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To: Education

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2012

1 AN ACT TO AMEND SECTION 37-17-6, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE THE STATE BOARD OF EDUCATION TO EXEMPT ANY SCHOOL
3 DISTRICT WITH AN EXTREME FINANCIAL SITUATION CAUSED BY THE
4 HURRICANE KATRINA DISASTER OF 2005 FROM ANY ACCOUNTABILITY
5 STANDARD FOR THE 2005-2006 SCHOOL YEAR; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 37-17-6, Mississippi Code of 1972, is
8 amended as follows:

9 37-17-6. (1) The State Board of Education, acting through
10 the Commission on School Accreditation, shall establish and
11 implement a permanent performance-based accreditation system, and
12 all public elementary and secondary schools shall be accredited
13 under this system.

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

19 (3) (a) Beginning with the 1994-1995 school year, the State
20 Board of Education, acting through the Commission on School
21 Accreditation, shall require that school districts employ
22 certified school librarians according to the following formula:

23	Number of Students	Number of Certified
24	Per School Library	School Librarians
25	0 - 499 Students	½ Full-time Equivalent
26		Certified Librarian
27	500 or More Students	1 Full-time Certified
28		Librarian

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

31 (c) The assignment of such school librarians to the
32 particular schools shall be at the discretion of the local school
33 district. No individual shall be employed as a certified school
34 librarian without appropriate training and certification as a
35 school librarian by the State Department of Education.

36 (d) School librarians in such district shall spend at
37 least fifty percent (50%) of direct work time in a school library
38 and shall devote no more than one-fourth (1/4) of the workday to
39 administrative activities which are library related.

40 (e) Nothing in this subsection shall prohibit any
41 school district from employing more certified school librarians
42 than are provided for in this section.

43 (f) Any additional millage levied to fund school
44 librarians required for accreditation under this subsection shall
45 be included in the tax increase limitation set forth in Sections
46 37-57-105 and 37-57-107 and shall not be deemed a new program for
47 purposes of the limitation.

48 (4) On or before December 31, 2002, the State Board of
49 Education shall implement the performance-based accreditation
50 system for school districts and for individual schools which shall
51 include the following:

52 (a) High expectations for students and high standards
53 for all schools, with a focus on the basic curriculum;

54 (b) Strong accountability for results with appropriate
55 local flexibility for local implementation;

56 (c) A process to implement accountability at both the
57 school district level and the school level;

58 (d) Individual schools shall be held accountable for
59 student growth and performance;

60 (e) Set annual performance standards for each of the
61 schools of the state and measure the performance of each school
62 against itself through the standard that has been set for it;

63 (f) A determination of which schools exceed their
64 standards and a plan for providing recognition and rewards to such
65 schools;

66 (g) A determination of which schools are failing to
67 meet their standards and a determination of the appropriate role
68 of the State Board of Education and the State Department of
69 Education in providing assistance and initiating possible
70 intervention; and

71 (h) Development of a comprehensive student assessment
72 system to implement these requirements.

73 The State Board of Education may continue to assign school
74 district performance levels by using a number classification and
75 may assign individual school performance levels by using a number
76 classification to be consistent with school district performance
77 levels.

78 (i) The State Board of Education shall have the
79 authority, based upon justification therefor by a written request
80 from the local school board of any school district with an extreme
81 financial situation caused by the Hurricane Katrina Disaster of
82 2005, to hold harmless and/or exempt such affected school district
83 from any accountability standards for the 2005-2006 school year.

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

87 (6) The State Board of Education shall create an
88 accreditation audit unit under the Commission on School
89 Accreditation to determine whether schools are complying with
90 accreditation standards.

91 (7) The State Board of Education shall be specifically
92 authorized and empowered to withhold adequate minimum education

93 program or adequate education program fund allocations, whichever
94 is applicable, to any public school district for failure to timely
95 report student, school personnel and fiscal data necessary to meet
96 state and/or federal requirements.

97 (8) Deleted.

98 (9) The State Board of Education shall establish, for those
99 school districts failing to meet accreditation standards, a
100 program of development to be complied with in order to receive
101 state funds, except as otherwise provided in subsection (14) of
102 this section when the Governor has declared a state of emergency
103 in a school district or as otherwise provided in Section 206,
104 Mississippi Constitution of 1890. The state board, in
105 establishing these standards, shall provide for notice to schools
106 and sufficient time and aid to enable schools to attempt to meet
107 these standards, unless procedures under subsection (14) of this
108 section have been invoked.

