

By: Representatives Currie, Ford

To: Education

HOUSE BILL NO. 751

1 AN ACT TO AMEND SECTION 37-17-6, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE METHOD OF CALCULATING HIGH SCHOOL GRADUATION RATES FOR
3 PURPOSES OF ACCOUNTABILITY BY CALCULATING RATES BASED ON A
4 FIVE-YEAR COMPLETION MODEL FOR ISSUANCE OF STANDARD DIPLOMAS; AND
5 FOR RELATED PURPOSES.

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

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

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

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



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

23	Number of Students	Number of Certified
24	Per School Library	School Librarians
25	0 - 499 Students	1/2 Full-time Equivalent
26		Certified Librarian
27	500 or More Students	1 Full-time Certified
28		Librarian

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

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

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

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



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

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

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

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

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

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

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

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

66 (g) A determination of which schools are failing to
67 meet their standards and a determination of the appropriate role



68 of the State Board of Education and the State Department of
69 Education in providing assistance and initiating possible
70 intervention. A failing district is a district that fails to meet
71 both the absolute student achievement standards and the rate of
72 annual growth expectation standards as set by the State Board of
73 Education for two (2) consecutive years. The State Board of
74 Education shall establish the level of benchmarks by which
75 absolute student achievement and growth expectations shall be
76 assessed. In setting the benchmarks for school districts, the
77 State Board of Education may also take into account such factors
78 as graduation rates, dropout rates, completion rates, the extent
79 to which the school or district employs qualified teachers in
80 every classroom, and any other factors deemed appropriate by the
81 State Board of Education. The State Board of Education, acting
82 through the State Department of Education, shall apply a simple
83 "A," "B," "C," "D" and "F" designation to the current school and
84 school district statewide accountability performance
85 classification labels beginning with the State Accountability
86 Results for the 2011-2012 school year and following, and in the
87 school, district and state report cards required under state and
88 federal law. Under the new designations, a school or school
89 district that has earned a "Star" rating shall be designated an
90 "A" school or school district; a school or school district that
91 has earned a "High-Performing" rating shall be designated a "B"
92 school or school district; a school or school district that has



93 earned a "Successful" rating shall be designated a "C" school or
94 school district; a school or school district that has earned an
95 "Academic Watch" rating shall be designated a "D" school or school
96 district; a school or school district that has earned a
97 "Low-Performing," "At-Risk of Failing" or "Failing" rating shall
98 be designated an "F" school or school district. Effective with
99 the implementation of any new curriculum and assessment standards,
100 the State Board of Education, acting through the State Department
101 of Education, is further authorized and directed to change the
102 school and school district accreditation rating system to a simple
103 "A," "B," "C," "D," and "F" designation based on a combination of
104 student achievement scores and student growth as measured by the
105 statewide testing programs developed by the State Board of
106 Education pursuant to Chapter 16, Title 37, Mississippi Code of
107 1972. In any statute or regulation containing the former
108 accreditation designations, the new designations shall be
109 applicable;

110 (h) Development of a comprehensive student assessment
111 system to implement these requirements; and

112 (i) The State Board of Education may, based on a
113 written request that contains specific reasons for requesting a
114 waiver from the school districts affected by Hurricane Katrina of
115 2005, hold harmless school districts from assignment of district
116 and school level accountability ratings for the 2005-2006 school
117 year. The State Board of Education upon finding an extreme



118 hardship in the school district may grant the request. It is the
119 intent of the Legislature that all school districts maintain the
120 highest possible academic standards and instructional programs in
121 all schools as required by law and the State Board of Education.

122 (5) (a) Effective with the 2013-2014 school year, the State
123 Department of Education, acting through the Mississippi Commission
124 on School Accreditation, shall revise and implement a single "A"
125 through "F" school and school district accountability system
126 complying with applicable federal and state requirements in order
127 to reach the following educational goals:

128 (i) To mobilize resources and supplies to ensure
129 that all students exit third grade reading on grade level by 2015;

130 (ii) To reduce the student dropout rate to
131 thirteen percent (13%) by 2015; and

132 (iii) To have sixty percent (60%) of students
133 scoring proficient and advanced on the assessments of the Common
134 Core State Standards by 2016 with incremental increases of three
135 percent (3%) each year thereafter.

