

By: Senator(s) Tollison

To: Education

SENATE BILL NO. 2818
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 1, CHAPTER 572, LAWS OF 2013, AND
2 SECTION 37-7-104.3, MISSISSIPPI CODE OF 1972, RELATING TO THE
3 ESTABLISHMENT OF THE STARKVILLE-OKTIBBEHA CONSOLIDATED SCHOOL
4 DISTRICT, TO PRESCRIBE THE POWERS AND RESPONSIBILITIES OF THE
5 CONSERVATOR OF THE OKTIBBEHA COUNTY SCHOOL DISTRICT, TO CLARIFY
6 THE PROCEDURE FOR THE SELECTION OF THE NEW STARKVILLE-OKTIBBEHA
7 CONSOLIDATED SCHOOL DISTRICT BOARD OF TRUSTEES, TO AUTHORIZE AND
8 DIRECT THE CONSERVATOR OF THE OKTIBBEHA COUNTY SCHOOL DISTRICT TO
9 ISSUE SHORT-TERM NOTES TO FUND INITIAL REPAIRS AND IMPROVEMENTS TO
10 CERTAIN ELEMENTARY SCHOOLS AND INCREASE CAPACITY FOR THE
11 CONSOLIDATION, TO AUTHORIZE AND DIRECT THE CONSERVATOR OF THE
12 OKTIBBEHA COUNTY SCHOOL DISTRICT TO ISSUE SCHOOL BONDS TO UPGRADE
13 CERTAIN COUNTY SCHOOL FACILITIES SUBJECT TO A REVERSE REFERENDUM
14 ON THE BOND ISSUE, TO AUTHORIZE THE BOARD OF TRUSTEES OF THE
15 STARKVILLE-OKTIBBEHA CONSOLIDATED SCHOOL DISTRICT TO ISSUE SCHOOL
16 BONDS IN THE NEW DISTRICT ON A REVERSE REFERENDUM BASIS AND TO
17 INCREASE THE DEBT LIMIT CAP ON ASSESSED VALUATION FOR SUCH BONDS,
18 TO CLARIFY THAT THE COUNTY BOARD OF SUPERVISORS SHALL PROVIDE
19 ADMINISTRATIVE OFFICES FOR THE NEW STARKVILLE-OKTIBBEHA
20 CONSOLIDATED SCHOOL DISTRICT; TO AMEND SECTIONS 37-59-7, 37-59-23
21 AND 37-59-107, MISSISSIPPI CODE OF 1972, IN CONFORMITY; AND FOR
22 RELATED PURPOSES.

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

24 **SECTION 1.** Section 1, Chapter 572, Laws of 2013, is amended
25 as follows:

26 Section 1. (1) The Conservator of the Oktibbeha County
27 School District shall fully cooperate and accommodate any and all
28 requests from the Starkville School District regarding the



29 transition to the new Starkville-Oktibbeha Consolidated School
30 District, which shall include, but is not limited to, planning and
31 assignment of: (a) school grades, (b) school programs, (c)
32 repairs and renovations to school facilities, (d) school services,
33 (e) school operations, (f) school staffing, and (g) alignment of
34 curriculum.

35 (* * *2) There is hereby created and established an
36 advisory council to be known as the Commission on Starkville
37 Consolidated School District Structure. It shall be the
38 responsibility of the Commission on Starkville Consolidated School
39 District Structure to review the current structure of the school
40 districts and schools in Starkville, Mississippi, and in Oktibbeha
41 County, Mississippi, and make recommendations on future actions of
42 the provision and transition of service of the newly consolidated
43 school district in order to improve both the quality of education
44 and the efficiency with which it is delivered. The commission
45 shall not decide the issue of whether or not the districts shall
46 be consolidated. The commission shall be composed of seven (7)
47 members as follows:

48 (a) The State Superintendent of Education, or his
49 designee, who shall serve as Chairman of the Commission;

50 (b) Three (3) representatives of the Starkville School
51 District appointed by the Board of Trustees of the Starkville
52 School District and who may be members of the board or the
53 Superintendent of Schools;



54 (c) One (1) resident of the former Oktibbeha County
55 School District to be appointed by the State Superintendent of
56 Education;

57 (d) The Conservator for the Oktibbeha County School
58 District appointed by the State Board of Education; and

59 (e) One (1) representative of Mississippi State
60 University appointed by the President of Mississippi State
61 University.

