

By: Senator(s) Tollison, Jordan, Jackson
(11th)

To: Education

SENATE BILL NO. 2158
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 37-151-5, MISSISSIPPI CODE OF 1972,
2 TO DEFINE THE TERM "AVERAGE DAILY MEMBERSHIP (ADM)" FOR PURPOSES
3 OF THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM; TO AMEND SECTION
4 37-151-7, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE
5 DETERMINATION OF THE BASIC ADEQUATE EDUCATION PROGRAM COST FOR
6 EACH SCHOOL DISTRICT BASED ON STUDENT AVERAGE DAILY MEMBERSHIP
7 WITH CERTAIN EXCEPTIONS; TO PROVIDE FOR STUDENT COUNTS BY THE
8 STATE AUDITOR; TO AMEND SECTIONS 37-151-85, 37-151-97 AND
9 37-151-103, MISSISSIPPI CODE OF 1972, IN CONFORMITY; AND FOR
10 RELATED PURPOSES.

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

12 **SECTION 1.** Section 37-151-5, Mississippi Code of 1972, is
13 amended as follows:

14 37-151-5. As used in Sections 37-151-5 and 37-151-7:

15 (a) "Adequate program" or "adequate education program"
16 or "Mississippi Adequate Education Program (MAEP)" shall mean the
17 program to establish adequate current operation funding levels
18 necessary for the programs of such school district to meet at
19 least a successful Level III rating of the accreditation system as
20 established by the State Board of Education using current
21 statistically relevant state assessment data.



22 (b) "Educational programs or elements of programs not
23 included in the adequate education program calculations, but which
24 may be included in appropriations and transfers to school
25 districts" shall mean:

26 (i) "Capital outlay" shall mean those funds used
27 for the constructing, improving, equipping, renovating or major
28 repairing of school buildings or other school facilities, or the
29 cost of acquisition of land whereon to construct or establish such
30 school facilities.

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

35 (iii) "Adult education" shall mean public
36 education dealing primarily with students above eighteen (18)
37 years of age not enrolled as full-time public school students and
38 not classified as students of technical schools, colleges or
39 universities of the state.

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

43 (c) "Base student" shall mean that student
44 classification that represents the most economically educated
45 pupil in a school system meeting the definition of successful, as
46 determined by the State Board of Education.



47 (d) "Base student cost" shall mean the funding level
48 necessary for providing an adequate education program for one (1)
49 base student, subject to any minimum amounts prescribed in Section
50 37-151-7(1).

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

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

57 (ii) "Vocational or technical education program"
58 shall mean a secondary vocational or technical program approved by
59 the State Department of Education and provided for from state
60 funds.

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

65 (iv) "Gifted education program" shall mean those
66 programs for the instruction of intellectually or academically
67 gifted children as defined and provided for in Section 37-23-175
68 et seq.

69 (v) "Alternative school program" shall mean those
70 programs for certain compulsory-school-age students as defined and
71 provided for in Sections 37-13-92 and 37-19-22.



72 (vi) "Extended school year programs" shall mean
73 those programs authorized by law which extend beyond the normal
74 school year.

75 (vii) "University-based programs" shall mean those
76 university-based programs for handicapped children as defined and
77 provided for in Section 37-23-131 et seq.

78 (viii) "Bus driver training" programs shall mean
79 those driver training programs as provided for in Section 37-41-1.

80 (f) "Teacher" shall include any employee of a local
81 school who is required by law to obtain a teacher's license from
82 the State Board of Education and who is assigned to an
83 instructional area of work as defined by the State Department of
84 Education.

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

87 (h) "Superintendent" shall mean the head of a school
88 district.

89 (i) "School district" shall mean any type of school
90 district in the State of Mississippi, and shall include
91 agricultural high schools.

92 (j) "Minimum school term" shall mean a term of at least
93 one hundred eighty (180) days of school in which both teachers and
94 pupils are in regular attendance for scheduled classroom
95 instruction for not less than * * * sixty percent (60%) of the
96 instructional day, as fixed by the local school board for each



97 school in the school district. It is the intent of the
98 Legislature that any tax levies generated to produce additional
99 local funds required by any school district to operate school
100 terms in excess of one hundred seventy-five (175) days shall not
101 be construed to constitute a new program for the purposes of
102 exemption from the limitation on tax revenues as allowed under
103 Sections 27-39-321 and 37-57-107 for new programs mandated by the
104 Legislature.

105 (k) The term "transportation density" shall mean the
106 number of transported children in average daily * * * membership
107 per square mile of area served in a school district, as determined
108 by the State Department of Education.