136 (b) The State Department of Education shall combine the
137 state school and school district accountability system with the
138 federal system in order to have a single system.

139 (c) The State Department of Education shall establish
140 five (5) performance categories ("A," "B," "C," "D" and "F") for
141 the accountability system based on the following criteria:



142 (i) Student Achievement: the percent of students
143 proficient and advanced on the current state assessments;

144 (ii) Individual student growth: the percent of
145 students making one (1) year's progress in one (1) year's time on
146 the state assessment, with an emphasis on the progress of the
147 lowest twenty-five percent (25%) of students in the school or
148 district;

149 (iii) * * * Five-year graduation rate: the
150 percent of students graduating with a standard high school diploma
151 in * * * five (5) years, as defined by federal regulations;

152 (iv) Categories shall identify schools as Reward
153 ("A" schools), Focus ("D" schools) and Priority ("F" schools). If
154 at least five percent (5%) of schools in the state are not graded
155 as "F" schools, the lowest five percent (5%) of school grade point
156 designees will be identified as Priority schools. If at least ten
157 percent (10%) of schools in the state are not graded as "D"
158 schools, the lowest ten percent (10%) of school grade point
159 designees will be identified as Focus schools;

160 (v) The State Department of Education shall
161 discontinue the use of Star School, High-Performing, Successful,
162 Academic Watch, Low-Performing, At-Risk of Failing and Failing
163 school accountability designations;

164 (vi) The system shall include the federally
165 compliant * * * five-year graduation rate in school and school
166 district accountability system calculations. Graduation rate will



167 apply to high school and school district accountability ratings as
168 a compensatory component * * *;

169 (vii) The school and school district
170 accountability system shall incorporate a standards-based growth
171 model, in order to support improvement of individual student
172 learning;

173 (viii) The State Department of Education shall
174 discontinue the use of the Quality Distribution Index (QDI);

175 (ix) The State Department of Education shall
176 determine feeder patterns of schools that do not earn a school
177 grade because the grades and subjects taught at the school do not
178 have statewide standardized assessments needed to calculate a
179 school grade. Upon determination of the feeder pattern, the
180 department shall notify schools and school districts prior to the
181 release of the school grades beginning in 2013. Feeder schools
182 will be assigned the accountability designation of the school to
183 which they provide students;

184 (x) Standards for student, school and school
185 district performance will be increased when student proficiency is
186 at a seventy-five percent (75%) and/or when sixty-five percent
187 (65%) of the schools and/or school districts are earning a grade
188 of "B" or higher, in order to raise the standard on performance
189 after targets are met.



190 (6) Nothing in this section shall be deemed to require a
191 nonpublic school that receives no local, state or federal funds
192 for support to become accredited by the State Board of Education.

193 (7) The State Board of Education shall create an
194 accreditation audit unit under the Commission on School
195 Accreditation to determine whether schools are complying with
196 accreditation standards.

197 (8) The State Board of Education shall be specifically
198 authorized and empowered to withhold adequate education program
199 fund allocations, whichever is applicable, to any public school
200 district for failure to timely report student, school personnel
201 and fiscal data necessary to meet state and/or federal
202 requirements.

203 (9) [Deleted]

204 (10) The State Board of Education shall establish, for those
205 school districts failing to meet accreditation standards, a
206 program of development to be complied with in order to receive
207 state funds, except as otherwise provided in subsection (15) of
208 this section when the Governor has declared a state of emergency
209 in a school district or as otherwise provided in Section 206,
210 Mississippi Constitution of 1890. The state board, in
211 establishing these standards, shall provide for notice to schools
212 and sufficient time and aid to enable schools to attempt to meet
213 these standards, unless procedures under subsection (15) of this
214 section have been invoked.