62 (3) The Commission on Starkville Consolidated School
63 District Structure shall meet within thirty (30) days of passage
64 of this act upon the call of the State Superintendent of Education
65 and shall hold hearings and meet as necessary and develop a report
66 to the Legislature, the Governor and the State Board of Education
67 on or before March 1, 2014, with recommendations to accomplish the
68 following:

69 (a) Review the current structure of school districts
70 and the location of schools in Starkville, Mississippi, and
71 Oktibbeha County, Mississippi, and recommend how they can be
72 consolidated into one (1) school district in order to improve both
73 the quality of education and the efficiency at which it is
74 delivered.

75 (b) Review the capital facility needs of both school
76 districts and recommend methods of financing necessary
77 improvements, including the possibility of pledging Mississippi
78 Adequate Education Program funds for capital improvement purposes.



79 (c) Detail in the report how best to implement
80 consolidation and make any other recommendations on how to
81 maximize education quality in Starkville and Oktibbeha County
82 while eliminating duplicative and wasteful administrative
83 spending.

84 (d) The commission shall also be authorized to
85 recommend that portions of the Oktibbeha County School District be
86 merged into districts in adjoining counties.

87 The commission shall have the authority to raise and to
88 expend nonstate funds. The State Department of Education shall
89 provide staff and such other support as the commission deems
90 appropriate. After submitting its report on or before March 1,
91 2014, the commission shall be dissolved.

92 **SECTION 2.** Section 37-7-104.3, Mississippi Code of 1972, is
93 amended as follows:

94 37-7-104.3. (1) In Oktibbeha County, Mississippi, in which
95 are located, as of January 1, 2013, two (2) school districts,
96 there shall be an administrative consolidation of all of those
97 school districts in the county into one (1) new countywide
98 municipal separate school district to be designated as
99 Starkville-Oktibbeha Consolidated School District which shall
100 consist of the territory of the former Oktibbeha County School
101 District and the Starkville School District, effective on July 1,
102 2015. Until June 30, 2015, preceding the effective date of the
103 required administrative consolidation of school districts in the



104 county, the Oktibbeha County School District shall remain in
105 conservatorship, under the authority and control of the
106 Mississippi Recovery School District of the State Department of
107 Education. At such time that the administrative consolidation
108 becomes effective, the central administrative office of the
109 Starkville-Oktibbeha Consolidated School District shall be located
110 in Starkville, Mississippi.

111 (2) (a) On or before July 1, 2014, the State Board of
112 Education shall serve the local school board of the Starkville
113 School District with notice and instructions regarding the
114 timetable for action to be taken to comply with the administrative
115 consolidation required in this section.

116 (b) In the new consolidated school district there shall
117 be a countywide municipal separate school district board of
118 trustees, which shall consist of the existing members of the Board
119 of Trustees of the Starkville School District * * *. However,
120 upon the first occurrence of a vacancy on the board as a result of
121 an expired term of an appointed board member, that vacancy shall
122 become an elected position and shall be filled by the election of
123 a board member * * * as follows: the 2016 expiring term board
124 member shall remain in office until January 1, 2017. In November
125 2016, an election will be held for a board member who resides
126 outside of the incorporated municipal limits in the manner
127 prescribed in Section 37-7-203, and the elected board member will
128 take office for a five-year term beginning January 1, 2017.



129 Subsequent board members shall be selected in the manner
130 prescribed in Section 37-7-203. The Board of Supervisors of
131 Oktibbeha County shall * * * publish * * * notice of the school
132 board elections in some newspaper of general circulation in the
133 county for at least three (3) consecutive weeks * * *.