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

114 (m) The term "year of teaching experience" shall mean
115 nine (9) months of actual teaching in the public or private
116 schools. In no case shall more than one (1) year of teaching
117 experience be given for all services in one (1) calendar or school
118 year. In determining a teacher's experience, no deduction shall
119 be made because of the temporary absence of the teacher because of
120 illness or other good cause, and the teacher shall be given credit
121 therefor. Beginning with the 2003-2004 school year, the State



122 Board of Education shall fix a number of days, not to exceed
123 forty-five (45) consecutive school days, during which a teacher
124 may not be under contract of employment during any school year and
125 still be considered to have been in full-time employment for a
126 regular scholastic term. If a teacher exceeds the number of days
127 established by the State Board of Education that a teacher may not
128 be under contract but may still be employed, that teacher shall
129 not be credited with a year of teaching experience. In
130 determining the experience of school librarians, each complete
131 year of continuous, full-time employment as a professional
132 librarian in a public library in this or some other state shall be
133 considered a year of teaching experience. If a full-time school
134 administrator returns to actual teaching in the public schools,
135 the term "year of teaching experience" shall include the period of
136 time he or she served as a school administrator. In determining
137 the salaries of teachers who have experience in any branch of the
138 military, the term "year of teaching experience" shall include
139 each complete year of actual classroom instruction while serving
140 in the military. In determining the experience of speech-language
141 pathologists and audiologists, each complete year of continuous
142 full-time post master's degree employment in an educational
143 setting in this or some other state shall be considered a year of
144 teaching experience. Provided, however, that school districts are
145 authorized, in their discretion, to negotiate the salary levels
146 applicable to certificated employees employed after July 1, 2009,



147 who are receiving retirement benefits from the retirement system
148 of another state, and the annual experience increment provided in
149 Section 37-19-7 shall not be applicable to any such retired
150 certificated employee.

151 (n) (i) The term "average daily attendance" shall be
152 the figure which results when the total aggregate full-day
153 attendance during the period or months counted is divided by the
154 number of days during the period or months counted upon which both
155 teachers and pupils are in regular attendance for scheduled
156 classroom instruction, unless a pupil's absence is excused due to
157 participation in an activity authorized by the State Board of
158 Education under subparagraph (ii) of this paragraph, less the
159 average daily attendance for self-contained special education
160 classes. * * * Prior to full implementation of the adequate
161 education program the department shall deduct the average daily
162 attendance for the alternative school program provided for in
163 Section 37-19-22.

164 (ii) The State Board of Education shall define
165 those activities necessitating a pupil's absence that, for
166 purposes of determining and reporting attendance for average daily
167 attendance purposes, must be considered an excused absence. Such
168 activities include, but are not limited to: official organized
169 events sponsored by the 4-H or Future Farmers of America (FFA);
170 official organized junior livestock shows and rodeo events;
171 official employment as a page at the State Capitol for the



172 Mississippi House of Representatives or Senate; subject-matter
173 field trips; athletic contests; student conventions; music
174 festivals or contests; and any similar school-related activity
175 designated by the State Board of Education. The State Board of
176 Education shall prescribe the means by which a pupil's absence due
177 to participation in an activity authorized by the board pursuant
178 to this subparagraph must be verified. This subparagraph (ii)
179 shall stand repealed on July 1, 2016.

180 (iii) The term "average daily membership" or "ADM"
181 shall be the figure which results when the total aggregate student
182 enrollment during the period or months counted is divided by the
183 number of days during the period or months counted upon which both
184 teachers and pupils are in regular attendance for scheduled
185 classroom instruction. However, if a local school board adopts a
186 class schedule that operates throughout the year for all or any
187 schools in the district, average daily membership shall be
188 computed by the State Department of Education so that the
189 resulting average daily membership will not be higher or lower
190 than if the local school board had not adopted such schedule.

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

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



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

201 (r) "Department" shall mean the State Department of
202 Education.

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

205 (t) The term "successful school district" shall mean a
206 Level III school district as designated by the State Board of
207 Education using current statistically relevant state assessment
208 data.

209 (u) "Dual enrollment-dual credit programs" shall mean
210 programs for potential or recent high school student dropouts to
211 dually enroll in their home high school and a local community
212 college in a dual credit program consisting of high school
213 completion coursework and a credential, certificate or degree
214 program at the community college, as provided in Section
215 37-15-38(19).

216 (v) "Charter school" means a public school that is
217 established and operating under the terms of a charter contract
218 between the school's governing board and the Mississippi Charter
219 School Authorizer Board.

220 **SECTION 2.** Section 37-151-7, Mississippi Code of 1972, is
221 amended as follows:



222 37-151-7. The annual allocation to each school district for
223 the operation of the adequate education program shall be
224 determined as follows:

225 (1) **Computation of the basic amount to be included for**
226 **current operation in the adequate education program.** The
227 following procedure shall be followed in determining the annual
228 allocation to each school district:

229 (a) **Determination of average daily * * * membership**
230 **(ADM).** Effective with * * * fiscal year 2018, the State
231 Department of Education shall determine the percentage change from
232 the prior year of each year of each school district's average of
233 months two (2) and three (3) average daily * * * membership (ADM)
234 for the three (3) immediately preceding school years of the year
235 for which funds are being appropriated. For any school district
236 that experiences a positive growth in the average of months two
237 (2) and three (3) * * * average daily membership (ADM) each year
238 of the three (3) years, the average percentage growth over the
239 three-year period shall be multiplied times the school district's
240 average of months two (2) and three (3) * * * average daily
241 membership (ADM) for the year immediately preceding the year for
242 which MAEP funds are being appropriated. The resulting amount
243 shall be added to the school district's average of months two (2)
244 and three (3) * * * average daily membership (ADM) for the year
245 immediately preceding the year for which MAEP funds are being
246 appropriated to arrive at the * * * average daily membership (ADM)