215 (11) Beginning July 1, 1998, the State Board of Education
216 shall be charged with the implementation of the program of
217 development in each applicable school district as follows:

218 (a) Develop an impairment report for each district
219 failing to meet accreditation standards in conjunction with school
220 district officials;

221 (b) Notify any applicable school district failing to
222 meet accreditation standards that it is on probation until
223 corrective actions are taken or until the deficiencies have been
224 removed. The local school district shall develop a corrective
225 action plan to improve its deficiencies. For district academic
226 deficiencies, the corrective action plan for each such school
227 district shall be based upon a complete analysis of the following:
228 student test data, student grades, student attendance reports,
229 student dropout data, existence and other relevant data. The
230 corrective action plan shall describe the specific measures to be
231 taken by the particular school district and school to improve:
232 (i) instruction; (ii) curriculum; (iii) professional development;
233 (iv) personnel and classroom organization; (v) student incentives
234 for performance; (vi) process deficiencies; and (vii) reporting to
235 the local school board, parents and the community. The corrective
236 action plan shall describe the specific individuals responsible
237 for implementing each component of the recommendation and how each
238 will be evaluated. All corrective action plans shall be provided
239 to the State Board of Education as may be required. The decision



240 of the State Board of Education establishing the probationary
241 period of time shall be final;

242 (c) Offer, during the probationary period, technical
243 assistance to the school district in making corrective actions.
244 Beginning July 1, 1998, subject to the availability of funds, the
245 State Department of Education shall provide technical and/or
246 financial assistance to all such school districts in order to
247 implement each measure identified in that district's corrective
248 action plan through professional development and on-site
249 assistance. Each such school district shall apply for and utilize
250 all available federal funding in order to support its corrective
251 action plan in addition to state funds made available under this
252 paragraph;

253 (d) Assign department personnel or contract, in its
254 discretion, with the institutions of higher learning or other
255 appropriate private entities with experience in the academic,
256 finance and other operational functions of schools to assist
257 school districts;

258 (e) Provide for publication of public notice at least
259 one time during the probationary period, in a newspaper published
260 within the jurisdiction of the school district failing to meet
261 accreditation standards, or if no newspaper is published therein,
262 then in a newspaper having a general circulation therein. The
263 publication shall include the following: declaration of school
264 system's status as being on probation; all details relating to the



265 impairment report; and other information as the State Board of
266 Education deems appropriate. Public notices issued under this
267 section shall be subject to Section 13-3-31 and not contrary to
268 other laws regarding newspaper publication.

269 (12) (a) If the recommendations for corrective action are
270 not taken by the local school district or if the deficiencies are
271 not removed by the end of the probationary period, the Commission
272 on School Accreditation shall conduct a hearing to allow the
273 affected school district to present evidence or other reasons why
274 its accreditation should not be withdrawn. Additionally, if the
275 local school district violates accreditation standards that have
276 been determined by the policies and procedures of the State Board
277 of Education to be a basis for withdrawal of school district's
278 accreditation without a probationary period, the Commission on
279 School Accreditation shall conduct a hearing to allow the affected
280 school district to present evidence or other reasons why its
281 accreditation should not be withdrawn. After its consideration of
282 the results of the hearing, the Commission on School Accreditation
283 shall be authorized, with the approval of the State Board of
284 Education, to withdraw the accreditation of a public school
285 district, and issue a request to the Governor that a state of
286 emergency be declared in that district.

287 (b) If the State Board of Education and the Commission
288 on School Accreditation determine that an extreme emergency
289 situation exists in a school district that jeopardizes the safety,



290 security or educational interests of the children enrolled in the
291 schools in that district and that emergency situation is believed
292 to be related to a serious violation or violations of
293 accreditation standards or state or federal law, or when a school
294 district meets the State Board of Education's definition of a
295 failing school district for two (2) consecutive full school years,
296 or if more than fifty percent (50%) of the schools within the
297 school district are designated as Schools At-Risk in any one (1)
298 year, the State Board of Education may request the Governor to
299 declare a state of emergency in that school district. For
300 purposes of this paragraph, the declarations of a state of
301 emergency shall not be limited to those instances when a school
302 district's impairments are related to a lack of financial
303 resources, but also shall include serious failure to meet minimum
304 academic standards, as evidenced by a continued pattern of poor
305 student performance.