134 (c) Any school district affected by the required
135 administrative consolidation in the county that does not
136 voluntarily consolidate as ordered by the State Board of Education
137 shall be administratively consolidated by the State Board of
138 Education, to be effective immediately upon action of the State
139 Board of Education. The State Board of Education shall promptly
140 move on its own motion to administratively consolidate a school
141 district which does not voluntarily consolidate in order to enable
142 the affected school districts to reasonably accomplish the
143 resulting administrative consolidation into one (1) consolidated
144 school district by July 1 following the motion to consolidate.
145 The affected school districts shall comply with any consolidation
146 order issued by the State Board of Education.

147 (3) On July 1, 2015, following the motion of State Board of
148 Education to consolidate school districts in Oktibbeha County, the
149 Oktibbeha County School District shall be abolished. All real and
150 personal property which is owned or titled in the name of the
151 school district located in such former school district shall be
152 transferred to the Starkville-Oktibbeha Consolidated School
153 District as of July 1, 2015. The Conservator of the Oktibbeha



154 County School District is authorized and directed to execute and
155 record all documents and conveyances necessary to convey title to
156 all real and personal property of the Oktibbeha County School
157 District to the Starkville-Oktibbeha Consolidated School District.
158 The conservator is further authorized and directed to sign all
159 documents and to take all actions necessary to assign contracts
160 and other property, contract rights and obligations of the
161 Oktibbeha County School District to the Starkville-Oktibbeha
162 Consolidated School District. The Board of Trustees of the
163 Starkville * * * School District shall be responsible for
164 establishing the contracts for operations, teachers, principals,
165 clerical and administrative staff personnel for the 2015-2016
166 school year * * * prior to July 1, 2015, and shall consult with
167 the conservator for the establishment of contracts for teachers,
168 principals, clerical and administrative staff personnel located in
169 the former Oktibbeha County School District for the 2015-2016
170 school year. In order to prepare for the efficient staffing of
171 the Starkville-Oktibbeha Consolidated School District, the
172 Conservator of the Oktibbeha County School District and the
173 Superintendent of the Starkville School District shall have full
174 authority to nonrenew the employment contract of any teacher,
175 principal, clerical or administrative staff located within their
176 respective school districts for the 2015-2016 school year. The
177 superintendent and assistant superintendent(s) of schools of the
178 former Starkville School District shall continue to serve in like



179 administrative capacities of the Starkville-Oktibbeha Consolidated
180 School District, but in no instance shall the administrative
181 leadership of the Starkville-Oktibbeha Consolidated School
182 District exceed three (3) assistant superintendents to be
183 appointed by the superintendent of the former Starkville School
184 District. No superintendent serving in the former Oktibbeha
185 County School District * * * shall be eligible for appointment as
186 a superintendent or assistant superintendent in the
187 Starkville-Oktibbeha Consolidated School District. Likewise, no
188 trustee serving in the former Oktibbeha County School
189 District * * * shall be eligible for election to the new Board of
190 Trustees of the Starkville-Oktibbeha Consolidated School District.
191 It shall be the responsibility of the board of trustees to prepare
192 and approve the budget of the respective new reorganized district,
193 and the board of trustees may use staff from the former school
194 district to prepare the budget. Any * * * transfer of the assets,
195 real or personal property of * * * the Oktibbeha County School
196 District mandated by this section shall be final and conclusive
197 for the purposes of the transfer of property required by * * *
198 this section to effectuate the administrative consolidation.

199 (4) Nothing in this section shall be construed to require
200 the closing of any school or school facility, unless the facility
201 is an unneeded administrative office located within a school
202 district which has been abolished under the provisions of this
203 section. All administrative consolidations under this section



204 shall be accomplished so as not to delay or in any manner
205 negatively affect the desegregation of another school district in
206 the county pursuant to court order.