247 to be used in determining a school district's MAEP allocation.
248 Otherwise, months two (2) and three (3) * * * average daily
249 membership (ADM) for the year immediately preceding the year for
250 which MAEP funds are being appropriated will be used in
251 determining a school district's MAEP allocation. * * * The
252 district's average daily attendance and average daily membership
253 (ADM) shall be computed and currently maintained in accordance
254 with regulations promulgated by the State Board of Education. The
255 district's average daily attendance or average daily membership
256 (ADM) shall include any student enrolled in a Dual Enrollment-Dual
257 Credit Program as defined and provided in Section 37-15-38(19).
258 The State Department of Education shall make payments for Dual
259 Enrollment-Dual Credit Programs to the home school in which the
260 student is enrolled, in accordance with regulations promulgated by
261 the State Board of Education. The community college providing
262 services to students in a Dual Enrollment-Dual Credit Program
263 shall require payment from the home school district for services
264 provided to such students at a rate of one hundred percent (100%)
265 of * * * base student cost. All MAEP/state funding shall cease
266 upon completion of high school graduation requirements.

267 The State Auditor shall make one (1) actual count of students
268 in month two (2) and one (1) actual count of students in month
269 three (3) of the school year. The State Auditor shall not be
270 required to count students in all local school districts during
271 this time period, but shall make a concerted effort to count



272 students in as many local districts as practical. No advance
273 notice shall be given to a school when a count is scheduled to be
274 conducted, however a count may be postponed due to extraordinary
275 circumstances such as a natural disaster or fire. If the State
276 Auditor finds that the average of the two (2) counts made under
277 the provisions of this chapter shows that the number of students
278 enrolled and in actual attendance in any school is as much below
279 the number reported to the State Department of Education for month
280 two (2) and for month three (3) for the applicable scholastic
281 year, then the State Auditor shall certify the same to the State
282 Department of Education no later than December 11 of the
283 scholastic year during which the counts were made. The State
284 Department of Education shall thereupon reduce the amount of state
285 funds allotted to the school district for the Mississippi Adequate
286 Education Program (MAEP) for the ensuing scholastic year as
287 follows:

288 For each school district whose reported average daily
289 attendance is in excess of one hundred three percent (103%) of the
290 average number of students actually counted by the examiners, the
291 State Department of Education shall use one hundred three percent
292 (103%) of the average count by the examiners as the average daily
293 attendance for this school district in allotting MAEP funds for
294 the next school session if funding for that school district is
295 based on average daily attendance (ADA) and not average daily
296 membership (ADM).



297 (b) **Determination of base student cost.** Effective with
298 fiscal year 2011 and every fourth fiscal year thereafter, the
299 State Board of Education, on or before August 1, with adjusted
300 estimate no later than January 2, shall submit to the Legislative
301 Budget Office and the Governor a proposed base student cost
302 adequate to provide the following cost components of educating a
303 pupil in a successful school district: (i) instructional cost;
304 (ii) administrative cost; (iii) operation and maintenance of
305 plant; and (iv) ancillary support cost. For purposes of these
306 calculations, the Department of Education shall utilize financial
307 data from the second preceding year of the year for which funds
308 are being appropriated.

309 For the instructional cost component, the Department of
310 Education shall select districts that have been identified as
311 instructionally successful and have a ratio of a number of
312 teachers per one thousand (1,000) students that is between one (1)
313 standard deviation above the mean and two (2) standard deviations
314 below the mean of the statewide average of teachers per one
315 thousand (1,000) students. The instructional cost component shall
316 be calculated by dividing the latest available months one (1)
317 through nine (9) * * * average daily membership (ADM) into the
318 instructional expenditures of these selected districts. For the
319 purpose of this calculation, the Department of Education shall use
320 the following funds, functions and objects:

321 Fund 1120 Functions 1110-1199 Objects 100-999, Functions



322 1210, 1220, 2150-2159 Objects 210 and 215;
323 Fund 1130 All Functions, Object Code 210 and 215;
324 Fund 2001 Functions 1110-1199 Objects 100-999;
325 Fund 2070 Functions 1110-1199 Objects 100-999;
326 Fund 2420 Functions 1110-1199 Objects 100-999;
327 Fund 2711 All Functions, Object Code 210 and 215.

328 Prior to the calculation of the instructional cost component,
329 there shall be subtracted from the above expenditures any revenue
330 received for Chickasaw Cession payments, Master Teacher
331 Certification payments and the district's portion of state revenue
332 received from the MAEP at-risk allocation.

333 For the administrative cost component, the Department of
334 Education shall select districts that have been identified as
335 instructionally successful and have a ratio of an administrative
336 staff to nonadministrative staff between one (1) standard
337 deviation above the mean and two (2) standard deviations below the
338 mean of the statewide average administrative staff to
339 nonadministrative staff. The administrative cost component shall
340 be calculated by dividing the latest available months one (1)
341 through nine (9) * * * average daily membership (ADM) of the
342 selected districts into the administrative expenditures of these
343 selected districts. For the purpose of this calculation, the
344 Department of Education shall use the following funds, functions
345 and objects:

346 Fund 1120 Functions 2300-2599, Functions 2800-2899,



347 Objects 100-999;
348 Fund 2711 Functions 2300-2599, Functions 2800-2899,
349 Objects 100-999.

350 For the plant and maintenance cost component, the Department
351 of Education shall select districts that have been identified as
352 instructionally successful and have a ratio of plant and
353 maintenance expenditures per one hundred thousand (100,000) square
354 feet of building space and a ratio of maintenance workers per one
355 hundred thousand (100,000) square feet of building space that are
356 both between one (1) standard deviation above the mean and two (2)
357 standard deviations below the mean of the statewide average. The
358 plant and maintenance cost component shall be calculated by
359 dividing the latest available months one (1) through nine
360 (9) * * * average daily membership (ADM) of the selected districts
361 into the plant and maintenance expenditures of these selected
362 districts. For the purpose of this calculation, the Department of
363 Education shall use the following funds, functions and objects:

- 364 Fund 1120 Functions 2600-2699, Objects 100-699
- 365 and Objects 800-999;
- 366 Fund 2711 Functions 2600-2699, Objects 100-699
- 367 and Objects 800-999;
- 368 Fund 2430 Functions 2600-2699, Objects 100-699
- 369 and Objects 800-999.

