsistent with  
148 this chapter which are reasonably necessary to implement and  
149 assure its compliance. No teacher may be included in such number  
150 of teachers unless he spends not less than seventy-five percent  
151 (75%) of his working time in actual classroom instruction in  
152 Kindergarten and Grades 1, 2, 3 and 4, and the State Department of  
153 Education shall require the school district to certify, under oath  
154 of a person informed of such matters, and authorized by the school  
155 district governing authority to do so, that only such teachers  
156 have been so included in that number. If a school district  
157 employs more teachers than the teacher units allotted, the State  
158 Department of Education shall use the teachers of highest training  
159 and number of years experience in determining the allotment for  
160 salaries. It is the intent of the Legislature that the additional  
161 teachers provided herein for Kindergarten and Grades 1, 2, 3 and 4  
162 shall be utilized exclusively in Kindergarten and in those grades,  
163 and that such classes shall not exceed a maximum number of  
164 twenty-seven (27) students in enrollment at any time during the  
165 school term unless exempted under rules and regulations  
166 promulgated by the State Board of Education providing for  
167 hardship, emergency or other special situations. In addition, the  
168 total number of students that may be taught by an individual  
169 teacher in core subjects at any time during the school year shall  
170 not exceed one hundred fifty (150) unless exempted under the rules  
171 and regulations promulgated by the State Board of Education. Any  
172 such exemption regarding the maximum number of students per class  
173 or per individual teacher shall be certified by the local board of  
174 education to the State Department of Education with each monthly



175 average daily attendance report. In the event any school district  
176 meets Level 4 or 5 accreditation standards, the State Board of  
177 Education may, in its discretion, exempt such school district from  
178 the maximum pupil-teacher ratio in Grades 1, 2, 3 and 4 prescribed  
179 herein.

180 (2) One-half (1/2) of a teacher unit shall be added to the  
181 teacher unit allotment for each school district for each  
182 vocational teacher employed full time during the regular school  
183 term in a vocational education program approved by the State  
184 Department of Education. For each teacher employed in a  
185 vocational program less than full time, the additional one-half  
186 (1/2) teacher unit shall be prorated by the percentage of time  
187 spent in the vocational program. Minimum program funds will be  
188 allotted based on the type of certificate and number of years  
189 teaching experience held by each approved vocational teacher.

190 (3) One (1) additional teacher unit shall be added to the  
191 teacher unit allotment for each school district for each teacher  
192 employed in a State Department of Education approved program for  
193 exceptional children as defined in Section 37-23-3, except that  
194 only seventy percent (70%) of a teacher unit will be approved for  
195 the program for three- and four-year-old exceptional children.  
196 Exceptional children as defined in Section 37-23-3 who are under  
197 the age of three (3) years shall receive teacher units for each  
198 teacher employed in an approved program for those children.  
199 However, notwithstanding the calculation of teacher units as  
200 defined in subsection (1) above, exceptional children enrolled in  
201 a self-contained class, as defined by the State Department of  
202 Education, shall not be counted in average daily attendance when  
203 determining the regular teacher unit allocation. Minimum program  
204 funds will be allotted based on the type of certificate and the  
205 number of years teaching experience held by each approved  
206 exceptional education teacher.



207           (4) In addition to the allowances provided above, for each  
208 handicapped child who is being educated by a public school  
209 district or is placed in accord with Section 37-23-77 and whose  
210 individualized educational program (IEP) requires an extended  
211 school year in accord with the State Department of Education  
212 criteria, a sufficient amount of minimum program funds shall be  
213 allocated for the purpose of providing the educational services  
214 the student requires. The State Board of Education shall  
215 promulgate such regulations as are required to insure the  
216 equitable distribution of these funds. All costs for the extended  
217 school year for a particular summer shall be reimbursed from  
218 minimum program funds appropriated for the fiscal year beginning  
219 July 1 of that summer. If sufficient funds are not made available  
220 to finance all of the required educational services, the State  
221 Department of Education shall expend available funds in such a  
222 manner that it does not limit the availability of appropriate  
223 education to handicapped students more severely than it does to  
224 nonhandicapped students.

225           (5) The State Department of Education is hereby authorized  
226 to match minimum program funds allocated for provision of services  
227 to handicapped children with Division of Medicaid funds to provide  
228 language-speech services, physical therapy and occupational  
229 therapy to handicapped students who meet State Department of  
230 Education or Division of Medicaid standards and who are Medicaid  
231 eligible. Provided further, that the State Department of  
232 Education is authorized to pay such minimum program funds as may  
233 be required as a match directly to the Division of Medicaid  
234 pursuant to an agreement to be developed between the State  
235 Department of Education and the Division of Medicaid.

236           (6) In the event of an inordinately large number of  
237 absentees in any school district as a result of epidemic, natural  
238 disaster, or any concerted activity discouraging school  
239 attendance, then in such event school attendance for the purposes



240 of determining teacher units shall be based upon the average daily  
241 attendance for the three (3) preceding school years for such  
242 school district.

243 (7) In addition to the allotments provided above, a school  
244 district may provide a program of education and instruction to  
245 children ages five (5) years through twenty-one (21) years, who  
246 are resident citizens of the State of Mississippi, who cannot have  
247 their educational needs met in a regular public school program and  
248 who have not finished or graduated from high school, if those  
249 children are determined by competent medical authorities and  
250 psychologists to need placement in a state licensed facility for  
251 inpatient treatment, day treatment or residential treatment or a  
252 therapeutic group home. Such program shall operate under rules,  
253 regulations, policies and standards of school districts as  
254 determined by the State Board of Education. If a private school  
255 approved by the State Board of Education is operated as an  
256 integral part of the state licensed facility that provides for the  
257 treatment of such children, the private school within the facility  
258 may provide a program of education, instruction and training to  
259 such children by requesting the State Department of Education to  
260 allocate one (1) teacher unit or a portion of a teacher unit for  
261 each approved class. The facility shall be responsible for  
262 providing for any additional costs of the program.

263 Minimum program funds will be allotted based on the type of  
264 certificate and number of years' teaching experience held by each  
265 approved teacher. Such children shall not be counted in average  
266 daily attendance when determining the regular teacher unit  
267 allocation.

268 **SECTION 4.** Section 37-19-9, Mississippi Code of 1972, is  
269 reenacted as follows:

270 37-19-9. Any special license-nonrenewable issued in  
271 accordance with Section 37-3-2(6)(d) will be considered equivalent  
272 to a Class A certification and license for the purpose of the





273 scale as set forth in Section 37-19-7, and for the purpose of the  
274 experience increases provided for in Section 37-19-7.