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

310 (i) Declare a state of emergency, under which some
311 or all of state funds can be escrowed except as otherwise provided
312 in Section 206, Constitution of 1890, until the board determines
313 corrective actions are being taken or the deficiencies have been
314 removed, or that the needs of students warrant the release of



315 funds. The funds may be released from escrow for any program
316 which the board determines to have been restored to standard even
317 though the state of emergency may not as yet be terminated for the
318 district as a whole;

319 (ii) Override any decision of the local school
320 board or superintendent of education, or both, concerning the
321 management and operation of the school district, or initiate and
322 make decisions concerning the management and operation of the
323 school district;

324 (iii) Assign an interim superintendent, or in its
325 discretion, contract with a private entity with experience in the
326 academic, finance and other operational functions of schools and
327 school districts, who will have those powers and duties prescribed
328 in subsection (15) of this section;

329 (iv) Grant transfers to students who attend this
330 school district so that they may attend other accredited schools
331 or districts in a manner that is not in violation of state or
332 federal law;

333 (v) For states of emergency declared under
334 paragraph (a) only, if the accreditation deficiencies are related
335 to the fact that the school district is too small, with too few
336 resources, to meet the required standards and if another school
337 district is willing to accept those students, abolish that
338 district and assign that territory to another school district or
339 districts. If the school district has proposed a voluntary



340 consolidation with another school district or districts, then if
341 the State Board of Education finds that it is in the best interest
342 of the pupils of the district for the consolidation to proceed,
343 the voluntary consolidation shall have priority over any such
344 assignment of territory by the State Board of Education;

345 (vi) For states of emergency declared under
346 paragraph (b) only, reduce local supplements paid to school
347 district employees, including, but not limited to, instructional
348 personnel, assistant teachers and extracurricular activities
349 personnel, if the district's impairment is related to a lack of
350 financial resources, but only to an extent that will result in the
351 salaries being comparable to districts similarly situated, as
352 determined by the State Board of Education;

353 (vii) For states of emergency declared under
354 paragraph (b) only, the State Board of Education may take any
355 action as prescribed in Section 37-17-13.

356 (d) At the time that satisfactory corrective action has
357 been taken in a school district in which a state of emergency has
358 been declared, the State Board of Education may request the
359 Governor to declare that the state of emergency no longer exists
360 in the district.

361 (e) The parent or legal guardian of a school-age child
362 who is enrolled in a school district whose accreditation has been
363 withdrawn by the Commission on School Accreditation and without
364 approval of that school district may file a petition in writing to



365 a school district accredited by the Commission on School
366 Accreditation for a legal transfer. The school district
367 accredited by the Commission on School Accreditation may grant the
368 transfer according to the procedures of Section 37-15-31(1)(b).
369 In the event the accreditation of the student's home district is
370 restored after a transfer has been approved, the student may
371 continue to attend the transferee school district. The per-pupil
372 amount of the adequate education program allotment, including the
373 collective "add-on program" costs for the student's home school
374 district shall be transferred monthly to the school district
375 accredited by the Commission on School Accreditation that has
376 granted the transfer of the school-age child.

377 (f) Upon the declaration of a state of emergency for
378 any school district in which the Governor has previously declared
379 a state of emergency, the State Board of Education may either:

380 (i) Place the school district into district
381 transformation, in which the school district shall remain until it
382 has fulfilled all conditions related to district transformation.
383 If the district was assigned an accreditation rating of "D" or "F"
384 when placed into district transformation, the district shall be
385 eligible to return to local control when the school district has
386 attained a "C" rating or higher for five (5) consecutive years,
387 unless the State Board of Education determines that the district
388 is eligible to return to local control in less than the five-year
389 period;



390 (ii) Abolish the school district and
391 administratively consolidate the school district with one or more
392 existing school districts;

393 (iii) Reduce the size of the district and
394 administratively consolidate parts of the district, as determined
395 by the State Board of Education. However, no school district
396 which is not in district transformation shall be required to
397 accept additional territory over the objection of the district; or

398 (iv) Require the school district to develop and
399 implement a district improvement plan with prescriptive guidance
400 and support from the State Department of Education, with the goal
401 of helping the district improve student achievement. Failure of
402 the school board, superintendent and school district staff to
403 implement the plan with fidelity and participate in the activities
404 provided as support by the department shall result in the school
405 district retaining its eligibility for district transformation.