370 For the ancillary support cost component, the Department of
371 Education shall select districts that have been identified as



372 instructionally successful and have a ratio of a number of
373 librarians, media specialists, guidance counselors and
374 psychologists per one thousand (1,000) students that is between
375 one (1) standard deviation above the mean and two (2) standard
376 deviations below the mean of the statewide average of librarians,
377 media specialists, guidance counselors and psychologists per one
378 thousand (1,000) students. The ancillary cost component shall be
379 calculated by dividing the latest available months one (1) through
380 nine (9) * * * average daily membership (ADM) into the ancillary
381 expenditures instructional expenditures of these selected
382 districts. For the purpose of this calculation, the Department of
383 Education shall use the following funds, functions and objects:

384 Fund 1120 Functions 2110-2129, Objects 100-999;
385 Fund 1120 Functions 2140-2149, Objects 100-999;
386 Fund 1120 Functions 2220-2229, Objects 100-999;
387 Fund 2001 Functions 2100-2129, Objects 100-999;
388 Fund 2001 Functions 2140-2149, Objects 100-999;
389 Fund 2001 Functions 2220-2229, Objects 100-999.

390 The total base cost for each year shall be the sum of the
391 instructional cost component, administrative cost component, plant
392 and maintenance cost component and ancillary support cost
393 component, and any estimated adjustments for additional state
394 requirements as determined by the State Board of Education.
395 Provided, however, that the base student cost in fiscal year 1998
396 shall be Two Thousand Six Hundred Sixty-four Dollars (\$2,664.00).



397 For each of the fiscal years between the recalculation of the
398 base student cost under the provisions of this paragraph (b), the
399 base student cost shall be increased by an amount equal to forty
400 percent (40%) of the base student cost for the previous fiscal
401 year, multiplied by the latest annual rate of inflation for the
402 State of Mississippi as determined by the State Economist, plus
403 any adjustments for additional state requirements such as, but not
404 limited to, teacher pay raises and health insurance premium
405 increases.

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

410 Beginning with 2017-2018 school year, multiply the average
411 daily * * * membership (ADM) of the district by the base student
412 cost as established by the Legislature, which yields the total
413 base program cost for each school district. Provided, however,
414 that beginning with the 2017-2018 school year the total base
415 program cost for each school district shall be based on the
416 average daily membership (ADM) unless average daily attendance
417 (ADA) is less than ninety-five percent (95%) of average daily
418 membership (ADM) and then shall be funded based on average daily
419 attendance (ADA).

420 (d) **Adjustment to the base student cost for at-risk**
421 **pupils.** The amount to be included for at-risk pupil programs for



422 each school district shall be computed as follows: Multiply the
423 base student cost for the appropriate fiscal year as determined
424 under paragraph (b) by five percent (5%), and multiply that
425 product by the number of pupils participating in the federal free
426 school lunch program in such school district, which yields the
427 total adjustment for at-risk pupil programs for such school
428 district.

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

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

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

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

442 (iv) Gifted education program cost shall be the
443 amount allocated to such school district from state funds for the
444 operational support of such programs.



445 (v) Alternative school program cost shall be the
446 amount allocated to such school district from state funds for the
447 operational support of such programs.

448 (vi) Extended school year programs shall be the
449 amount allocated to school districts for those programs authorized
450 by law which extend beyond the normal school year.

451 (vii) University-based programs shall be the
452 amount allocated to school districts for those university-based
453 programs for handicapped children as defined and provided for in
454 Section 37-23-131 et seq., Mississippi Code of 1972.

455 (viii) Bus driver training programs shall be the
456 amount provided for those driver training programs as provided for
457 in Section 37-41-1, Mississippi Code of 1972.

458 The sum of the items listed above (i) transportation, (ii)
459 vocational or technical education, (iii) special education, (iv)
460 gifted education, (v) alternative school, (vi) extended school
461 year, (vii) university-based, and (viii) bus driver training shall
462 yield the add-on cost for each school district.

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

464 The total Mississippi Adequate Education Program cost shall be the
465 sum of the total basic adequate education program cost (paragraph
466 (c)), and the adjustment to the base student cost for at-risk
467 pupils (paragraph (d)) for each school district. In any year in
468 which the MAEP is not fully funded, the Legislature shall direct



469 the Department of Education in the K-12 appropriation bill as to
470 how to allocate MAEP funds to school districts for that year.

471 (g) The State Auditor shall annually verify the State
472 Board of Education's estimated calculations for the Mississippi
473 Adequate Education Program that are submitted each year to the
474 Legislative Budget Office on August 1 and the final calculation
475 that is submitted on January 2.