275 **SECTION 5.** Section 37-19-11, Mississippi Code of 1972, is  
276 reenacted as follows:

277 37-19-11. No school district shall pay any teacher on the  
278 minimum foundation program less than the state minimum salary  
279 provided for in Section 37-19-7. No school district shall receive  
280 any funds under the provisions of this chapter for any school year  
281 during which the aggregate amount of local supplement as defined  
282 in Section 37-19-1 shall have been reduced below such amount for  
283 the previous year; however, where there has been a reduction in  
284 the number of teacher units in such district in such year, where  
285 there has been a reduction in the amount of federal funds to such  
286 district below the previous year, or where there has been a  
287 reduction in ad valorem taxes to such school district for the  
288 1986-1987 school year below the amount for the previous year due  
289 to the exemption of nuclear generating plants from ad valorem  
290 taxation, pursuant to Section 27-35-309, the aggregate amount of  
291 local supplement in such district may be reduced proportionately  
292 without loss of funds under this chapter. No school district may  
293 receive any funds under the provisions of this chapter for any  
294 school year if the aggregate amount of support from ad valorem  
295 taxation shall be reduced during such school year below such  
296 amount for the previous year; however, where there is a loss in  
297 teacher units, or where there is or heretofore has been a decrease  
298 in the total assessed value of taxable property within a school  
299 district, the aggregate amount of such support may be reduced  
300 proportionately. Nothing herein contained shall prohibit any  
301 school district from adopting or continuing a program or plan  
302 whereby teachers are paid varying salaries according to the  
303 teaching ability, classroom performance and other similar  
304 standards.



305           **SECTION 6.** Section 37-19-15, Mississippi Code of 1972, is  
306 reenacted as follows:

307           37-19-15. The minimum base pay for all classroom teachers as  
308 fixed in this chapter may be increased by the district from any  
309 funds available to it other than minimum program funds; and those  
310 districts which have not prior to July 1, 1978, so increased said  
311 base pay, shall increase the minimum base pay for classroom  
312 teachers as fixed by this chapter and as authorized by any of the  
313 provisions of or standards set forth in this chapter.

314           **SECTION 7.** Section 37-19-17, Mississippi Code of 1972, is  
315 reenacted as follows:

316           37-19-17. The total allowance made by the State Board of  
317 Education in the minimum education program for teachers' salaries  
318 for each type of certificate in any school district shall not be  
319 in excess of the total amount determined by the scale for teachers  
320 holding each type of certificate as provided in this chapter or  
321 the amount actually paid to such teachers with such type of  
322 certificates, whichever amount is smaller. However, the school  
323 boards of all school districts may establish salary schedules  
324 based on training, experience, and other such factors as may be  
325 incorporated therein, including student progress and performance  
326 as developed by the State Board of Education, paying teachers  
327 greater amounts than the scale provided herein, but no teacher may  
328 be paid less than the amount allotted for such teacher based upon  
329 the scale of pay provided in this chapter, and all supplements  
330 paid from local funds shall be based upon the salary schedules so  
331 established. The school boards may call upon the State Department  
332 of Education for aid and assistance in formulating and  
333 establishing such salary schedules, and it shall be the duty of  
334 the State Department of Education, when so called upon, to render  
335 such aid and assistance.

336           The amount allotted for teachers' salaries by the State Board  
337 of Education and the amount actually paid to each teacher shall be



338 based upon and determined by the type of certificate held by such  
339 teacher.

340 **SECTION 8.** Section 37-19-19, Mississippi Code of 1972, is  
341 reenacted as follows:

342 37-19-19. Each county and separate school district shall be  
343 allotted Seventy-five Dollars (\$75.00) per teacher unit for paying  
344 or supplementing superintendents' and principals' salaries.

345 **SECTION 9.** Section 37-19-21, Mississippi Code of 1972, is  
346 reenacted and amended as follows:

347 37-19-21. For fiscal year 2002, each school district shall  
348 be allotted Five Thousand Ninety-seven Dollars (\$5,097.00) per  
349 teacher unit for use in supportive services.

350 \* \* \*

351 **SECTION 10.** Section 37-19-23, Mississippi Code of 1972, is  
352 reenacted as follows:

353 37-19-23. The amount to be included in the minimum education  
354 program by the State Board of Education for transportation shall  
355 be determined as follows:

356 (1) The State Department of Education shall calculate the  
357 cost of transportation in school districts by ascertaining the  
358 average cost per pupil in average daily attendance of transported  
359 pupils in school districts classified in different density groups  
360 as determined by the State Department of Education. Based on  
361 these calculations, the State Department of Education shall  
362 develop a scale for determining the allowable cost per pupil in  
363 different density groups, which scale shall provide greatest  
364 allowance per pupil transported in school districts with lowest  
365 densities and smallest allowance per pupil in school districts  
366 with highest densities. The total allowance in the minimum  
367 education program for transported children for any school district  
368 for the current year shall be the average daily attendance of the  
369 transported children for the nine (9) months of the prior year,  
370 multiplied by the allowance per transported pupil as provided



371 herein. However, the State Department of Education is hereby  
372 authorized and empowered to make proper adjustments in allotments,  
373 under rules and regulations of the State Board of Education, in  
374 cases where major changes in the number of children in average  
375 daily attendance transported occur from one year to another as a  
376 result of changes or alterations in the boundaries of school  
377 districts, a change in or relocation of attendance centers, or for  
378 other reasons which would result in major decrease or increase in  
379 the number of children in average daily attendance transported  
380 during the current school year as compared with the preceding  
381 year. Moreover, the State Board of Education is hereby authorized  
382 and empowered to make such payments to all districts and/or  
383 university-based programs as deemed necessary in connection with  
384 transporting exceptional children as defined in Section 37-23-3.  
385 The State Board of Education shall establish and implement all  
386 necessary rules and regulations to allot transportation payments  
387 to university-based programs. In developing density  
388 classifications under the provisions hereof, the State Department  
389 of Education may give consideration to the length of the route,  
390 the sparsity of the population, the lack of adequate roads,  
391 highways and bridges, and the presence of large streams or other  
392 geographic obstacles. In addition to funds allotted under the  
393 above provisions, funds shall be allotted to each school district  
394 that transports students from their assigned school or attendance  
395 center to classes in an approved vocational-technical center at a  
396 rate per mile not to exceed the average statewide cost per mile of  
397 school bus transportation during the preceding year exclusive of  
398 bus replacement. All such transportation must have prior approval  
399 by the State Department of Education.