109 (10) Beginning July 1, 1998, the State Board of Education
110 shall be charged with the implementation of the program of
111 development in each applicable school district as follows:

112 (a) Develop an impairment report for each district
113 failing to meet accreditation standards in conjunction with school
114 district officials;

115 (b) Notify any applicable school district failing to
116 meet accreditation standards that it is on probation until
117 corrective actions are taken or until the deficiencies have been
118 removed. The local school district shall develop a corrective
119 action plan to improve its deficiencies. For district academic
120 deficiencies, the corrective action plan for each such school
121 district shall be based upon a complete analysis of the following:
122 student test data, student grades, student attendance reports,
123 student drop-out data, existence and other relevant data. The
124 corrective action plan shall describe the specific measures to be
125 taken by the particular school district and school to improve:

126 (a) instruction; (b) curriculum; (c) professional development; (d)
127 personnel and classroom organization; (e) student incentives for
128 performance; (f) process deficiencies; and (g) reporting to the
129 local school board, parents and the community. The corrective
130 action plan shall describe the specific individuals responsible
131 for implementing each component of the recommendation and how each
132 will be evaluated. All corrective action plans shall be provided
133 to the State Board of Education as may be required. The decision
134 of the State Board of Education establishing the probationary
135 period of time shall be final;

136 (c) Offer, during the probationary period, technical
137 assistance to the school district in making corrective actions.
138 Beginning July 1, 1998, subject to the availability of funds, the
139 State Department of Education shall provide technical and/or
140 financial assistance to all such school districts in order to
141 implement each measure identified in that district's corrective
142 action plan through professional development and on-site
143 assistance. Each such school district shall apply for and utilize
144 all available federal funding in order to support its corrective
145 action plan in addition to state funds made available under this
146 paragraph;

147 (d) Contract, in its discretion, with the institutions
148 of higher learning or other appropriate private entities to assist
149 school districts;

150 (e) Provide for publication of public notice at least
151 one (1) time during the probationary period, in a newspaper
152 published within the jurisdiction of the school district failing
153 to meet accreditation standards, or if no newspaper is published
154 therein, then in a newspaper having a general circulation therein.
155 The publication shall include the following: declaration of
156 school system's status as being on probation; all details relating
157 to the impairment report, and other information as the State Board
158 of Education deems appropriate. Public notices issued under this

159 section shall be subject to Section 13-3-31 and not contrary to
160 other laws regarding newspaper publication.

161 (11) (a) If the recommendations for corrective action are
162 not taken by the local school district or if the deficiencies are
163 not removed by the end of the probationary period, the Commission
164 on School Accreditation shall conduct a hearing to allow such
165 affected school district to present evidence or other reasons why
166 its accreditation should not be withdrawn. Subsequent to its
167 consideration of the results of such hearing, the Commission on
168 School Accreditation shall be authorized, with the approval of the
169 State Board of Education, to withdraw the accreditation of a
170 public school district, and issue a request to the Governor that a
171 state of emergency be declared in that district.

172 (b) If the State Board of Education and the Commission
173 on School Accreditation determine that an extreme emergency
174 situation exists in a school district which jeopardizes the
175 safety, security or educational interests of the children enrolled
176 in the schools in that district and such emergency situation is
177 believed to be related to a serious violation or violations of
178 accreditation standards or state or federal law, the State Board
179 of Education may request the Governor to declare a state of
180 emergency in that school district. For purposes of this
181 paragraph, such declarations of a state of emergency shall not be
182 limited to those instances when a school district's impairments
183 are related to a lack of financial resources, but also shall
184 include serious failure to meet minimum academic standards, as
185 evidenced by a continued pattern of poor student performance.

186 (c) Whenever the Governor declares a state of emergency
187 in a school district in response to a request made under paragraph
188 (a) or (b) of this subsection, the State Board of Education may
189 take one or more of the following actions:

190 (i) Declare a state of emergency, under which some
191 or all of state funds can be escrowed except as otherwise provided

192 in Section 206, Constitution of 1890, until the board determines
193 corrective actions are being taken or the deficiencies have been
194 removed, or that the needs of students warrant the release of
195 funds. Such funds may be released from escrow for any program
196 which the board determines to have been restored to standard even
197 though the state of emergency may not as yet be terminated for the
198 district as a whole;

199 (ii) Override any decision of the local school
200 board or superintendent of education, or both, concerning the
201 management and operation of the school district, or initiate and
202 make decisions concerning the management and operation of the
203 school district;

204 (iii) Assign an interim conservator who will have
205 those powers and duties prescribed in subsection (14) of this
206 section;

207 (iv) Grant transfers to students who attend this
208 school district so that they may attend other accredited schools
209 or districts in a manner which is not in violation of state or
210 federal law;

211 (v) For states of emergency declared under
212 paragraph (a) only, if the accreditation deficiencies are related
213 to the fact that the school district is too small, with too few
214 resources, to meet the required standards and if another school
215 district is willing to accept those students, abolish that
216 district and assign that territory to another school district or
217 districts. If the school district has proposed a voluntary
218 consolidation with another school district or districts, then if
219 the State Board of Education finds that it is in the best interest
220 of the pupils of the district for such consolidation to proceed,
221 the voluntary consolidation shall have priority over any such
222 assignment of territory by the State Board of Education;