476 (2) **Computation of the required local revenue in support of**
477 **the adequate education program.** The amount that each district
478 shall provide toward the cost of the adequate education program
479 shall be calculated as follows:

480 (a) The State Department of Education shall certify to
481 each school district that twenty-eight (28) mills, less the
482 estimated amount of the yield of the School Ad Valorem Tax
483 Reduction Fund grants as determined by the State Department of
484 Education, is the millage rate required to provide the district
485 required local effort for that year, or twenty-seven percent (27%)
486 of the basic adequate education program cost for such school
487 district as determined under paragraph (c), whichever is a lesser
488 amount. In the case of an agricultural high school, the millage
489 requirement shall be set at a level which generates an equitable
490 amount per pupil to be determined by the State Board of Education.
491 The local contribution amount for school districts in which there
492 is located one or more charter schools will be calculated using
493 the following methodology: using the adequate education program



494 twenty-eight (28) mill value, or the twenty-seven percent (27%)
495 cap amount (whichever is less) for each school district in which a
496 charter school is located, an average per pupil amount will be
497 calculated. This average per pupil amount will be multiplied
498 times the number of students attending the charter school in that
499 school district. The sum becomes the charter school's local
500 contribution to the adequate education program.

501 (b) The State Department of Education shall determine
502 the following from the annual assessment information submitted to
503 the department by the tax assessors of the various counties: (i)
504 the total assessed valuation of nonexempt property for school
505 purposes in each school district; (ii) assessed value of exempt
506 property owned by homeowners aged sixty-five (65) or older or
507 disabled as defined in Section 27-33-67(2), Mississippi Code of
508 1972; (iii) the school district's tax loss from exemptions
509 provided to applicants under the age of sixty-five (65) and not
510 disabled as defined in Section 27-33-67(1), Mississippi Code of
511 1972; and (iv) the school district's homestead reimbursement
512 revenues.

513 (c) The amount of the total adequate education program
514 funding which shall be contributed by each school district shall
515 be the sum of the ad valorem receipts generated by the millage
516 required under this subsection plus the following local revenue
517 sources for the appropriate fiscal year which are or may be
518 available for current expenditure by the school district:



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

521 One hundred percent (100%) of any fees in lieu of taxes as
522 prescribed in Section 27-31-104.

523 (3) **Computation of the required state effort in support of**
524 **the adequate education program.**

525 (a) The required state effort in support of the
526 adequate education program shall be determined by subtracting the
527 sum of the required local tax effort as set forth in subsection
528 (2)(a) of this section and the other local revenue sources as set
529 forth in subsection (2)(c) of this section in an amount not to
530 exceed twenty-seven percent (27%) of the total projected adequate
531 education program cost as set forth in subsection (1)(f) of this
532 section from the total projected adequate education program cost
533 as set forth in subsection (1)(f) of this section.

534 (b) Provided, however, that in fiscal year 2015, any
535 increase in the said state contribution to any district calculated
536 under this section shall be not less than six percent (6%) in
537 excess of the amount received by said district from state funds
538 for fiscal year 2002; in fiscal year 2016, any increase in the
539 said state contribution to any district calculated under this
540 section shall be not less than four percent (4%) in excess of the
541 amount received by said district from state funds for fiscal year
542 2002; in fiscal year 2017, any increase in the said state
543 contribution to any district calculated under this section shall



544 be not less than two percent (2%) in excess of the amount received
545 by said district from state funds for fiscal year 2002; and in
546 fiscal year 2018 and thereafter, any increase in the said state
547 contribution to any district calculated under this section shall
548 be zero percent (0%). For purposes of this paragraph (b), state
549 funds shall include minimum program funds less the add-on
550 programs, State Uniform Millage Assistance Grant Funds, Education
551 Enhancement Funds appropriated for Uniform Millage Assistance
552 Grants and state textbook allocations, and State General Funds
553 allocated for textbooks. This paragraph (b) shall stand repealed
554 from and after July 1, 2018.

555 (c) If the school board of any school district shall
556 determine that it is not economically feasible or practicable to
557 operate any school within the district for the full one hundred
558 eighty (180) days required for a school term of a scholastic year
559 as required in Section 37-13-63, Mississippi Code of 1972, due to
560 an enemy attack, a man-made, technological or natural disaster in
561 which the Governor has declared a disaster emergency under the
562 laws of this state or the President of the United States has
563 declared an emergency or major disaster to exist in this state,
564 said school board may notify the State Department of Education of
565 such disaster and submit a plan for altering the school term. If
566 the State Board of Education finds such disaster to be the cause
567 of the school not operating for the contemplated school term and
568 that such school was in a school district covered by the



569 Governor's or President's disaster declaration, it may permit said
570 school board to operate the schools in its district for less than
571 one hundred eighty (180) days and, in such case, the State
572 Department of Education shall not reduce the state contributions
573 to the adequate education program allotment for such district,
574 because of the failure to operate said schools for one hundred
575 eighty (180) days.