400 (2) The average daily attendance of transported children  
401 shall be reported by the school district in which such children  
402 attend school. If children living in a school district are  
403 transported at the expense of such school district to another



404 school district, the average daily attendance of such transported  
405 children shall be deducted by the State Department of Education  
406 from the aggregate average daily attendance of transported  
407 children in the school district in which they attend school and  
408 shall be added to the aggregated average daily attendance of  
409 transported children of the school district from which they come  
410 for the purpose of calculating transportation allotments.  
411 However, such deduction shall not be made for the purpose of  
412 calculating teacher units.

413 (3) The State Department of Education shall include in the  
414 allowance for transportation for each school district an amount  
415 for the replacement of school buses or the purchase of new buses,  
416 which amount shall be calculated upon the estimated useful life of  
417 all school buses being used for the transportation of children in  
418 such school district, whether such buses be publicly or privately  
419 owned.

420 (4) The school boards of all districts operating school bus  
421 transportation are authorized and directed to establish a salary  
422 schedule for school bus drivers. No school district shall be  
423 entitled to receive the funds herein allotted for transportation  
424 unless it pays each of its nonstudent adult school bus drivers  
425 paid from such transportation allotments a minimum of One Hundred  
426 Ninety Dollars (\$190.00) per month. In addition, local school  
427 boards may compensate school bus drivers for actual expenses  
428 incurred when acquiring an initial commercial license or any  
429 renewal of a commercial license to drive a school bus.

430 (5) The State Board of Education shall be authorized and  
431 empowered to use such part of the funds appropriated for  
432 transportation in the minimum education fund as may be necessary  
433 to finance driver training courses as provided for in Section  
434 37-41-1.

435 **SECTION 11.** Section 37-19-24, Mississippi Code of 1972, is  
436 reenacted and amended as follows:



437           37-19-24. Beginning with the 1999-2000 school year, in  
438 addition to other funds allotted under this chapter, an amount  
439 subject to appropriation shall be provided to fund the local cost  
440 of state mandated salary increases as provided through Section  
441 37-19-7. Such funds are provided where amounts provided through  
442 Section 37-19-21 are insufficient to fund such increases and shall  
443 be distributed based on district staffing for the immediate  
444 preceding school year, as determined by the State Department of  
445 Education.

446       \* \* \*

447           **SECTION 12.** Section 37-19-25, Mississippi Code of 1972, is  
448 reenacted as follows:

449           37-19-25. School districts embracing territory in more than  
450 one (1) county shall be administered in the county where the  
451 buildings are located insofar as the minimum education program is  
452 concerned, and the cost of the education program for a line school  
453 shall be included in the total for the county in which the school  
454 buildings are located, except that the children attending such  
455 school and residing in another county shall be counted for  
456 transportation allotment purposes in the county which furnishes or  
457 provides the transportation.

458           **SECTION 13.** Section 37-19-27, Mississippi Code of 1972, is  
459 reenacted as follows:

460           37-19-27. (1) Legally transferred students going from one  
461 school district to another shall be counted for teacher allotment  
462 and allotments for supportive services by the school district  
463 wherein the pupils attend school, including cost allotments  
464 prescribed in Sections 37-19-19 and 37-19-31 for school district  
465 administrative and clerical salaries and other expenses, but shall  
466 be counted for transportation allotment purposes in the school  
467 district which furnishes or provides the transportation. The  
468 school boards of the school districts which approve the transfer  
469 of a student under the provisions of Section 37-15-31 shall enter



470 into an agreement and contract for the payment or nonpayment of  
471 any portion of their local maintenance funds which they deem fair  
472 and equitable in support of any transferred student. Except as  
473 provided in subsection (2) of this section, local maintenance  
474 funds shall be transferred only to the extent specified in the  
475 agreement and contract entered into by the affected school  
476 districts. The terms of any local maintenance fund payment  
477 transfer contract shall be spread upon the minutes of both of the  
478 affected school district school boards. The school district  
479 accepting any transfer students shall be authorized to accept  
480 tuition from such students under the provisions of Section  
481 37-15-31(1) and such agreement may remain in effect for any length  
482 of time designated in the contract. The terms of such student  
483 transfer contracts and the amounts of any tuition charged any  
484 transfer student shall be spread upon the minutes of both of the  
485 affected school boards. No school district accepting any transfer  
486 students under the provisions of Section 37-15-31(2), which  
487 provides for the transfer of certain school district employee  
488 dependents, shall be authorized to charge such transfer students  
489 any tuition fees.

490 (2) Local maintenance funds shall be paid by the home school  
491 district to the transferee school district for students granted  
492 transfers under the provisions of Sections 37-15-29(3) and  
493 37-15-31(3), Mississippi Code of 1972, not to exceed the  
494 "individual student entitlement" as defined in Section  
495 37-22-1(2)(d), Mississippi Code of 1972, multiplied by the number  
496 of such legally transferred students.

497 **SECTION 14.** Section 37-19-29, Mississippi Code of 1972, is  
498 reenacted follows:

499 37-19-29. Notwithstanding any provision of this chapter or  
500 any other law requiring the number of children in average daily  
501 attendance or the average daily attendance of transported children  
502 to be determined on the basis of the preceding year, the state



503 board of education is hereby authorized and empowered to make  
504 proper adjustments in allotments in cases where major changes in  
505 the number of children in average daily attendance or the average  
506 daily attendance of transported children occurs from one year to  
507 another as a result of changes or alterations in the boundaries of  
508 school districts, the sending of children from one county or  
509 district to another upon a contract basis, the termination or  
510 discontinuance of a contract for the sending of children from one  
511 county or district to another, a change in or relocation of  
512 attendance centers, or for any other reason which would result in  
513 a major decrease or increase in the number of children in average  
514 daily attendance or the average daily attendance of transported  
515 children during the current school year as compared with the  
516 preceding year.

517       **SECTION 15.** Section 37-19-31, Mississippi Code of 1972, is  
518 reenacted as follows:

519       37-19-31. The State Department of Education shall include in  
520 the minimum education program for each school system annually the  
521 sum of Fifteen Thousand Dollars (\$15,000.00) and an additional  
522 amount of Fifty Dollars (\$50.00) for each teacher unit in excess  
523 of fifty (50) teacher units as defined and determined in this  
524 chapter. However, no school district shall be allotted more than  
525 Twenty-five Thousand Dollars (\$25,000.00).

526       **SECTION 16.** Section 37-19-33, Mississippi Code of 1972, is  
527 reenacted as follows:

528       37-19-33. In addition to the allowances provided in Sections  
529 37-19-5 through 37-19-31, the State Department of Education may  
530 allot to each school district an amount to cover and pay the  
531 employer's part of the public employees' retirement and social  
532 security. The allowance under this section shall be based upon  
533 the current rate applied to each funding element except for  
534 transportation which shall be the amount appropriated for  
535 salaries. In the event a rate changes during the fiscal year, the





536 State Department of Education shall apportion the allowance under  
537 this section by the number of days of the regular school term  
538 occurring in each rate period.

