

By: Senator(s) Doty

To: Education;
Appropriations

SENATE BILL NO. 2746

1 AN ACT TO AMEND SECTION 37-17-6, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE AND DIRECT THE STATE BOARD OF EDUCATION TO ESTABLISH A
3 RURAL EDUCATION DEVELOPMENT INITIATIVE (REDI) TO PROVIDE SUPPORT
4 SERVICES FOR RURAL SCHOOLS AND RURAL SCHOOL DISTRICTS; TO DEVELOP
5 A DEFINITION OF RURAL SCHOOL AND AN ACCOUNTABILITY RATING SYSTEM
6 FOR RURAL SCHOOLS; TO PROVIDE FOR A REALIGNMENT OF STUDENT TESTING
7 PROCEDURES AT RURAL SCHOOLS; TO PROVIDE FOR ADDITIONAL
8 INTERVENTION SPECIALISTS TO BE ASSIGNED TO RURAL SCHOOLS BY THE
9 STATE DEPARTMENT OF EDUCATION; AND FOR RELATED PURPOSES.

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

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

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

18 (2) No later than June 30, 1995, the State Board of
19 Education, acting through the Commission on School Accreditation,
20 shall require school districts to provide school classroom space



21 that is air-conditioned as a minimum requirement for
22 accreditation.

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

27	Number of Students	Number of Certified
28	Per School Library	School Librarians
29	0 - 499 Students	1/2 Full-time Equivalent
30		Certified Librarian
31	500 or More Students	1 Full-time Certified
32		Librarian

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

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

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



44 (e) Nothing in this subsection shall prohibit any
45 school district from employing more certified school librarians
46 than are provided for in this section.

47 (f) Any additional millage levied to fund school
48 librarians required for accreditation under this subsection shall
49 be included in the tax increase limitation set forth in Sections
50 37-57-105 and 37-57-107 and shall not be deemed a new program for
51 purposes of the limitation.

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

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

58 (b) Strong accountability for results with appropriate
59 local flexibility for local implementation;

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

62 (d) Individual schools shall be held accountable for
63 student growth and performance;

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



67 (f) A determination of which schools exceed their
68 standards and a plan for providing recognition and rewards to
69 those schools;

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



92 federal law. Under the new designations, a school or school
93 district that has earned a "Star" rating shall be designated an
94 "A" school or school district; a school or school district that
95 has earned a "High-Performing" rating shall be designated a "B"
96 school or school district; a school or school district that has
97 earned a "Successful" rating shall be designated a "C" school or
98 school district; a school or school district that has earned an
99 "Academic Watch" rating shall be designated a "D" school or school
100 district; a school or school district that has earned a
101 "Low-Performing," "At-Risk of Failing" or "Failing" rating shall
102 be designated an "F" school or school district. Effective with
103 the implementation of any new curriculum and assessment standards,
104 the State Board of Education, acting through the State Department
105 of Education, is further authorized and directed to change the
106 school and school district accreditation rating system to a simple
107 "A," "B," "C," "D," and "F" designation based on a combination of
108 student achievement scores and student growth as measured by the
109 statewide testing programs developed by the State Board of
110 Education pursuant to Chapter 16, Title 37, Mississippi Code of
111 1972. In any statute or regulation containing the former
112 accreditation designations, the new designations shall be
113 applicable;

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



(i) The State Board of Education may, based on a written request that contains specific reasons for requesting a waiver from the school districts affected by Hurricane Katrina of 2005, hold harmless school districts from assignment of district and school level accountability ratings for the 2005-2006 school year. The State Board of Education upon finding an extreme hardship in the school district may grant the request. It is the intent of the Legislature that all school districts maintain the highest possible academic standards and instructional programs in all schools as required by law and the State Board of Education.

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

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

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

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



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

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

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

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

(iii) Four-year graduation rate: the percent of students graduating with a standard high school diploma in four (4) years, as defined by federal regulations;

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



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

(vi) The system shall include the federally compliant four-year graduation rate in school and school district accountability system calculations. Graduation rate will apply to high school and school district accountability ratings as a compensatory component. The system shall discontinue the use of the High School Completer Index (HSCI);

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

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

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



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

(d) Effective with the 2019-2020 school year, the State Board of Education acting through the State Department of Education shall develop and implement a Rural Education Development Initiative (REDI) to revise the accountability ratings applicable to rural schools in Mississippi and to provide support for rural schools, to include the following components:

(i) The State Board of Education shall develop a definition of "rural school" and "rural school district," taking into consideration population density, remoteness, school organization, availability of resources, and economic and social conditions.

(ii) The State Board of Education shall develop an accountability model to provide a "Rural School Rating" of 1a, 2a or 3a, taking into consideration the characteristics and needs of students in rural areas. This rating may be released and posted at the same times as other accountability ratings and student assessment scores.

(iii) The State Board of Education shall re-align testing procedures at rural schools that would not include



214 consideration of the special needs students who are tested and who
215 reside in rural areas. The State Department of Education shall
216 waive unrealistic testing procedures at rural schools, including
217 rigid requirements as to the number of certified teachers who must
218 administer student tests. Students in rural schools may opt out
219 of taking standardized tests on computer in cases of hardship,
220 including inadequate number of computers, inadequate number of
221 teacher administrators, and inadequate computer service.