576 (4) The Interim School District Capital Expenditure Fund is
577 hereby established in the State Treasury which shall be used to
578 distribute any funds specifically appropriated by the Legislature
579 to such fund to school districts entitled to increased allocations
580 of state funds under the adequate education program funding
581 formula prescribed in Sections 37-151-3 through 37-151-7,
582 Mississippi Code of 1972, until such time as the said adequate
583 education program is fully funded by the Legislature. The
584 following percentages of the total state cost of increased
585 allocations of funds under the adequate education program funding
586 formula shall be appropriated by the Legislature into the Interim
587 School District Capital Expenditure Fund to be distributed to all
588 school districts under the formula: Nine and two-tenths percent
589 (9.2%) shall be appropriated in fiscal year 1998, twenty percent
590 (20%) shall be appropriated in fiscal year 1999, forty percent
591 (40%) shall be appropriated in fiscal year 2000, sixty percent
592 (60%) shall be appropriated in fiscal year 2001, eighty percent
593 (80%) shall be appropriated in fiscal year 2002, and one hundred



594 percent (100%) shall be appropriated in fiscal year 2003 into the
595 State Adequate Education Program Fund. Until July 1, 2002, such
596 money shall be used by school districts for the following
597 purposes:

598 (a) Purchasing, erecting, repairing, equipping,
599 remodeling and enlarging school buildings and related facilities,
600 including gymnasiums, auditoriums, lunchrooms, vocational training
601 buildings, libraries, school barns and garages for transportation
602 vehicles, school athletic fields and necessary facilities
603 connected therewith, and purchasing land therefor. Any such
604 capital improvement project by a school district shall be approved
605 by the State Board of Education, and based on an approved
606 long-range plan. The State Board of Education shall promulgate
607 minimum requirements for the approval of school district capital
608 expenditure plans.

609 (b) Providing necessary water, light, heating,
610 air-conditioning, and sewerage facilities for school buildings,
611 and purchasing land therefor.

612 (c) Paying debt service on existing capital improvement
613 debt of the district or refinancing outstanding debt of a district
614 if such refinancing will result in an interest cost savings to the
615 district.

616 (d) From and after October 1, 1997, through June 30,
617 1998, pursuant to a school district capital expenditure plan
618 approved by the State Department of Education, a school district



619 may pledge such funds until July 1, 2002, plus funds provided for
620 in paragraph (e) of this subsection (4) that are not otherwise
621 permanently pledged under such paragraph (e) to pay all or a
622 portion of the debt service on debt issued by the school district
623 under Sections 37-59-1 through 37-59-45, 37-59-101 through
624 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,
625 37-7-301, 37-7-302 and 37-41-81, Mississippi Code of 1972, or debt
626 issued by boards of supervisors for agricultural high schools
627 pursuant to Section 37-27-65, Mississippi Code of 1972, or
628 lease-purchase contracts entered into pursuant to Section 31-7-13,
629 Mississippi Code of 1972, or to retire or refinance outstanding
630 debt of a district, if such pledge is accomplished pursuant to a
631 written contract or resolution approved and spread upon the
632 minutes of an official meeting of the district's school board or
633 board of supervisors. It is the intent of this provision to allow
634 school districts to irrevocably pledge their Interim School
635 District Capital Expenditure Fund allotments as a constant stream
636 of revenue to secure a debt issued under the foregoing code
637 sections. To allow school districts to make such an irrevocable
638 pledge, the state shall take all action necessary to ensure that
639 the amount of a district's Interim School District Capital
640 Expenditure Fund allotments shall not be reduced below the amount
641 certified by the department or the district's total allotment
642 under the Interim Capital Expenditure Fund if fully funded, so
643 long as such debt remains outstanding.



644 (e) [Repealed]

645 (f) [Repealed]

646 (g) The State Board of Education may authorize the
647 school district to expend not more than twenty percent (20%) of
648 its annual allotment of such funds or Twenty Thousand Dollars
649 (\$20,000.00), whichever is greater, for technology needs of the
650 school district, including computers, software,
651 telecommunications, cable television, interactive video, film,
652 low-power television, satellite communications, microwave
653 communications, technology-based equipment installation and
654 maintenance, and the training of staff in the use of such
655 technology-based instruction. Any such technology expenditure
656 shall be reflected in the local district technology plan approved
657 by the State Board of Education under Section 37-151-17,
658 Mississippi Code of 1972.

659 (h) To the extent a school district has not utilized
660 twenty percent (20%) of its annual allotment for technology
661 purposes under paragraph (g), a school district may expend not
662 more than twenty percent (20%) of its annual allotment or Twenty
663 Thousand Dollars (\$20,000.00), whichever is greater, for
664 instructional purposes. The State Board of Education may
665 authorize a school district to expend more than said twenty
666 percent (20%) of its annual allotment for instructional purposes
667 if it determines that such expenditures are needed for
668 accreditation purposes.



669 (i) The State Department of Education or the State
670 Board of Education may require that any project commenced under
671 this section with an estimated project cost of not less than Five
672 Million Dollars (\$5,000,000.00) shall be done only pursuant to
673 program management of the process with respect to design and
674 construction. Any individuals, partnerships, companies or other
675 entities acting as a program manager on behalf of a local school
676 district and performing program management services for projects
677 covered under this subsection shall be approved by the State
678 Department of Education.

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

683 The provisions of this subsection (4) shall be cumulative and
684 supplemental to any existing funding programs or other authority
685 conferred upon school districts or school boards.

686 (5) The State Department of Education shall make payments to
687 charter schools for each student in average daily attendance at
688 the charter school equal to the state share of the adequate
689 education program payments for each student in average daily
690 attendance at the school district in which the public charter
691 school is located. In calculating the local contribution for
692 purposes of determining the state share of the adequate education
693 program payments, the department shall deduct the pro rata local



694 contribution of the school district in which the student resides
695 as determined in subsection (2)(a) of this section.