539 **SECTION 17.** Section 37-19-34, Mississippi Code of 1972, is  
540 reenacted as follows:

541 37-19-34. The State Board of Education shall allot to each  
542 school district such funds appropriated to pay one hundred percent  
543 (100%) of the cost of the State and School Employees' Life and  
544 Health Insurance Plan created under Article 7, Chapter 15, Title  
545 25, Mississippi Code of 1972, for all district employees who work  
546 no less than twenty (20) hours during each week and regular  
547 nonstudent school bus drivers employed by the district.

548 Where the use of federal funding is allowable to defray, in  
549 full or in part, the cost of participation in the insurance plan  
550 by district employees who work no less than twenty (20) hours  
551 during each week and regular nonstudent school bus drivers, whose  
552 salaries are paid, in full or in part, by federal funds, the  
553 allowance under this section shall be reduced to the extent of the  
554 federal funding. Where the use of federal funds is allowable but  
555 not available, it is the intent of the Legislature that school  
556 districts contribute the cost of participation for such employees  
557 from local funds, except that parent fees for child nutrition  
558 programs shall not be increased to cover such cost.

559 The State Department of Education, in accordance with rules  
560 and regulations established by the State Board of Education, may  
561 withhold a school district's minimum program funds for failure of  
562 the district to timely report student, fiscal and personnel data  
563 necessary to meet state and/or federal requirements. The rules  
564 and regulations promulgated by the State Board of Education shall  
565 require the withholding of minimum program funds for those  
566 districts that fail to remit premiums, interest penalties and/or  
567 late charges under the State and School Employees' Life and Health  
568 Insurance Plan. Noncompliance with such rules and regulations



569 shall result in a violation of compulsory accreditation standards  
570 as established by the State Board of Education and Commission on  
571 School Accreditation.

572         **SECTION 18.** Section 37-19-35, Mississippi Code of 1972, is  
573 reenacted as follows:

574         37-19-35. The minimum local ad valorem tax effort required  
575 of each school district in proportion to its relative taxpaying  
576 ability shall be determined as follows:

577             (a) The total minimum local ad valorem tax effort  
578 required of all school districts in the state shall be as follows:  
579 Sixteen Million Five Hundred Thousand Dollars (\$16,500,000.00) for  
580 fiscal year 1987, Seventeen Million Dollars (\$17,000,000.00) for  
581 fiscal year 1988, Seventeen Million Seven Hundred Fifty Thousand  
582 Dollars (\$17,750,000.00) for fiscal year 1989, Eighteen Million  
583 Five Hundred Thousand Dollars (\$18,500,000.00) for fiscal year  
584 1990, Nineteen Million Two Hundred Fifty Thousand Dollars  
585 (\$19,250,000.00) for fiscal year 1991, Twenty Million Dollars  
586 (\$20,000,000.00) for fiscal year 1992, Twenty-one Million Dollars  
587 (\$21,000,000.00) for fiscal year 1993, Twenty-two Million Dollars  
588 (\$22,000,000.00) for fiscal year 1994, Twenty-three Million  
589 Dollars (\$23,000,000.00) for fiscal year 1995, Twenty-four Million  
590 Dollars (\$24,000,000.00) for fiscal year 1996 and each fiscal year  
591 thereafter.

592             (b) The State Department of Education shall determine  
593 for each county its percent of the total taxpaying ability of the  
594 state by the following economic index of taxpaying ability: (1)  
595 multiply .242152 times the county's percent of the assessed  
596 valuation of public utilities in the state; (2) multiply .282970  
597 times the county's percent of the retail sales tax paid in the  
598 state; (3) multiply .044144 times the county's percent of the  
599 state total of motor vehicle license receipts as sold by the tax  
600 collectors of the various counties of the state; (4) multiply  
601 .065110 times the county's percent of the total value of farm



602 products in the state; (5) multiply .142688 times the average of  
603 the county's percent of the state total personal income taxes paid  
604 in the state; (6) multiply .222936 times the county's percent of  
605 the state total of gainfully employed nonfarm, nongovernment  
606 workers. The sum of the products obtained in items (1) through  
607 (6), inclusive, shall be the index of the relative taxpaying  
608 ability of each county, including the separate school districts  
609 therein, expressed in percent of the total taxpaying ability of  
610 the state. The index for each county shall be recalculated every  
611 two (2) years and the data for the economic factors included in  
612 the index shall be the latest and most reliable official sources  
613 as determined by the State Department of Education.

614 (c) The annual minimum required local ad valorem tax  
615 effort in dollars for each county shall be its percent of the  
616 taxpaying ability of the state as determined in subsection (b) of  
617 this section multiplied by the total statewide required local ad  
618 valorem tax effort as determined in the manner provided in  
619 subsection (a) of this section.

620 (d) The minimum local ad valorem tax effort in dollars  
621 for each school district within a county for each year shall be  
622 that district's percent of the total assessed valuation of the  
623 county for the previous year multiplied by the total minimum ad  
624 valorem tax effort required of that county as provided in  
625 subsection (c) of this section. In making this calculation the  
626 countywide assessment shall be used.

627 (e) If the school board of any school district shall  
628 determine that it is not economically feasible or practicable to  
629 operate any school within the district for the full one hundred  
630 eighty (180) days required for a school term of nine (9) months as  
631 contemplated, due to an enemy attack, a manmade, technological or  
632 natural disaster in which the Governor has declared a disaster  
633 emergency under the laws of this state or the President of the  
634 United States has declared an emergency or major disaster to exist



635 in this state, that said school board may notify the State  
636 Department of Education of such disaster and submit a plan for  
637 altering the school term. If the State Board of Education finds  
638 such disaster to be the cause of the school's not being able to  
639 operate for the contemplated school term and that such school was  
640 in a county covered by the Governor's or President's disaster  
641 declaration, it may permit said school board to operate the  
642 schools in its district for not less than one hundred eighty (180)  
643 days, and, in such case, the State Department of Education shall  
644 not reduce the allotment mentioned hereinabove, because of the  
645 failure to operate said schools for one hundred eighty (180) days.

646 The State Board of Education shall not approve any such plan  
647 which does not comply with standards, if any, provided by the  
648 State of Mississippi or the State Department of Education to meet  
649 any of the above enumerated disasters. Nothing in this section  
650 shall be construed to alter the responsibility of each school  
651 board of each school district to make every reasonable effort to  
652 operate the schools of their district for the full school term of  
653 one hundred eighty (180) days.