207 (5) The State Board of Education shall promulgate rules and
208 regulations to facilitate the administrative consolidation of the
209 school districts in Oktibbeha County pursuant to the requirements
210 of this section. Beginning with the insurance cafeteria plan year
211 of November 1, 2014, the consolidated districts shall * * * fall
212 under all insurance plans and policies elected by the Starkville
213 Public School District, including the group term life insurance
214 described in Section 25-15-9(7).

215 (6) For the initial three (3) years following the
216 administrative consolidation required by this section, the State
217 Department of Education shall grant a waiver of accountability and
218 state assessment requirements to the Starkville-Oktibbeha
219 Consolidated School District * * *, subject to the approval of the
220 State Board of Education.

221 * * *

222 (7) As soon as practicable after passage of this act, the
223 Conservator of the Oktibbeha County School District shall initiate
224 the issuance of notes or certificates of indebtedness of the
225 Oktibbeha County School District for the purpose of purchasing
226 school buses, textbooks, computers and software and other
227 equipment and fixtures for school facilities, and for any purposes
228 enumerated in Section 37-59-3, Mississippi Code of 1972, and



229 making repairs, alterations, utility upgrades and additions to two
230 (2) elementary school buildings located in the Oktibbeha County
231 School District in order to meet the same physical and educational
232 standards as the elementary school buildings in Starkville, and to
233 contribute funds to the Starkville School District for capital
234 improvements to accommodate county school district students and
235 increase capacity for the consolidation. The contribution of such
236 funds to the Starkville School District is hereby authorized.
237 Said notes or certificates of indebtedness shall be issued under
238 the authority of Sections 37-59-101 through 37-59-115, Mississippi
239 Code of 1972, including all notice requirements, however, the
240 resolution as to the necessity for the issuance of the notes and
241 the execution of the documents shall be made by the Conservator of
242 the Oktibbeha County School District. The term of any notes or
243 certificates of indebtedness issued under this section may not
244 exceed the useful life of the financed project as determined
245 according to the upper limit of useful life and depreciation
246 guidelines established under the United States Internal Revenue
247 Code and regulations. The levying authority for the Oktibbeha
248 County School District, and after July 1, 2015, the levying
249 authority for the Starkville-Oktibbeha Consolidated School
250 District, shall annually levy a special tax on all taxable
251 property of the former Oktibbeha County School District in an
252 amount sufficient to pay the principal of and interest on such
253 negotiable notes or certificates of indebtedness as the same shall



254 respectively mature and accrue. Said tax shall be levied as
255 provided in Section 37-59-107, Mississippi Code of 1972, except
256 that the levy shall not exceed three (3) mills on the dollar for
257 the payment of all notes that are subject to the levy under
258 Section 37-59-107. Any notes or certificates of indebtedness
259 issued pursuant to this subsection (7) shall become indebtedness
260 of the new Starkville-Oktibbeha Consolidated School District from
261 and after July 1, 2015, and the mandatory special ad valorem tax
262 levied to pay the notes or certificates of indebtedness by the
263 levying authority pursuant to Section 37-59-101, Mississippi Code
264 of 1972, shall be levied upon all of the taxable property within
265 the former Oktibbeha County School District.

266 (8) For a period beginning July 1, 2014, and ending June 30,
267 2015, the Conservator of the Oktibbeha County School District
268 shall issue negotiable bonds of the Oktibbeha County School
269 District for the purpose of purchasing school buses, textbooks,
270 computers and software and other equipment and fixtures for school
271 facilities, and making repairs, alterations and additions and
272 utility upgrades, and for any purposes allowed by Section 37-59-3,
273 Mississippi Code of 1972, to school facilities in the Oktibbeha
274 County School District and in the Starkville School District to
275 accommodate students in the former Oktibbeha County School
276 District who will be attending school in the new
277 Starkville-Oktibbeha Consolidated School District and the
278 increased capacity needs under the consolidation. Said bonds