696 **SECTION 3.** Section 37-151-85, Mississippi Code of 1972, is
697 amended as follows:

698 37-151-85. (1) The amount to be allotted by the State Board
699 of Education for transportation shall be determined as follows:

700 The State Department of Education shall calculate the cost of
701 transportation in school districts by ascertaining the average
702 cost per pupil in average daily attendance of transported pupils
703 in school districts classified in different density groups as
704 determined by the State Department of Education. Based on these
705 calculations, the State Department of Education shall develop a
706 scale for determining the allowable cost per pupil in different
707 density groups, which scale shall provide greatest allowance per
708 pupil transported in school districts with lowest densities and
709 smallest allowance per pupil in school districts with highest
710 densities. Beginning with the 2017-2018 fiscal year, the total
711 allowance in the adequate education program for transported
712 children for any school district for the current year shall be the
713 average daily * * * membership (ADM) of the transported children
714 for the nine (9) months of the prior year, multiplied by the
715 allowance per transported pupil as provided herein. However, the
716 State Department of Education is hereby authorized and empowered
717 to make proper adjustments in allotments, under rules and
718 regulations of the State Board of Education, in cases where major



719 changes in the number of children in * * * average daily
720 membership (ADM) transported occur from one (1) year to another as
721 a result of changes or alterations in the boundaries of school
722 districts, a change in or relocation of attendance centers, or for
723 other reasons which would result in a major decrease or increase
724 in the number of children in average daily attendance transported
725 during the current school year as compared with the preceding
726 year. Moreover, the State Board of Education is hereby authorized
727 and empowered to make such payments to all districts and/or
728 university-based programs as deemed necessary in connection with
729 transporting exceptional children as defined in Section 37-23-3.
730 The State Board of Education shall establish and implement all
731 necessary rules and regulations to allot transportation payments
732 to university-based programs. In developing density
733 classifications under the provisions hereof, the State Department
734 of Education may give consideration to the length of the route,
735 the sparsity of the population, the lack of adequate roads,
736 highways and bridges, and the presence of large streams or other
737 geographic obstacles. In addition to funds allotted under the
738 above provisions, funds shall be allotted to each school district
739 that transports students from their assigned school or attendance
740 center to classes in an approved vocational-technical center at a
741 rate per mile not to exceed the average statewide cost per mile of
742 school bus transportation during the preceding year exclusive of



743 bus replacement. All such transportation must have prior approval
744 by the State Department of Education.

745 (2) The average daily * * * membership (ADM) of transported
746 children shall be reported by the school district in which such
747 children attend school. If children living in a school district
748 are transported at the expense of such school district to another
749 school district, the average daily * * * membership (ADM) of such
750 transported children shall be deducted by the State Department of
751 Education from the aggregate average daily * * * membership (ADM)
752 of transported children in the school district in which they
753 attend school and shall be added to the aggregate average daily
754 attendance of transported children of the school district from
755 which they come for the purpose of calculating transportation
756 allotments. However, such deduction shall not be made for the
757 purpose of calculating adequate education program pupil-based
758 funding.

759 (3) The State Department of Education shall include in the
760 allowance for transportation for each school district an amount
761 for the replacement of school buses or the purchase of new buses,
762 which amount shall be calculated upon the estimated useful life of
763 all school buses being used for the transportation of children in
764 such school district, whether such buses be publicly or privately
765 owned.

766 (4) The school boards of all districts operating school bus
767 transportation are authorized and directed to establish a salary



768 schedule for school bus drivers. No school district shall be
769 entitled to receive the funds herein allotted for transportation
770 unless it pays each of its nonstudent adult school bus drivers
771 paid from such transportation allotments a minimum of One Hundred
772 Ninety Dollars (\$190.00) per month. In addition, local school
773 boards may compensate school bus drivers, to include temporary or
774 substitute bus drivers, for actual expenses incurred when
775 acquiring an initial commercial license or any renewal of a
776 commercial license in order to drive a school bus. In addition,
777 local school boards may compensate school bus drivers, to include
778 temporary or substitute bus drivers, for expenses, not to exceed
779 One Hundred Dollars (\$100.00), when acquiring an initial medical
780 exam or any renewal of a medical exam, in order to qualify for a
781 commercial driver's license.

782 (5) The State Board of Education shall be authorized and
783 empowered to use such part of the funds appropriated for
784 transportation in the adequate education fund as may be necessary
785 to finance driver training courses as provided for in Section
786 37-41-1, Mississippi Code of 1972.

787 (6) The State Board of Education, acting through the
788 Department of Education, may compensate school bus drivers, to
789 include temporary or substitute bus drivers, who are providing
790 driving services to the various state operated schools, such as
791 the Mississippi School for the Deaf, the Mississippi School for
792 the Blind, the Mississippi School of the Arts, the Mississippi



793 School for Math and Science and any other similar state operated
794 schools, for actual expenses incurred when acquiring an initial
795 commercial license or any renewal of a commercial license in order
796 to drive a school bus, to include the expense, not to exceed One
797 Hundred Dollars (\$100.00), of acquiring an initial medical exam or
798 any renewal of a medical exam in order to qualify for a commercial
799 driver's license.