654 **SECTION 19.** Section 37-19-37, Mississippi Code of 1972, is  
655 reenacted as follows:

656 37-19-37. (1) Except as otherwise provided in subsection  
657 (4) of this section, the total state funds needed annually by each  
658 county, excluding the separate school districts therein, for the  
659 support of the minimum education program shall be the cost of the  
660 minimum education program for that county as determined in Section  
661 37-19-3, less the minimum local ad valorem tax effort required of  
662 that county, as provided in Section 37-19-35, and less one-half  
663 (1/2) of all refunds of severance taxes made by the state to the  
664 county for the preceding year; provided, however, in the event  
665 that, during any county fiscal year, one-half (1/2) of all  
666 severance taxes returned or to be returned to such county from the  
667 State Tax Commission will be less than one-half (1/2) of all



668 severance taxes returned to such county during the preceding  
669 fiscal year, the state funds for the support of the minimum  
670 education program shall be increased in the amount of such  
671 deficit. The foregoing provisions shall be fully applicable to  
672 the distribution of minimum education program funds to a district  
673 designated as a municipal separate or special municipal separate  
674 school district prior to July 1, 1986, which embraces an entire  
675 county, subject to the provisions of subsection (4) of this  
676 section. In any county wherein there is located a nuclear  
677 generating power plant on which a tax is assessed under subsection  
678 (3) of Section 27-35-309, the minimum local ad valorem tax effort  
679 required of the county for school year 1986-1987 and school year  
680 1987-1988 shall not be more than Two Hundred Thousand Dollars  
681 (\$200,000.00) per school year. In no case shall the total state  
682 funds provided in any year for the support of the minimum  
683 education program in any county be less than forty percent (40%)  
684 of the cost of the minimum education program for that county as  
685 determined by Section 37-19-3, and in the event the workings of  
686 this proviso should result in a lesser local contribution for the  
687 support of the minimum education program of the county than is  
688 otherwise required by this section, then the local funds otherwise  
689 required for the support of said minimum education program shall  
690 be reduced or eliminated in the following order of priority: (a)  
691 severance taxes; (b) the minimum local ad valorem tax effort.

692 (2) Except as otherwise provided in subsection (4) of this  
693 section, the total state funds needed annually by each separate  
694 school district for the support of the minimum education program  
695 in that district shall be the cost of the minimum education  
696 program for that district, as determined in Section 37-19-3, less  
697 the minimum local ad valorem tax effort required of that district,  
698 as provided in Section 37-19-35, and less one-half (1/2) of all  
699 refunds of severance taxes made by the state to the municipality  
700 for the preceding year; provided, however, in the event that,



701 during any municipal fiscal year, one-half (1/2) of all severance  
702 taxes returned or to be returned to such municipality from the  
703 State Tax Commission will be less than one-half (1/2) of all  
704 severance taxes returned to such municipality during the preceding  
705 fiscal year, the state funds for the support of the minimum  
706 education program shall be increased in the amount of such  
707 deficit.

708 (3) The total state funds needed for the support of the  
709 minimum education program annually shall be the total of the  
710 amounts needed by all the counties and separate school districts  
711 in the state as provided in subsections (1) and (2) of this  
712 section.

713 (4) For any school district the following percentage  
714 reduction shall be substituted for the use of the ratio of  
715 one-half (1/2) as provided in subsection (1) hereinabove:

716	Fiscal Year	Percentage to be Applied
717	1995-1996	45%
718	1996-1997	40%
719	1997-1998	35%
720	1998-1999	30%
721	1999-2000	25%
722	2000-2001	20%
723	2001-2002	15%
724	2002-2003	10%
725	2003-2004	5%
726	2004-2005 and each fiscal	
727	year thereafter	0%

728 This subsection (4) shall take effect from and after July 1,  
729 1995.

730 **SECTION 20.** Section 37-19-39, Mississippi Code of 1972, is  
731 reenacted as follows:

732 37-19-39. The total state funds available annually for the  
733 support of the minimum education program shall consist of the



734 State Common School Fund and the Minimum Education Program Fund,  
735 which funds are hereby established and which shall be apportioned  
736 and distributed in the manner hereinafter set forth:

737 (a) The state common school allotment shall be  
738 apportioned annually to each school district proportionately on  
739 the basis of the number of educable children.

740 (b) The minimum education program allotment shall be  
741 allotted annually to each school district in the manner provided  
742 by this chapter. This allotment shall be such an amount which,  
743 together with the common school allotment provided in subsection  
744 (a) above of this section, shall equal the state's part of the  
745 cost of the minimum education program as determined in the manner  
746 specified in subsection (3) of Section 37-19-37. The total amount  
747 annually to which each school district is entitled from the  
748 minimum education program allotment shall be determined by  
749 subtracting from the cost of the minimum program in such school  
750 district as provided in Section 37-19-3, the following: the  
751 minimum local ad valorem tax effort as required by Section  
752 37-19-35, the amount of the common school fund received for the  
753 current year, and the applicable amount or percentage established  
754 in Section 37-19-37 of the refund of severance taxes made by the  
755 state to the counties and municipalities for the preceding year.

756 If in any year the Legislature or the Governor acting through  
757 the Department of Finance and Administration provides less funds  
758 than the total state funds needed for the support of the minimum  
759 education program, as determined in Section 37-19-37, the minimum  
760 program payment as provided in Section 37-19-47 shall be reduced  
761 in the proportion which the funds actually made available bear to  
762 the funds needed for the full support of the minimum education  
763 program. If in any year the Legislature provides more funds than  
764 the total state funds needed for the full support of the minimum  
765 education program, as determined by Section 37-19-37, the excess  
766 of such state funds above the amount needed for the full support



767 of the minimum education program for the then current year shall  
768 be carried forward as a balance for use by the State Department of  
769 Education for the following school year, and any or all of such  
770 balances may be used by the State Department of Education, if  
771 needed, for the full support of the minimum education program for  
772 such following year.