279 shall be issued under the authority of Sections 37-59-1 through
280 37-59-45, however, the resolution as to the necessity for the
281 issuance of the bonds and execution of the documents may be made
282 by the Conservator of the Oktibbeha County School District.
283 Provided further, that the conservator shall publish notice of the
284 issuance of the bonds once each week for at least three (3)
285 consecutive weeks in a newspaper having general circulation in the
286 Oktibbeha County School District, with the first publication
287 thereof to be made not less than fifteen (15) days prior to the
288 date upon which the conservator is to take final action upon the
289 question of authorizing the issuance of said bonds. If no
290 petition requesting an election is filed prior to the date on
291 which the conservator is to take final action on the issuance of
292 the bonds, then the conservator shall authorize the issuance of
293 the bonds. If at any time prior to the date on which the
294 conservator takes final action upon the question of issuing such
295 bonds a petition signed by not less than twenty percent (20%) of
296 the qualified electors of the Oktibbeha County School District
297 shall be filed with the Conservator of the Oktibbeha County School
298 District requesting that an election be called on the question of
299 issuing the bonds, then the conservator shall either rescind the
300 resolution of intent or adopt a resolution calling an election to
301 be held within the territory of the Oktibbeha County School
302 District upon such question. The election shall be called and
303 held, and notice thereof shall be given, in the same manner for



304 elections upon the question of bond issues under Sections
305 37-59-13, 37-59-15 and 37-59-17, and the results thereof shall be
306 certified by the Oktibbeha County Election Commission to the
307 Conservator of the Oktibbeha County School District. If
308 three-fifths (3/5) of the qualified electors who voted in such
309 election vote in favor of the issuance of such bonds, then the
310 conservator shall authorize the Oktibbeha County School District
311 to issue such bonds. Notwithstanding any provision to the
312 contrary, the Oktibbeha County School District may issue bonds
313 pursuant to this subsection (8) in an amount which, when added to
314 all of the Oktibbeha County School District's then outstanding
315 bonded indebtedness, shall not result in the imposition on any of
316 the property in said district of an indebtedness for school
317 purposes of more than twenty percent (20%) of the assessed value
318 of the taxable property within said district, according to the
319 then last completed assessment for taxation. Any bonds issued
320 pursuant to this subsection (8) shall become indebtedness of the
321 new Starkville-Oktibbeha Consolidated School District from and
322 after July 1, 2015, and the mandatory special ad valorem tax to be
323 levied by the levying authority pursuant to Section 37-59-23,
324 Mississippi Code of 1972, to pay the bonds shall be levied only
325 upon the taxable real property that was within the former
326 Oktibbeha County School District. The tax for the bonds may not
327 be imposed on the real property within the former Starkville
328 School District.



329 (9) For a period beginning July 1, 2015, and ending July 1,
330 2024, the new Starkville-Oktibbeha Consolidated School District
331 Board of Trustees may issue negotiable bonds of the
332 Starkville-Oktibbeha Consolidated School District for the purpose
333 of purchasing school buses, textbooks, computers and software and
334 other equipment and fixtures for school facilities and for any
335 purposes enumerated in Section 37-59-3, Mississippi Code of 1972.
336 The term of any such bonds may not exceed the useful life of the
337 financed project as determined according to the upper limit of
338 useful life and depreciation guidelines established under the
339 United States Internal Revenue Code and regulations. Said bonds
340 shall be issued under the authority of Sections 37-59-1 through
341 37-59-45, including all notice and publication requirements,
342 however, the necessity for the issuance of the bonds shall be made
343 pursuant to a reverse referendum procedure to be followed by the
344 Starkville-Oktibbeha Consolidated School District Board of
345 Trustees as follows: the board of trustees shall publish notice
346 of the issuance of the bonds once each week for at least three (3)
347 consecutive weeks in a newspaper having general circulation in the
348 Starkville-Oktibbeha Consolidated School District, with the first
349 publication thereof to be made not less than fifteen (15) days
350 prior to the date on which the board of trustees is to take final
351 action authorizing the issuance of the bonds. If no petition
352 requesting an election is filed prior to the date on which the
353 board of trustees is to take final action on the issuance of the