406 (g) There is established a Mississippi Recovery School
407 District within the State Department of Education under the
408 supervision of a deputy superintendent appointed by the State
409 Superintendent of Public Education, who is subject to the approval
410 by the State Board of Education. The Mississippi Recovery School
411 District shall provide leadership and oversight of all school
412 districts that are subject to district transformation status, as
413 defined in Chapters 17 and 18, Title 37, Mississippi Code of 1972,
414 and shall have all the authority granted under these two (2)



415 chapters. The Mississippi Department of Education, with the
416 approval of the State Board of Education, shall develop policies
417 for the operation and management of the Mississippi Recovery
418 School District. The deputy state superintendent is responsible
419 for the Mississippi Recovery School District and shall be
420 authorized to oversee the administration of the Mississippi
421 Recovery School District, oversee the interim superintendent
422 assigned by the State Board of Education to a local school
423 district, hear appeals that would normally be filed by students,
424 parents or employees and heard by a local school board, which
425 hearings on appeal shall be conducted in a prompt and timely
426 manner in the school district from which the appeal originated in
427 order to ensure the ability of appellants, other parties and
428 witnesses to appeal without undue burden of travel costs or loss
429 of time from work, and perform other related duties as assigned by
430 the State Superintendent of Public Education. The deputy state
431 superintendent is responsible for the Mississippi Recovery School
432 District and shall determine, based on rigorous professional
433 qualifications set by the State Board of Education, the
434 appropriate individuals to be engaged to be interim
435 superintendents and financial advisors, if applicable, of all
436 school districts subject to district transformation status. After
437 State Board of Education approval, these individuals shall be
438 deemed independent contractors.



439 (13) Upon the declaration of a state of emergency in a
440 school district under subsection (12) of this section, the
441 Commission on School Accreditation shall be responsible for public
442 notice at least once a week for at least three (3) consecutive
443 weeks in a newspaper published within the jurisdiction of the
444 school district failing to meet accreditation standards, or if no
445 newspaper is published therein, then in a newspaper having a
446 general circulation therein. The size of the notice shall be no
447 smaller than one-fourth (1/4) of a standard newspaper page and
448 shall be printed in bold print. If an interim superintendent has
449 been appointed for the school district, the notice shall begin as
450 follows: "By authority of Section 37-17-6, Mississippi Code of
451 1972, as amended, adopted by the Mississippi Legislature during
452 the 1991 Regular Session, this school district (name of school
453 district) is hereby placed under the jurisdiction of the State
454 Department of Education acting through its appointed interim
455 superintendent (name of interim superintendent)."

456 The notice also shall include, in the discretion of the State
457 Board of Education, any or all details relating to the school
458 district's emergency status, including the declaration of a state
459 of emergency in the school district and a description of the
460 district's impairment deficiencies, conditions of any district
461 transformation status and corrective actions recommended and being
462 taken. Public notices issued under this section shall be subject



463 to Section 13-3-31 and not contrary to other laws regarding
464 newspaper publication.

465 Upon termination of the state of emergency in a school
466 district, the Commission on School Accreditation shall cause
467 notice to be published in the school district in the same manner
468 provided in this section, to include any or all details relating
469 to the corrective action taken in the school district that
470 resulted in the termination of the state of emergency.

471 (14) The State Board of Education or the Commission on
472 School Accreditation shall have the authority to require school
473 districts to produce the necessary reports, correspondence,
474 financial statements, and any other documents and information
475 necessary to fulfill the requirements of this section.