223 (vi) For states of emergency declared under
224 paragraph (b) only, reduce local supplements paid to school

225 district employees, including, but not limited to, instructional
226 personnel, assistant teachers and extracurricular activities
227 personnel, if the district's impairment is related to a lack of
228 financial resources, but only to an extent which will result in
229 the salaries being comparable to districts similarly situated, as
230 determined by the State Board of Education;

231 (vii) For states of emergency declared under
232 paragraph (b) only, the State Board of Education must take such
233 action as prescribed in Section 37-17-13.

234 (d) At such time as satisfactory corrective action has
235 been taken in a school district in which a state of emergency has
236 been declared, the State Board of Education may request the
237 Governor to declare that the state of emergency no longer exists
238 in the district.

239 (e) Not later than July 1 of each year, the State
240 Department of Education shall develop an itemized accounting of
241 the expenditures associated with the management of the conservator
242 process with regard to each school district in which a conservator
243 has been appointed, and an assessment as to the extent to which
244 the conservator has achieved, or failed to achieve, the goals for
245 which the conservator was appointed to guide the local school
246 district.

247 (12) Upon the declaration of a state of emergency in a
248 school district under subsection (11) of this section, the
249 Commission on School Accreditation shall be responsible for public
250 notice at least once a week for at least three (3) consecutive
251 weeks in a newspaper published within the jurisdiction of the
252 school district failing to meet accreditation standards, or if no
253 newspaper is published therein, then in a newspaper having a
254 general circulation therein. The size of such notice shall be no
255 smaller than one-fourth (1/4) of a standard newspaper page and
256 shall be printed in bold print. If a conservator has been
257 appointed for the school district, such notice shall begin as

258 follows: "By authority of Section 37-17-6, Mississippi Code of
259 1972, as amended, adopted by the Mississippi Legislature during
260 the 1991 Regular Session, this school district (name of school
261 district) is hereby placed under the jurisdiction of the State
262 Department of Education acting through its appointed conservator
263 (name of conservator)."

264 The notice also shall include, in the discretion of the State
265 Board of Education, any or all details relating to the school
266 district's emergency status, including the declaration of a state
267 of emergency in the school district and a description of the
268 district's impairment deficiencies, conditions of any
269 conservatorship and corrective actions recommended and being
270 taken. Public notices issued under this section shall be subject
271 to Section 13-3-31 and not contrary to other laws regarding
272 newspaper publication.

273 Upon termination of the state of emergency in a school
274 district, the Commission on School Accreditation shall cause
275 notice to be published in the school district in the same manner
276 provided in this section, to include any or all details relating
277 to the corrective action taken in the school district which
278 resulted in the termination of the state of emergency.

279 (13) The State Board of Education or the Commission on
280 School Accreditation shall have the authority to require school
281 districts to produce the necessary reports, correspondence,
282 financial statements, and any other documents and information
283 necessary to fulfill the requirements of this section.

284 Nothing in this section shall be construed to grant any
285 individual, corporation, board or conservator the authority to
286 levy taxes except in accordance with presently existing statutory
287 provisions.

288 (14) (a) Whenever the Governor declares a state of
289 emergency in a school district in response to a request made under
290 subsection (11) of this section, the State Board of Education, in

291 its discretion, may assign an interim conservator to the school
292 district who will be responsible for the administration,
293 management and operation of the school district, including, but
294 not limited to, the following activities:

295 (i) Approving or disapproving all financial
296 obligations of the district, including, but not limited to, the
297 employment, termination, nonrenewal and reassignment of all
298 certified and noncertified personnel, contractual agreements and
299 purchase orders, and approving or disapproving all claim dockets
300 and the issuance of checks; in approving or disapproving
301 employment contracts of superintendents, assistant superintendents
302 or principals, the interim conservator shall not be required to
303 comply with the time limitations prescribed in Sections 37-9-15
304 and 37-9-105;

305 (ii) Supervising the day-to-day activities of the
306 district's staff, including reassigning the duties and
307 responsibilities of personnel in a manner which, in the
308 determination of the conservator, will best suit the needs of the
309 district;

310 (iii) Reviewing the district's total financial
311 obligations and operations and making recommendations to the
312 district for cost savings, including, but not limited to,
313 reassigning the duties and responsibilities of staff;

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

316 (v) Approving or disapproving all athletic, band
317 and other extracurricular activities and any matters related to
318 those activities;

319 (vi) Maintaining a detailed account of
320 recommendations made to the district and actions taken in response
321 to those recommendations;

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

324 district to improve the district's impairments during the state of
325 emergency; and

326 (viii) Appointing a parent advisory committee,
327 comprised of parents of students in the school district, which may
328 make recommendations to the conservator concerning the
329 administration, management and operation of the school district.