773         **SECTION 21.** Section 37-19-41, Mississippi Code of 1972, is  
774 reenacted as follows:

775         37-19-41. Not later than April 15 of each year, the State  
776 Department of Education shall prepare an information report which  
777 shall contain, in addition to such other and further information  
778 as may be required by the State Board of Education, the following  
779 information:

780             (a) The average daily attendance in the schools of the  
781 school district during the then current scholastic year, or if  
782 such information be not then available, the average daily  
783 attendance for the first six (6) months of school;

784             (b) The average daily attendance of pupils transported  
785 at public expense, as authorized by law, to the schools of the  
786 school district during the then current scholastic year, which  
787 information may also, if necessary, be based on the first six (6)  
788 months of school;

789             (c) The estimated number of minimum program teachers to  
790 be employed in the school district during the next succeeding  
791 scholastic year which shall be grouped separately by types of  
792 certificates held and number of years of teacher experience  
793 possessed;

794             (d) The estimated administrative expense of the school  
795 district system for the succeeding scholastic year broken down  
796 into and classified by major items of expenditure as prescribed by  
797 the State Board of Education;

798             (e) Until July 1, 2005, the estimated amount of refunds  
799 of severance taxes received or to be received during the then





800 current fiscal year and required to be paid into the Minimum  
801 Education Program Fund of the school district for the succeeding  
802 scholastic year under the provisions of this chapter and other  
803 applicable statutes, the amount for each source of revenue to be  
804 stated separately; and

805 (f) The total assessed valuation of the county,  
806 including all school districts therein, for the then current  
807 fiscal year, based upon the county assessment roll, and the  
808 assessed valuation of each individual school district in the  
809 county for the then current fiscal year based upon the county tax  
810 assessor's assessment roll.

811 In addition to the information specified herein, the State  
812 Board of Education shall have full and plenary authority and power  
813 to require the furnishing of such further, additional and  
814 supplementary information as it may deem necessary for the purpose  
815 of determining the cost of the minimum education program in such  
816 school district for the succeeding fiscal year, the amount of the  
817 minimum education program funds to be allotted to each school  
818 district for the succeeding fiscal year, and for any other purpose  
819 authorized by law or deemed necessary by said State Board of  
820 Education.

821 It shall be the duty of the State Department of Education to  
822 prescribe the forms for the reports provided for in this section.

823 **SECTION 22.** Section 37-19-43, Mississippi Code of 1972, is  
824 reenacted as follows:

825 37-19-43. Based upon the information obtained pursuant to  
826 Section 37-19-41 and upon such other and further information as  
827 provided by law, the State Department of Education shall, on or  
828 before June 1 of each year, or as soon thereafter as is practical,  
829 furnish each school board the preliminary estimate of the amount  
830 each will receive from the Common School Fund and the Minimum  
831 Education Program Fund for the succeeding scholastic year, and at  
832 the same time shall furnish each such school board with a



833 tentative estimate of the cost of the minimum education program in  
834 the school district for such succeeding fiscal year.

835 A final estimate of the amounts each will receive from the  
836 common school fund and the minimum education program fund shall be  
837 furnished on or before January 15 for that year.

838 **SECTION 23.** Section 37-19-45, Mississippi Code of 1972, is  
839 reenacted as follows:

840 37-19-45. It shall be the duty of the State Department of  
841 Education to file with the State Treasurer and the State Fiscal  
842 Management Board such data and information as may be required to  
843 enable the said State Treasurer and State Fiscal Management Board  
844 to distribute the common school funds and minimum education  
845 program funds by electronic funds transfer to the several school  
846 districts at the time required and provided under the provisions  
847 of this chapter. Such data and information so filed shall show in  
848 detail the amount of funds to which each school district is  
849 entitled from such common school fund and minimum education  
850 program fund. Such data and information so filed may be revised  
851 from time to time as necessitated by law. At the time provided by  
852 law, the State Treasurer and the State Fiscal Management Board  
853 shall distribute to the several school districts the amounts to  
854 which they are entitled from the common school fund and the  
855 minimum education program fund as provided by this chapter. Such  
856 distribution shall be made by electronic funds transfer to the  
857 depositories of the several school districts designated in writing  
858 to the State Treasurer based upon the data and information  
859 supplied by the State Department of Education for such  
860 distribution. In such instances, the State Treasurer shall submit  
861 a request for an electronic funds transfer to the State Fiscal  
862 Management Board, which shall set forth the purpose, amount and  
863 payees, and shall be in such form as may be approved by the State  
864 Fiscal Management Board so as to provide the necessary information  
865 as would be required for a requisition and issuance of a warrant.



866 A copy of the record of said electronic funds transfers shall be  
867 transmitted by the school district depositories to the Treasurer,  
868 who shall file duplicates with the State Fiscal Management Board.  
869 The Treasurer and State Fiscal Management Board shall jointly  
870 promulgate regulations for the utilization of electronic funds  
871 transfers to school districts.

872 **SECTION 24.** Section 37-19-47, Mississippi Code of 1972, is  
873 reenacted as follows:

874 37-19-47. Funds due each school district under the terms of  
875 this chapter from the Common School Fund and the Minimum Education  
876 Program Fund shall be paid in the following manner: On the  
877 twenty-fifth day of each month, or the next business date after  
878 that date, there shall be paid to each school district by  
879 electronic funds transfer one-twelfth (1/12) of the funds to which  
880 the district is entitled from funds appropriated for the Common  
881 School Fund and the Minimum Education Program Fund. Provided,  
882 however, that in December said payments shall be made on December  
883 15th or the next business day after that date.

884 Provided, however, that if the cash balance in the State  
885 General Fund is not adequate on the due date to pay the amounts  
886 due to all school districts in the state as determined by the  
887 State Superintendent of Education, the State Fiscal Management  
888 Board shall not transfer said funds payable to any school district  
889 or districts until money is available to pay the amount due to all  
890 districts.

891 **SECTION 25.** Section 37-19-49, Mississippi Code of 1972, is  
892 reenacted as follows:

893 37-19-49. The number of teachers, excluding nonteaching  
894 superintendents and principals, who may be employed in each school  
895 district and school therein shall not be less than the number of  
896 teacher units in that school as determined by subsection (1) of  
897 Section 37-19-5. Vocational teachers, exceptional education  
898 teachers and teachers whose salaries are paid from federal funds



899 shall not be counted in determining the number of teachers to be  
900 employed under this section. For the purpose of determining the  
901 number of teachers to be employed, a remaining fraction of a  
902 teacher unit may be counted as a whole in any school district or  
903 school therein, in the discretion of the superintendent of  
904 schools.

905         **SECTION 26.** Section 37-19-51, Mississippi Code of 1972, is  
906 reenacted as follows:

907         37-19-51. The State Board of Education shall have the  
908 authority to make such regulations not inconsistent with law which  
909 it deems necessary for the administration of this chapter. The  
910 State Board of Education, if it deems such practice necessary, may  
911 use reports of the first six (6) months of school for the purpose  
912 of determining average daily attendance and the number of pupils  
913 transported for that year.