476 Nothing in this section shall be construed to grant any
477 individual, corporation, board or interim superintendent the
478 authority to levy taxes except in accordance with presently
479 existing statutory provisions.

480 (15) (a) Whenever the Governor declares a state of
481 emergency in a school district in response to a request made under
482 subsection (12) of this section, the State Board of Education, in
483 its discretion, may assign an interim superintendent to the school
484 district, or in its discretion, may contract with an appropriate
485 private entity with experience in the academic, finance and other
486 operational functions of schools and school districts, who will be
487 responsible for the administration, management and operation of



488 the school district, including, but not limited to, the following
489 activities:

490 (i) Approving or disapproving all financial
491 obligations of the district, including, but not limited to, the
492 employment, termination, nonrenewal and reassignment of all
493 licensed and nonlicensed personnel, contractual agreements and
494 purchase orders, and approving or disapproving all claim dockets
495 and the issuance of checks; in approving or disapproving
496 employment contracts of superintendents, assistant superintendents
497 or principals, the interim superintendent shall not be required to
498 comply with the time limitations prescribed in Sections 37-9-15
499 and 37-9-105;

500 (ii) Supervising the day-to-day activities of the
501 district's staff, including reassigning the duties and
502 responsibilities of personnel in a manner which, in the
503 determination of the interim superintendent, will best suit the
504 needs of the district;

505 (iii) Reviewing the district's total financial
506 obligations and operations and making recommendations to the
507 district for cost savings, including, but not limited to,
508 reassigning the duties and responsibilities of staff;

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



511 (v) Approving or disapproving all athletic, band
512 and other extracurricular activities and any matters related to
513 those activities;

514 (vi) Maintaining a detailed account of
515 recommendations made to the district and actions taken in response
516 to those recommendations;

517 (vii) Reporting periodically to the State Board of
518 Education on the progress or lack of progress being made in the
519 district to improve the district's impairments during the state of
520 emergency; and

521 (viii) Appointing a parent advisory committee,
522 comprised of parents of students in the school district that may
523 make recommendations to the interim superintendent concerning the
524 administration, management and operation of the school district.

525 The cost of the salary of the interim superintendent and any
526 other actual and necessary costs related to district
527 transformation status paid by the State Department of Education
528 shall be reimbursed by the local school district from funds other
529 than adequate education program funds. The department shall
530 submit an itemized statement to the superintendent of the local
531 school district for reimbursement purposes, and any unpaid balance
532 may be withheld from the district's adequate education program
533 funds.

534 At the time that the Governor, in accordance with the request
535 of the State Board of Education, declares that the state of



536 emergency no longer exists in a school district, the powers and
537 responsibilities of the interim superintendent assigned to the
538 district shall cease.

539 (b) In order to provide loans to school districts under
540 a state of emergency or in district transformation status that
541 have impairments related to a lack of financial resources, the
542 School District Emergency Assistance Fund is created as a special
543 fund in the State Treasury into which monies may be transferred or
544 appropriated by the Legislature from any available public
545 education funds. Funds in the School District Emergency
546 Assistance Fund up to a maximum balance of Three Million Dollars
547 (\$3,000,000.00) annually shall not lapse but shall be available
548 for expenditure in subsequent years subject to approval of the
549 State Board of Education. Any amount in the fund in excess of
550 Three Million Dollars (\$3,000,000.00) at the end of the fiscal
551 year shall lapse into the State General Fund or the Education
552 Enhancement Fund, depending on the source of the fund.

553 The State Board of Education may loan monies from the School
554 District Emergency Assistance Fund to a school district that is
555 under a state of emergency or in district transformation status,
556 in those amounts, as determined by the board, that are necessary
557 to correct the district's impairments related to a lack of
558 financial resources. The loans shall be evidenced by an agreement
559 between the school district and the State Board of Education and
560 shall be repayable in principal, without necessity of interest, to



561 the School District Emergency Assistance Fund by the school
562 district from any allowable funds that are available. The total
563 amount loaned to the district shall be due and payable within five
564 (5) years after the impairments related to a lack of financial
565 resources are corrected. If a school district fails to make
566 payments on the loan in accordance with the terms of the agreement
567 between the district and the State Board of Education, the State
568 Department of Education, in accordance with rules and regulations
569 established by the State Board of Education, may withhold that
570 district's adequate education program funds in an amount and
571 manner that will effectuate repayment consistent with the terms of
572 the agreement; the funds withheld by the department shall be
573 deposited into the School District Emergency Assistance Fund.