330 Except when, in the determination of the State Board of
331 Education, the school district's impairment is related to a lack
332 of financial resources, the cost of the salary of the conservator
333 and any other actual and necessary costs related to the
334 conservatorship paid by the State Department of Education shall be
335 reimbursed by the local school district from nonminimum program
336 funds. The department shall submit an itemized statement to the
337 superintendent of the local school district for reimbursement
338 purposes, and any unpaid balance may be withheld from the
339 district's minimum or adequate education program funds.

340 At such time as the Governor, pursuant to the request of the
341 State Board of Education, declares that the state of emergency no
342 longer exists in a school district, the powers and
343 responsibilities of the interim conservator assigned to such
344 district shall cease.

345 (b) In order to provide loans to school districts under
346 a state of emergency which have impairments related to a lack of
347 financial resources, the School District Emergency Assistance Fund
348 is created as a special fund in the State Treasury into which
349 monies may be transferred or appropriated by the Legislature from
350 any available public education funds. The maximum amount that may
351 be appropriated or transferred to the School District Emergency
352 Assistance Fund for any one (1) emergency shall be Two Million
353 Dollars (\$2,000,000.00), and the maximum amount that may be
354 appropriated during any fiscal year shall be Three Million Dollars
355 (\$3,000,000.00).

356 The State Board of Education may loan monies from the School
357 District Emergency Assistance Fund to a school district that is
358 under a state of emergency in such amounts, as determined by the
359 board, which are necessary to correct the district's impairments
360 related to a lack of financial resources. The loans shall be
361 evidenced by an agreement between the school district and the
362 State Board of Education and shall be repayable in principal,
363 without necessity of interest, to the State General Fund or the
364 Education Enhancement Fund, depending on the source of funding for
365 such loan, by the school district from any allowable funds that
366 are available. The total amount loaned to the district shall be
367 due and payable within five (5) years after the impairments
368 related to a lack of financial resources are corrected. If a
369 school district fails to make payments on the loan in accordance
370 with the terms of the agreement between the district and the State
371 Board of Education, the State Department of Education, in
372 accordance with rules and regulations established by the State
373 Board of Education, may withhold that district's minimum program
374 funds in an amount and manner that will effectuate repayment
375 consistent with the terms of the agreement; such funds withheld by
376 the department shall be deposited into the State General Fund or
377 the Education Enhancement Fund, as the case may be.

378 If the State Board of Education determines that an extreme
379 emergency exists, simultaneous with the powers exercised in this
380 subsection, it shall take immediate action against all parties
381 responsible for the affected school districts having been
382 determined to be in an extreme emergency. Such action shall
383 include, but not be limited to, initiating civil actions to
384 recover funds and criminal actions to account for criminal
385 activity. Any funds recovered by the State Auditor or the State
386 Board of Education from the surety bonds of school officials or
387 from any civil action brought under this subsection shall be

388 applied toward the repayment of any loan made to a school district
389 hereunder.

390 (15) In the event a majority of the membership of the school
391 board of any school district resigns from office, the State Board
392 of Education shall be authorized to assign an interim conservator,
393 who shall be responsible for the administration, management and
394 operation of the school district until such time as new board
395 members are selected or the Governor declares a state of emergency
396 in that school district under subsection (11), whichever occurs
397 first. In such case, the State Board of Education, acting through
398 the interim conservator, shall have all powers which were held by
399 the previously existing school board, and may take such action as
400 prescribed in Section 37-17-13 and/or one or more of the actions
401 authorized in this section.

402 (16) Beginning with the school district audits conducted for
403 the 1997-1998 fiscal year, the State Board of Education, acting
404 through the Commission on School Accreditation, shall require each
405 school district to comply with standards established by the State
406 Department of Audit for the verification of fixed assets and the
407 auditing of fixed assets records as a minimum requirement for
408 accreditation.

409 (17) Before December 1, 1999, the State Board of Education
410 shall recommend a program to the Education Committees of the House
411 of Representatives and the Senate for identifying and rewarding
412 public schools that improve or are high performing. The program
413 shall be described by the board in a written report, which shall
414 include criteria and a process through which improving schools and
415 high-performing schools will be identified and rewarded.

416 The State Superintendent of Education and the State Board of
417 Education also shall develop a comprehensive accountability plan
418 to ensure that local school boards, superintendents, principals
419 and teachers are held accountable for student achievement. A
420 written report on the accountability plan shall be submitted to

421 the Education Committees of both houses of the Legislature before
422 December 1, 1999, with any necessary legislative recommendations.

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