354 bonds, the board of trustees shall authorize the issuance of the
355 bonds. If at any time prior to the date on which the board of
356 trustees is to take final action authorizing the issuance of the
357 bonds a petition signed by not less than twenty percent (20%) of
358 the qualified electors of the Starkville-Oktibbeha Consolidated
359 School District shall be filed with the Board of Trustees of
360 Starkville-Oktibbeha Consolidated School District requesting that
361 an election be called on the question of issuing the bonds, then
362 the board of trustees shall, not later than its next regular
363 meeting, adopt a resolution calling an election to be held within
364 the Starkville-Oktibbeha Consolidated School District upon such
365 question. The election shall be called and held, and notice
366 thereof shall be given, in the same manner for elections upon the
367 question of bond issues under Sections 37-59-13, 37-59-15 and
368 37-59-17, and the results there shall be certified to the
369 Starkville-Oktibbeha Consolidated School District Board of
370 Trustees, as the case may be. If three-fifths (3/5) of the
371 qualified electors who voted in such election vote in favor of the
372 issuance of such bonds, then the board of trustees shall issue
373 such bonds. Notwithstanding any provision to the contrary, the
374 Starkville-Oktibbeha Consolidated School District may issue bonds
375 pursuant to this subsection (9) in an amount which, when added to
376 all of the Starkville-Oktibbeha Consolidated School District's
377 then outstanding bonded indebtedness, shall not result in the
378 imposition on any of the property in said district of an



379 indebtedness for school purposes of more than twenty percent (20%)
380 of the assessed value of the taxable property within said
381 district, according to the then last completed assessment for
382 taxation. Any bonds issued pursuant to this subsection (9) shall
383 be indebtedness of the new Starkville-Oktibbeha Consolidated
384 School District. The mandatory special ad valorem tax to be
385 levied by the levying authority pursuant to Section 37-59-23,
386 Mississippi Code of 1972, shall be levied on all taxable property
387 of the Starkville-Oktibbeha Consolidated School District.

388 (10) From and after July 1, 2015, all outstanding debt of
389 the former Oktibbeha County School District and the former
390 Starkville School District shall be assumed by and become the debt
391 of the new Starkville-Oktibbeha Consolidated School District. Any
392 debt assumed by the Starkville-Oktibbeha Consolidated School
393 District secured by a special ad valorem tax shall be secured by
394 and payable from a special ad valorem tax levied on taxable
395 property in the former Starkville School District and the former
396 Oktibbeha County School District, by its respective levying
397 authority. All debt secured by a pledge by either district of its
398 education enhancement funds pursuant to Section 37-61-33,
399 Mississippi Code of 1972, or by a pledge of its Mississippi
400 Adequate Education Program funds will continue to be secured by
401 and payable from the same funds after the debt is assumed by the
402 Starkville-Oktibbeha Consolidated School District as of July 1,
403 2015. It is the intent of the Legislature that any such pledges



404 will remain in effect and that the pledged funds will be available
405 to the Starkville-Oktibbeha Consolidated School District to pay
406 its debt to which the funds are pledged.

407 (11) It shall be the responsibility of the Board of
408 Supervisors of Oktibbeha County to provide office, furnishing and
409 utilities for the administrative Office of the Superintendent of
410 the Starkville-Oktibbeha Consolidated School District.

411 (12) The new Starkville-Oktibbeha Consolidated School
412 District is authorized and encouraged to develop a partnership
413 with Mississippi State University to create a model rural
414 education school to serve all sixth- and seventh-grade students
415 from Oktibbeha County and a model prekindergarten program which
416 shall also serve as a model for the education of teachers and
417 administrators.

418 (13) The Board of Supervisors of Oktibbeha County shall be
419 the "levying authority" for the Starkville-Oktibbeha Consolidated
420 School District.