914         **SECTION 27.** Section 37-19-53, Mississippi Code of 1972, is  
915 reenacted as follows:

916         37-19-53. Any county superintendent of education, member of  
917 the county board of education, member of the board of trustees of  
918 any school district, superintendent, principal, teacher, carrier,  
919 bus driver, or member or employee of the State Department of  
920 Education or State Board of Education, or any other person, who  
921 shall wilfully violate any of the provisions of this chapter, or  
922 who shall wilfully make any false report, list or record, or who  
923 shall wilfully make use of any false report, list or record,  
924 concerning the number of school children in average daily  
925 attendance or the number of children being transported or entitled  
926 to be transported in any county or school district, shall be  
927 guilty of a misdemeanor and upon conviction shall be punished by  
928 imprisonment in the county jail for a period not to exceed sixty  
929 (60) days or by a fine of not less than One Hundred Dollars  
930 (\$100.00), nor more than Three Hundred Dollars (\$300.00), or by  
931 both such fine and imprisonment, in the discretion of the court.



932 In addition, any such person shall be civilly liable for all  
933 amounts of public funds which are illegally, unlawfully or  
934 wrongfully expended or paid out by virtue of or pursuant to such  
935 false report, list or record, and upon conviction or adjudication  
936 of civil liability hereunder, such person shall forfeit his  
937 license to teach for a period of three (3) years, if such person  
938 is the holder of such a license. Any suit to recover such funds  
939 illegally, unlawfully, or wrongfully expended or paid out may be  
940 brought in the name of the State of Mississippi by the Attorney  
941 General or the proper district attorney or county attorney, and,  
942 in the event such suit be brought against a person who is under  
943 bond, the sureties upon such bond shall likewise be liable for  
944 such amount illegally, unlawfully, or wrongfully expended or paid  
945 out.

946 **SECTION 28.** Section 37-22-1, Mississippi Code of 1972, is  
947 reenacted as follows:

948 37-22-1. (1) There is hereby established a Mississippi  
949 School District Uniform Millage Assistance Grant Program. It is  
950 the intent of the Legislature that through this grant program,  
951 each student counted in average daily attendance in the public  
952 schools in Mississippi shall have equal access to funds generated  
953 by a uniform minimum school district ad valorem tax levy.

954 (2) For the purposes of this section the following terms  
955 shall have the following meanings unless context shall provide  
956 otherwise:

957 (a) "Average daily attendance" means the average daily  
958 attendance as calculated under the provisions of Section  
959 37-19-1(1) for months one (1) through nine (9) for each school  
960 district and agricultural high school during the preceding fiscal  
961 year.

962 (b) "Uniform minimum school district ad valorem tax  
963 levy" means that amount of millage which the State Board of  
964 Education shall annually certify to the board of trustees of all



965 school districts as the "uniform minimum school district ad  
966 valorem tax levy," on August 15 of each year. Until June 30,  
967 1993, the State Board of Education shall determine the amount of  
968 the uniform minimum school district ad valorem tax levy by  
969 computing the statewide combined average millage levy for school  
970 district maintenance purposes as prescribed in Section 37-57-105  
971 and minimum program contributions as prescribed in Section 37-57-1  
972 for the preceding fiscal year, then subtracting four (4) mills  
973 from such statewide average millage levy. From and after July 1,  
974 1993, the uniform minimum school district ad valorem tax levy  
975 shall be the amount of millage so certified by the State Board of  
976 Education for the 1993 fiscal year. Beginning with the 1993  
977 fiscal year, the State Board of Education shall determine and  
978 certify an equivalent uniform minimum school district ad valorem  
979 tax levy for agricultural high school support and maintenance.

980 (c) "Maximum yield at the uniform minimum school  
981 district ad valorem tax levy" shall mean ad valorem tax dollars  
982 collectible in each school district if the district levies such  
983 required number of mills for the support of the school district as  
984 certified by the State Board of Education. It is calculated by  
985 (i) subtracting the assessed value of exempt property owned by  
986 homeowners aged sixty-five (65) or older or disabled as defined in  
987 Section 27-33-67(2), Mississippi Code of 1972, from the district's  
988 gross assessed value to arrive at the district's taxable assessed  
989 value; (ii) applying the required millage levy to the taxable  
990 assessed value to arrive at the base revenue; (iii) subtracting  
991 the district's tax loss from exemptions provided to applicants  
992 under the age of sixty-five (65) and not disabled as defined in  
993 Section 27-33-67(1) to arrive at the maximum collectible; and (iv)  
994 adding the district's homestead reimbursement revenue to arrive at  
995 the district's maximum yield at the uniform minimum school  
996 district ad valorem tax levy. The clerk of the board of  
997 supervisors shall list in his report of tax losses for homestead



998 exemption as defined in Section 27-33-35, Mississippi Code of  
999 1972, the total assessed value in each school district. The  
1000 homestead exemption tax losses used in this formula shall be  
1001 losses for exemptions granted from taxes due and payable in the  
1002 preceding year. Reimbursements used in this formula shall be  
1003 amounts reimbursed to the school districts for said losses.

1004 (d) "Individual student entitlement" means that amount  
1005 of funds which results from dividing the aggregate amount of funds  
1006 which would be generated by the levy of the uniform minimum school  
1007 district ad valorem tax by the aggregate average daily attendance  
1008 in all school districts and agricultural high schools located  
1009 within the state.

1010 (e) "District entitlement" means the total amount of  
1011 funds which a school district or agricultural high school may be  
1012 entitled to receive under the provisions of this section. Such  
1013 amount shall be calculated by multiplying the individual student  
1014 entitlement by the average daily attendance for the respective  
1015 school district or agricultural high school.

1016 (f) "Deficit funding allocation" means the amount of  
1017 money needed by each school district or agricultural high school  
1018 to insure the individual student entitlement for each pupil  
1019 enrolled in such district or agricultural high school. The  
1020 deficit funds for each school district or agricultural high school  
1021 shall be calculated by subtracting the maximum yield of the  
1022 uniform minimum school district ad valorem tax levy in such school  
1023 district or agricultural high school from its district  
1024 entitlement. In the event the millage levy of any school district  
1025 or agricultural high school shall be less than the uniform minimum  
1026 school district ad valorem tax levy or its equivalent, as the case  
1027 may be, as certified by the State Board of Education for any  
1028 fiscal year, yet generate funds in an amount equal to or greater  
1029 than such school district's or agricultural high school's district



1030 entitlement, no deficit funding allocation shall be available to  
1031 that respective school district or agricultural high school.