800 **SECTION 4.** Section 37-151-97, Mississippi Code of 1972, is
801 amended as follows:

802 37-151-97. The State Department of Education shall develop
803 an annual reporting process to inform the Legislature, local
804 district personnel and the general public as to the ongoing and
805 future plans for the state's educational programs. The annual
806 reporting process will include those vital statistics that are
807 commonly reported by schools and districts and that can provide
808 clear demographic, strategic and educational information to
809 constituencies such as, but not limited to, the following
810 information:

811 (a) Student enrollment, average daily membership (ADM),
812 attendance, drop-out and graduation;

813 (b) Overall student and district achievement;

814 (c) Budget, administrative costs and other pertinent
815 fiscal information, including:

816 (i) The receipts and disbursements of all school
817 funds handled by the board;



818 (ii) Reports of expenditures for public schools,
819 which, upon request must be made available on an individual
820 district basis by the State Department of Education;

821 1. Total Student Expenditures:

822 a. Instruction (1000s);

823 b. Other Student Instructional

824 Expenditures (2100s, 2200s);

825 2. General Administration (2300s and 2500s);

826 3. School Administration (2400s);

827 4. Other Expenditures (2600s, 2700s, 2800s,

828 3100s, 3200s); and

829 5. Nonoperational Expenditures (4000s, 5000s,
830 6000s);

831 (iii) The number of school districts,
832 schoolteachers employed, school administrators employed, pupils
833 taught and the attendance record of pupils therein;

834 (iv) County and district levies for each school
835 district and agricultural high school;

836 (v) The condition of vocational education, a list
837 of schools to which federal and state aid has been given, and a
838 detailed statement of the expenditures of federal funds and the
839 state funds that may be provided, and the ranking of subjects
840 taught as compared with the state's needs.

841 (d) Other as directed by the State Board of Education.



842 Further, the reporting process will include an annual report
843 developed specifically to relate the mission and goals of the
844 State Board of Education, state superintendent and departments.
845 This document will become the method through which the strategic
846 planning and management process of the department is articulated
847 to the public. It will explain and inform the public of the major
848 initiatives of the department and clearly identify rationale for
849 program development and/or elimination. The report will establish
850 benchmarks, future plans and discuss the effectiveness of
851 educational programs.

852 In addition to the information specified herein, the State
853 Board of Education shall have full and plenary authority and power
854 to require the furnishing of such further, additional and
855 supplementary information as it may deem necessary for the purpose
856 of determining the cost of the adequate education program in such
857 school district for the succeeding fiscal year, the amount of the
858 adequate education program funds to be allotted to each school
859 district for the succeeding fiscal year, and for any other purpose
860 authorized by law or deemed necessary by said State Board of
861 Education.

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

864 **SECTION 5.** Section 37-151-103, Mississippi Code of 1972, is
865 amended as follows:



866 37-151-103. (1) Funds due each school district and charter
867 school under the terms of this chapter from the Adequate Education
868 Program Fund shall be paid in the following manner: Two (2)
869 business days prior to the last working day of each month there
870 shall be paid to each school district and charter school, by
871 electronic funds transfer, one-twelfth (1/12) of the funds to
872 which the district or charter school is entitled from funds
873 appropriated for the Adequate Education Program Fund. However, in
874 December those payments shall be made on December 15th or the next
875 business day after that date. All school districts shall process
876 a single monthly payroll with electronic settlement of payroll
877 checks secured through direct deposit of net pay for all school
878 district employees. In addition, the State Department of
879 Education may pay school districts and charter schools from the
880 common school fund and the Adequate Education Program Fund on a
881 date earlier than provided for by this section if it is determined
882 that it is in the best interest of school districts and charter
883 schools to do so.

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 and charter schools in the state as
887 determined by the State Superintendent of Education, the State
888 Fiscal Officer shall not transfer said funds payable to any school
889 district or districts or charter schools until money is available
890 to pay the amount due to all districts and charter schools.



891 (2) Notwithstanding any provision of this chapter or any
892 other law requiring the number of children in average daily
893 attendance or the average daily * * * membership (ADM) of
894 transported children to be determined on the basis of the
895 preceding year, the State Board of Education is hereby authorized
896 and empowered to make proper adjustments in allotments in cases
897 where major changes in the number of children in average daily
898 attendance or the average daily attendance of transported children
899 occurs from one year to another as a result of changes or
900 alterations in the boundaries of school districts, the sending of
901 children from one county or district to another upon a contract
902 basis, the termination or discontinuance of a contract for the
903 sending of children from one county or district to another, a
904 change in or relocation of attendance centers, or for any other
905 reason which would result in a major decrease or increase in the
906 number of children in average daily attendance or the average
907 daily * * * membership (ADM) or the average daily * * * membership
908 (ADM) of transported children during the current school year as
909 compared with the preceding year.

910 (3) In the event of an inordinately large number of
911 absentees in any school district or charter school as a result of
912 epidemic, natural disaster, or any concerted activity discouraging
913 school attendance, then in such event school attendance for the
914 purposes of determining average daily attendance or average daily
915 membership (ADM) under the adequate education program shall be



916 based upon the average daily attendance or average daily
917 membership (ADM) for the preceding school year for such school
918 district or charter school.

919 **SECTION 6.** This act shall take effect and be in force from
920 and after July 1, 2016, and shall stand repealed from and after
921 June 30, 2016.