421 **SECTION 3.** Section 37-59-7, Mississippi Code of 1972, is
422 amended as follows:

423 37-59-7. (1) (a) Any school district in which the total
424 number of pupils enrolled at any one time during the school year
425 shall have increased by at least twenty percent (20%) or an
426 average of three hundred fifty (350) or more annually within the
427 preceding five (5) years, shall not issue bonds for the purposes
428 authorized by law in an amount which when added to all of its then



429 outstanding bonded indebtedness, shall result in the imposition on
430 any of the property in such district of an indebtedness for school
431 purposes of more than twenty-five percent (25%) of the assessed
432 value of the taxable property within such district according to
433 the then last completed assessment for taxation.

434 (b) Any school district in which the total number of
435 pupils enrolled at any one time during the school year shall have
436 increased by at least ten percent (10%) within the preceding five
437 (5) years shall not issue bonds for the purposes authorized by law
438 in an amount which, when added to all of its then outstanding
439 bonded indebtedness, shall result in the imposition on any of the
440 property in such district of an indebtedness for school purposes
441 of more than twenty percent (20%) of the assessed value of the
442 taxable property within such district according to the then last
443 completed assessment for taxation.

444 (c) The pupil increase mentioned in this subsection
445 shall apply only to growth in pupil enrollment and shall not apply
446 to pupil increases brought about by consolidation of school
447 districts.

448 (2) Any school district may hereafter issue bonds in an
449 amount exceeding the limit of Section 37-59-5 for the purpose of
450 constructing, reconstructing, repairing, equipping, remodeling or
451 enlarging school buildings and related facilities, as described in
452 subsection (a) of Section 37-59-3, but no such district shall
453 issue bonds in an amount which when added to all of its then



454 outstanding bonded indebtedness, shall result in the imposition on
455 any of the property in such district of an indebtedness for such
456 school purposes of more than twenty percent (20%) of the assessed
457 value of the taxable property in such district, according to the
458 then last completed assessment for taxation, regardless of whether
459 any of such indebtedness shall have been incurred by such district
460 or by another school district or districts:

461 (a) In the event of the damage to or destruction of any
462 school building or school buildings, or related facilities of any
463 such district by fire, windstorm, flood or other providential and
464 unforeseeable cause; or

465 (b) In the event such school district has lost its
466 accreditation and the constructing, reconstructing, repairing,
467 equipping, remodeling or enlarging of such school buildings and
468 related facilities is necessary for the restoration of such
469 accreditation * * *; or

470 (c) In the event of the establishment of the
471 Starkville-Oktibbeha Consolidated School District as authorized in
472 Section 37-7-104.3(8) and (9).

473 (3) In any school district wherein more than nine percent
474 (9%) of the total land area of the school district is owned by the
475 federal government and situated in a flood control reservoir or
476 maintained as a part of the national forest system, the said
477 school district may issue bonds in an amount, which when added to
478 all of its then outstanding bonded indebtedness for school



479 purposes, shall result in the imposition on any of the property in
480 such school district of an indebtedness for school purposes of not
481 more than twenty percent (20%) of the assessed value of the
482 taxable property within such district, according to the then last
483 completed assessment for taxation, regardless of whether any of
484 such indebtedness shall have been incurred by such district or by
485 another school district or districts. If bonds in an amount in
486 excess of fifteen percent (15%) of the total assessed value of the
487 property of a school district are issued under the provisions of
488 this subsection, not less than twenty-five percent (25%) of the
489 total funds received by the school district under the provisions
490 of Section 49-19-23, Mississippi Code of 1972, shall be paid into
491 the bond and interest sinking fund of such district and used for
492 the retirement of the bonds so issued.