574 The State Board of Education shall develop a protocol that
575 will outline the performance standards and requisite timeline
576 deemed necessary for extreme emergency measures. If the State
577 Board of Education determines that an extreme emergency exists,
578 simultaneous with the powers exercised in this subsection, it
579 shall take immediate action against all parties responsible for
580 the affected school districts having been determined to be in an
581 extreme emergency. The action shall include, but not be limited
582 to, initiating civil actions to recover funds and criminal actions
583 to account for criminal activity. Any funds recovered by the
584 State Auditor or the State Board of Education from the surety
585 bonds of school officials or from any civil action brought under



586 this subsection shall be applied toward the repayment of any loan
587 made to a school district hereunder.

588 (16) If a majority of the membership of the school board of
589 any school district resigns from office, the State Board of
590 Education shall be authorized to assign an interim superintendent,
591 who shall be responsible for the administration, management and
592 operation of the school district until the time as new board
593 members are selected or the Governor declares a state of emergency
594 in that school district under subsection (12), whichever occurs
595 first. In that case, the State Board of Education, acting through
596 the interim superintendent, shall have all powers which were held
597 by the previously existing school board, and may take any action
598 as prescribed in Section 37-17-13 and/or one or more of the
599 actions authorized in this section.

600 (17) (a) If the Governor declares a state of emergency in a
601 school district, the State Board of Education may take all such
602 action pertaining to that school district as is authorized under
603 subsection (12) or (15) of this section, including the appointment
604 of an interim superintendent. The State Board of Education shall
605 also have the authority to issue a written request with
606 documentation to the Governor asking that the office of the
607 superintendent of the school district be subject to recall. If
608 the Governor declares that the office of the superintendent of the
609 school district is subject to recall, the local school board or



610 the county election commission, as the case may be, shall take the
611 following action:

612 (i) If the office of superintendent is an elected
613 office, in those years in which there is no general election, the
614 name shall be submitted by the State Board of Education to the
615 county election commission, and the county election commission
616 shall submit the question at a special election to the voters
617 eligible to vote for the office of superintendent within the
618 county, and the special election shall be held within sixty (60)
619 days from notification by the State Board of Education. The
620 ballot shall read substantially as follows:

621 "Shall County Superintendent of Education _____ (here the
622 name of the superintendent shall be inserted) of the _____
623 (here the title of the school district shall be inserted) be
624 retained in office? Yes _____ No _____"

625 If a majority of those voting on the question votes against
626 retaining the superintendent in office, a vacancy shall exist
627 which shall be filled in the manner provided by law; otherwise,
628 the superintendent shall remain in office for the term of that
629 office, and at the expiration of the term shall be eligible for
630 qualification and election to another term or terms.

631 (ii) If the office of superintendent is an
632 appointive office, the name of the superintendent shall be
633 submitted by the president of the local school board at the next
634 regular meeting of the school board for retention in office or



635 dismissal from office. If a majority of the school board voting
636 on the question vote against retaining the superintendent in
637 office, a vacancy shall exist which shall be filled as provided by
638 law, otherwise the superintendent shall remain in office for the
639 duration of his employment contract.