222 (iv) The State Department of Education, subject to
223 the availability of funds appropriated therefor, shall provide
224 additional intervention specialists for rural schools and rural
225 school districts. The department shall develop an application
226 procedure for rural schools and rural school districts to apply
227 for funding for REDI intervention specialists.

228 (v) Subject to the availability of funding
229 appropriated therefor, rural schools may apply for funds to
230 provide distance learning in areas of mathematics, science, home
231 economics and social usage and business and entrepreneurship if
232 the school district does not have a certified teacher available
233 for these classes.

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

237 (7) The State Board of Education shall create an
238 accreditation audit unit under the Commission on School



239 Accreditation to determine whether schools are complying with
240 accreditation standards.

241 (8) The State Board of Education shall be specifically
242 authorized and empowered to withhold adequate education program
243 fund allocations, whichever is applicable, to any public school
244 district for failure to timely report student, school personnel
245 and fiscal data necessary to meet state and/or federal
246 requirements.

247 (9) [Deleted]

248 (10) The State Board of Education shall establish, for those
249 school districts failing to meet accreditation standards, a
250 program of development to be complied with in order to receive
251 state funds, except as otherwise provided in subsection (15) of
252 this section when the Governor has declared a state of emergency
253 in a school district or as otherwise provided in Section 206,
254 Mississippi Constitution of 1890. The state board, in
255 establishing these standards, shall provide for notice to schools
256 and sufficient time and aid to enable schools to attempt to meet
257 these standards, unless procedures under subsection (15) of this
258 section have been invoked.

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



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

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

- (i) instruction; (ii) curriculum; (iii) professional development;
- (iv) personnel and classroom organization; (v) student incentives for performance; (vi) process deficiencies; and (vii) reporting to the local school board, parents and the community. The corrective action plan shall describe the specific individuals responsible for implementing each component of the recommendation and how each will be evaluated. All corrective action plans shall be provided to the State Board of Education as may be required. The decision of the State Board of Education establishing the probationary period of time shall be final;



286 (c) Offer, during the probationary period, technical
287 assistance to the school district in making corrective actions.
288 Beginning July 1, 1998, subject to the availability of funds, the
289 State Department of Education shall provide technical and/or
290 financial assistance to all such school districts in order to
291 implement each measure identified in that district's corrective
292 action plan through professional development and on-site
293 assistance. Each such school district shall apply for and utilize
294 all available federal funding in order to support its corrective
295 action plan in addition to state funds made available under this
296 paragraph;

297 (d) Assign department personnel or contract, in its
298 discretion, with the institutions of higher learning or other
299 appropriate private entities with experience in the academic,
300 finance and other operational functions of schools to assist
301 school districts;

302 (e) Provide for publication of public notice at least
303 one time during the probationary period, in a newspaper published
304 within the jurisdiction of the school district failing to meet
305 accreditation standards, or if no newspaper is published therein,
306 then in a newspaper having a general circulation therein. The
307 publication shall include the following: declaration of school
308 system's status as being on probation; all details relating to the
309 impairment report; and other information as the State Board of
310 Education deems appropriate. Public notices issued under this



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

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

(b) If the State Board of Education and the Commission on School Accreditation determine that an extreme emergency situation exists in a school district that jeopardizes the safety, security or educational interests of the children enrolled in the schools in that district and that emergency situation is believed



to be related to a serious violation or violations of accreditation standards or state or federal law, or when a school district meets the State Board of Education's definition of a failing school district for two (2) consecutive full school years, or if more than fifty percent (50%) of the schools within the school district are designated as Schools At-Risk in any one (1) year, the State Board of Education may request the Governor to declare a state of emergency in that school district. For purposes of this paragraph, the declarations of a state of emergency shall not be limited to those instances when a school district's impairments are related to a lack of financial resources, but also shall include serious failure to meet minimum academic standards, as evidenced by a continued pattern of poor student performance.

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

(i) Declare a state of emergency, under which some or all of state funds can be escrowed except as otherwise provided in Section 206, Constitution of 1890, until the board determines corrective actions are being taken or the deficiencies have been removed, or that the needs of students warrant the release of funds. The funds may be released from escrow for any program which the board determines to have been restored to standard even



though the state of emergency may not as yet be terminated for the district as a whole;

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

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

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

(v) For states of emergency declared under paragraph (a) only, if the accreditation deficiencies are related to the fact that the school district is too small, with too few resources, to meet the required standards and if another school district is willing to accept those students, abolish that district and assign that territory to another school district or districts. If the school district has proposed a voluntary consolidation with another school district or districts, then if the State Board of Education finds that it is in the best interest



of the pupils of the district for the consolidation to proceed,
the voluntary consolidation shall have priority over any such
assignment of territory by the State Board of Education;

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

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

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

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



411 accredited by the Commission on School Accreditation may grant the
412 transfer according to the procedures of Section 37-15-31(1)(b).
413 In the event the accreditation of the student's home district is
414 restored after a transfer has been approved, the student may
415 continue to attend the transferee school district. The per-pupil
416 amount of the adequate education program allotment, including the
417 collective "add-on program" costs for the student's home school
418 district shall be transferred monthly to the school district
419 accredited by the Commission on School Accreditation that has
420 granted the transfer of the school-age child.