493 (4) In any district where the assessed valuation per pupil
494 is less than seventy-five percent (75%) of the average of all
495 school districts, such school district may issue bonds for the
496 purposes authorized by Section 37-59-3 in an amount exceeding the
497 fifteen percent (15%) debt limitation set forth in Section
498 37-59-5, but not exceeding an amount which, when added to all of
499 the school district's then outstanding bonded indebtedness, shall
500 result in the imposition on any of the property in such district
501 of an indebtedness for such school purposes of more than
502 twenty-five percent (25%) of the assessed value of the taxable



503 property in such district, according to the then last completed
504 assessment for taxation if:

505 (a) The board of trustees or board of education of the
506 school district adopts a resolution finding that issuing bonds in
507 an amount exceeding the limitation stated in Section 37-59-5 is
508 necessary to provide or maintain adequate educational facilities
509 within the school district; and

510 (b) The notice of the bond election required by Section
511 37-59-13 contains a provision notifying the qualified electors in
512 the school district:

513 (i) Of the fact that the proposed bonds, if
514 issued, will exceed the fifteen percent (15%) debt limit contained
515 in Section 37-59-5; and

516 (ii) Of the reasons why the school district is
517 proposing to exceed said limitation;

518 (c) The election is held and the proposed bond issue
519 receives the requisite voter approval as set forth in Section
520 37-59-17.

521 **SECTION 4.** Section 37-59-23, Mississippi Code of 1972, is
522 amended as follows:

523 37-59-23. The levying authority, as defined in Section
524 37-57-1(1)(b), acting for and on behalf of any school district,
525 shall annually levy a special tax upon all of the taxable property
526 within such school district, except as provided in Section
527 37-7-104.3(8) and (9), which shall be sufficient to provide for



528 the payment of the principal of and the interest on school bonds
529 issued under the provisions of this article according to the terms
530 thereof, including any school bonds issued pursuant to Section
531 37-7-104.3(8) and (9).

532 In the case of school bonds issued under the provisions of
533 Section 37-59-21, it shall be the duty of the board of supervisors
534 of the county having the greater assessed valuation of taxable
535 property within such district to annually levy upon all of the
536 taxable property within such district, without regard to county
537 lines, a special tax, which shall be sufficient to provide for the
538 payment of the principal of and interest on such bonds according
539 to the terms thereof. Such board shall annually certify to the
540 board of supervisors of the other county or counties in which a
541 portion of the district is situated the rate of taxation so fixed,
542 and it shall be the duty of such other board or boards to cause
543 such rate of taxation to be levied upon all of the taxable
544 property within the boundaries of such district situated within
545 their respective counties. Said taxes shall be collected and
546 deposited as other taxes are collected and deposited in such
547 county or counties, and the tax collector thereof shall thereupon
548 cause such taxes to be remitted to the county depository of the
549 county for which the bonds were issued.

550 **SECTION 5.** Section 37-59-107, Mississippi Code of 1972, is
551 amended as follows:



552 37-59-107. The levying authority for the school district
553 shall annually levy a special tax on all of the taxable property
554 of the school district on whose behalf the notes or certificates
555 of indebtedness are issued, except as provided in Section
556 37-7-104.3(7), in an amount which shall be sufficient to pay the
557 principal of and interest upon such negotiable notes or
558 certificates of indebtedness as the same shall respectively mature
559 and accrue, including any notes issued under the direction of a
560 conservator of a school district pursuant to the authority of
561 Section 37-7-104.3(7). Said tax shall be levied and collected at
562 the same time and in the same manner as other taxes are collected
563 and said tax shall be in addition to all other taxes authorized by
564 law. It is expressly provided, however, that, except as provided
565 in Section 37-7-104.3(7), such annual tax levy shall not exceed
566 three (3) mills on the dollar for the payment of all notes issued
567 under the provisions of this article and all notes previously
568 issued under the statutes hereby repealed. The special tax so
569 levied shall be collected by the tax collector of the county at
570 the same time and in the same manner as other taxes are collected,
571 and the proceeds thereof shall be paid to the school district and
572 shall be used exclusively for the payment of principal of and
573 interest upon such negotiable notes or certificates of
574 indebtedness.

575 **SECTION 6.** This act shall take effect and be in force from
576 and after its passage.