640 (b) The State Board of Education may issue a written
641 request with documentation to the Governor asking that the
642 membership of the school board of the school district shall be
643 subject to recall. Whenever the Governor declares that the
644 membership of the school board is subject to recall, the county
645 election commission or the local governing authorities, as the
646 case may be, shall take the following action:

647 (i) If the members of the local school board are
648 elected to office, in those years in which the specific member's
649 office is not up for election, the name of the school board member
650 shall be submitted by the State Board of Education to the county
651 election commission, and the county election commission at a
652 special election shall submit the question to the voters eligible
653 to vote for the particular member's office within the county or
654 school district, as the case may be, and the special election
655 shall be held within sixty (60) days from notification by the
656 State Board of Education. The ballot shall read substantially as
657 follows:

658 "Members of the _____ (here the title of the school
659 district shall be inserted) School Board who are not up for



660 election this year are subject to recall because of the school
661 district's failure to meet critical accountability standards as
662 defined in the letter of notification to the Governor from the
663 State Board of Education. Shall the member of the school board
664 representing this area, _____ (here the name of the school
665 board member holding the office shall be inserted), be retained in
666 office? Yes _____ No _____"

667 If a majority of those voting on the question vote against
668 retaining the member of the school board in office, a vacancy in
669 that board member's office shall exist, which shall be filled in
670 the manner provided by law; otherwise, the school board member
671 shall remain in office for the term of that office, and at the
672 expiration of the term of office, the member shall be eligible for
673 qualification and election to another term or terms of office.
674 However, if a majority of the school board members are recalled in
675 the special election, the Governor shall authorize the board of
676 supervisors of the county in which the school district is situated
677 to appoint members to fill the offices of the members recalled.
678 The board of supervisors shall make those appointments in the
679 manner provided by law for filling vacancies on the school board,
680 and the appointed members shall serve until the office is filled
681 at the next regular special election or general election.

682 (ii) If the local school board is an appointed
683 school board, the name of all school board members shall be
684 submitted as a collective board by the president of the municipal



685 or county governing authority, as the case may be, at the next
686 regular meeting of the governing authority for retention in office
687 or dismissal from office. If a majority of the governing
688 authority voting on the question vote against retaining the board
689 in office, a vacancy shall exist in each school board member's
690 office, which shall be filled as provided by law; otherwise, the
691 members of the appointed school board shall remain in office for
692 the duration of their term of appointment, and those members may
693 be reappointed.

694 (iii) If the local school board is comprised of
695 both elected and appointed members, the elected members shall be
696 subject to recall in the manner provided in subparagraph (i) of
697 this paragraph (b), and the appointed members shall be subject to
698 recall in the manner provided in subparagraph (ii).

699 (18) Beginning with the school district audits conducted for
700 the 1997-1998 fiscal year, the State Board of Education, acting
701 through the Commission on School Accreditation, shall require each
702 school district to comply with standards established by the State
703 Department of Audit for the verification of fixed assets and the
704 auditing of fixed assets records as a minimum requirement for
705 accreditation.

706 (19) Before December 1, 1999, the State Board of Education
707 shall recommend a program to the Education Committees of the House
708 of Representatives and the Senate for identifying and rewarding
709 public schools that improve or are high performing. The program



710 shall be described by the board in a written report, which shall
711 include criteria and a process through which improving schools and
712 high-performing schools will be identified and rewarded.

713 The State Superintendent of Public Education and the State
714 Board of Education also shall develop a comprehensive
715 accountability plan to ensure that local school boards,
716 superintendents, principals and teachers are held accountable for
717 student achievement. A written report on the accountability plan
718 shall be submitted to the Education Committees of both houses of
719 the Legislature before December 1, 1999, with any necessary
720 legislative recommendations.

721 (20) Before January 1, 2008, the State Board of Education
722 shall evaluate and submit a recommendation to the Education
723 Committees of the House of Representatives and the Senate on
724 inclusion of graduation rate and dropout rate in the school level
725 accountability system.

726 (21) If a local school district is determined as failing and
727 placed into district transformation status for reasons authorized
728 by the provisions of this section, the interim superintendent
729 appointed to the district shall, within forty-five (45) days after
730 being appointed, present a detailed and structured corrective
731 action plan to move the local school district out of district
732 transformation status to the deputy superintendent. A copy of the
733 interim superintendent's corrective action plan shall also be
734 filed with the State Board of Education.



735 **SECTION 2.** This act shall take effect and be in force from
736 and after July 1, 2018.