1032 (g) "Other local revenue sources" shall mean the sum of  
1033 the following local revenues which are or may be available from  
1034 the preceding fiscal year for expenditure by the school district:

1035 (i) interest on short- or long-term investments of surplus funds  
1036 as prescribed in Section 37-59-23; (ii) sixteenth section school  
1037 land expendable income as prescribed in Chapter 3, Title 29,  
1038 Mississippi Code of 1972; (iii) Chickasaw School Fund  
1039 appropriations by the Legislature as prescribed in Sections  
1040 29-3-137 and 29-3-139; (iv) TVA in lieu revenues as prescribed in  
1041 Section 27-39-303; (v) national forest revenues as prescribed in  
1042 16 USCS Section 500; (vi) Grand Gulf income as prescribed in  
1043 Section 27-35-309. However, no funds held in escrow to the  
1044 benefit of any school district due to federal litigation  
1045 concerning the distribution of Grand Gulf revenues shall be  
1046 considered as "other local revenue sources" under the provisions  
1047 of this paragraph; and (vii) the amount of any Emergency Fund Loss  
1048 Assistance Program funds received annually under the provisions of  
1049 Section 37-22-5.

1050 (3) A state uniform millage assistance grant award shall be  
1051 provided to each school district and agricultural high school  
1052 requiring additional funds in order to provide their pupils the  
1053 individual student entitlement. The amount of the grant provided  
1054 each school district shall be calculated by subtracting other  
1055 local revenue sources from its deficit funding allocation.

1056 (4) The total state funds needed for the School District  
1057 Uniform Millage Assistance Grant Program annually shall be the  
1058 total of the amounts needed to award grants to school districts  
1059 and agricultural high schools in the state as provided in  
1060 subsection (3) of this section. If the total amount of funds  
1061 annually appropriated for the School District Uniform Millage  
1062 Assistance Grant Program exceeds the total amount determined by





1063 the basic formula, the excess funds shall be distributed  
1064 proportionately to those school districts so entitled under the  
1065 provisions of this section. The State Uniform Millage Assistance  
1066 Grant Fund is hereby established in the State Treasury which shall  
1067 be used to distribute the funds to school districts so entitled  
1068 under the provisions of this section. Any such grant funds shall  
1069 be transferred to the school district maintenance fund of such  
1070 district or agricultural high school in the manner prescribed in  
1071 Section 37-19-47, Mississippi Code of 1972, and shall be expended  
1072 in the manner provided by law exclusively for classroom  
1073 instructional purposes.

1074 **SECTION 29.** Section 37-22-3, Mississippi Code of 1972, is  
1075 reenacted as follows:

1076 37-22-3. There is herein provided a Second Level Funding  
1077 Program which shall qualify any school district within a county  
1078 wherein there is only one (1) school district located for  
1079 additional state funding on an annual basis. The nonparticipation  
1080 of any line consolidated school district to conform their district  
1081 administration to receive second level funding under the  
1082 provisions of this section shall not prohibit the participation of  
1083 any other school districts located within any of the affected  
1084 counties in such funding program. In the event the board of  
1085 trustees of a line consolidated school district elects to  
1086 participate in second level funding, it shall merge its  
1087 administration with the county in which the majority of its  
1088 facilities are located. The State Board of Education shall  
1089 designate the county in which the majority of such line  
1090 consolidated district facilities are located in accordance with  
1091 its established inventory of school district facilities. The  
1092 school boards in any such county having only one (1) school  
1093 district on July 1, 1989, and the school boards in any county  
1094 having more than one (1) school district which hereafter adopts a  
1095 plan for the transition of all administrative functions into one



1096 (1) school district for such county, shall qualify for this Second  
1097 Level Funding Program. Any uniform millage assistance grant  
1098 received by an agricultural high school shall not affect the  
1099 granting of second level funding grants to any school district  
1100 under the provisions of this section; and any agricultural high  
1101 school located in such school district shall also be eligible for  
1102 such second level funding grants. The state funds available to  
1103 such school district for the Second Level Funding Program shall be  
1104 Thirty-six Dollars (\$36.00) per pupil in average daily attendance.  
1105 The total state funds needed for the Second Level Funding Program  
1106 annually shall be the total of the amounts needed by all of the  
1107 school districts in the state having one (1) school district  
1108 within the county. The State Second Level Funding Program Fund is  
1109 hereby established in the State Treasury which shall be used to  
1110 distribute the funds to school districts entitled under the  
1111 provisions of this section. Any such funds shall be transferred  
1112 to the school district maintenance fund of such district in the  
1113 manner prescribed in Section 37-19-47, Mississippi Code of 1972,  
1114 and shall be expended in the manner provided by law for classroom  
1115 instructional purposes.

1116 **SECTION 30.** Section 37-151-3, Mississippi Code of 1972, is  
1117 reenacted and amended:

1118 37-151-3. The State Department of Education shall, on or  
1119 before July 1, 1994, calculate the state funds which would be  
1120 allocated to each school district of the state under the base  
1121 student cost funding formula defined in Sections 37-151-5 and  
1122 37-151-7, and shall develop a district by district projection  
1123 which compares the state education funds to be allocated to each  
1124 district in fiscal year 1995 with the projected funds which would  
1125 be allocated to each district under the said base student cost  
1126 funding formula in fiscal year 1995. Said funding projections and  
1127 comparisons shall be prepared in report form and shall be  
1128 distributed to each school district, the State Board of Education



1129 and the Chairmen of the Education Committees of the Senate and  
1130 House of Representatives on or before July 1, 1994, and shall be  
1131 updated on an annual basis. Said report shall include a  
1132 comparison of the total state funds required to fund the base  
1133 student cost funding formula in fiscal year 1995 compared to the  
1134 total state funds appropriated to fund education programs.

1135 This section shall be repealed on July 1, 2003.

1136 **SECTION 31.** Section 30 of Chapter 612, Laws of 1997, which  
1137 provides for the July 1, 2002, repeal of the Minimum Education  
1138 Program, the Mississippi School District Uniform Millage  
1139 Assistance Grant Program and Second Level Funding Program, and the  
1140 statute requiring the State Department of Education to annually  
1141 conduct state funding projections and comparisons for school  
1142 districts, is repealed.

1143 **SECTION 32.** The following shall be codified as Section  
1144 37-19-55, Mississippi Code of 1972:

1145 37-19-55. Sections 37-19-1 through 37-19-5 and 37-19-9  
1146 through 37-19-55 shall be repealed on July 1, 2003.

1147 **SECTION 33.** The following shall be codified as Section  
1148 37-22-4, Mississippi Code of 1972:

1149 37-22-4. Sections 37-22-1 through 37-22-4 shall be repealed  
1150 on July 1, 2003.

1151 **SECTION 34.** This act shall take effect and be in force from  
1152 and after July 1, 2002.