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

424 (i) Place the school district into district
425 transformation, in which the school district shall remain until it
426 has fulfilled all conditions related to district transformation.
427 If the district was assigned an accreditation rating of "D" or "F"
428 when placed into district transformation, the district shall be
429 eligible to return to local control when the school district has
430 attained a "C" rating or higher for five (5) consecutive years,
431 unless the State Board of Education determines that the district
432 is eligible to return to local control in less than the five-year
433 period;



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

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

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

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



459 chapters. The Mississippi Department of Education, with the
460 approval of the State Board of Education, shall develop policies
461 for the operation and management of the Mississippi Recovery
462 School District. The deputy state superintendent is responsible
463 for the Mississippi Recovery School District and shall be
464 authorized to oversee the administration of the Mississippi
465 Recovery School District, oversee the interim superintendent
466 assigned by the State Board of Education to a local school
467 district, hear appeals that would normally be filed by students,
468 parents or employees and heard by a local school board, which
469 hearings on appeal shall be conducted in a prompt and timely
470 manner in the school district from which the appeal originated in
471 order to ensure the ability of appellants, other parties and
472 witnesses to appeal without undue burden of travel costs or loss
473 of time from work, and perform other related duties as assigned by
474 the State Superintendent of Public Education. The deputy state
475 superintendent is responsible for the Mississippi Recovery School
476 District and shall determine, based on rigorous professional
477 qualifications set by the State Board of Education, the
478 appropriate individuals to be engaged to be interim
479 superintendents and financial advisors, if applicable, of all
480 school districts subject to district transformation status. After
481 State Board of Education approval, these individuals shall be
482 deemed independent contractors.



483 (13) Upon the declaration of a state of emergency in a
484 school district under subsection (12) of this section, the
485 Commission on School Accreditation shall be responsible for public
486 notice at least once a week for at least three (3) consecutive
487 weeks in a newspaper published within the jurisdiction of the
488 school district failing to meet accreditation standards, or if no
489 newspaper is published therein, then in a newspaper having a
490 general circulation therein. The size of the notice shall be no
491 smaller than one-fourth (1/4) of a standard newspaper page and
492 shall be printed in bold print. If an interim superintendent has
493 been appointed for the school district, the notice shall begin as
494 follows: "By authority of Section 37-17-6, Mississippi Code of
495 1972, as amended, adopted by the Mississippi Legislature during
496 the 1991 Regular Session, this school district (name of school
497 district) is hereby placed under the jurisdiction of the State
498 Department of Education acting through its appointed interim
499 superintendent (name of interim superintendent)."

500 The notice also shall include, in the discretion of the State
501 Board of Education, any or all details relating to the school
502 district's emergency status, including the declaration of a state
503 of emergency in the school district and a description of the
504 district's impairment deficiencies, conditions of any district
505 transformation status and corrective actions recommended and being
506 taken. Public notices issued under this section shall be subject



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

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

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

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

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



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

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

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

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

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



555 (v) Approving or disapproving all athletic, band
556 and other extracurricular activities and any matters related to
557 those activities;

558 (vi) Maintaining a detailed account of
559 recommendations made to the district and actions taken in response
560 to those recommendations;

561 (vii) Reporting periodically to the State Board of
562 Education on the progress or lack of progress being made in the
563 district to improve the district's impairments during the state of
564 emergency; and

565 (viii) Appointing a parent advisory committee,
566 comprised of parents of students in the school district that may
567 make recommendations to the interim superintendent concerning the
568 administration, management and operation of the school district.

569 The cost of the salary of the interim superintendent and any
570 other actual and necessary costs related to district
571 transformation status paid by the State Department of Education
572 shall be reimbursed by the local school district from funds other
573 than adequate education program funds. The department shall
574 submit an itemized statement to the superintendent of the local
575 school district for reimbursement purposes, and any unpaid balance
576 may be withheld from the district's adequate education program
577 funds.

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



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

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

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



605 the School District Emergency Assistance Fund by the school
606 district from any allowable funds that are available. The total
607 amount loaned to the district shall be due and payable within five
608 (5) years after the impairments related to a lack of financial
609 resources are corrected. If a school district fails to make
610 payments on the loan in accordance with the terms of the agreement
611 between the district and the State Board of Education, the State
612 Department of Education, in accordance with rules and regulations
613 established by the State Board of Education, may withhold that
614 district's adequate education program funds in an amount and
615 manner that will effectuate repayment consistent with the terms of
616 the agreement; the funds withheld by the department shall be
617 deposited into the School District Emergency Assistance Fund.

618 The State Board of Education shall develop a protocol that
619 will outline the performance standards and requisite timeline
620 deemed necessary for extreme emergency measures. If the State
621 Board of Education determines that an extreme emergency exists,
622 simultaneous with the powers exercised in this subsection, it
623 shall take immediate action against all parties responsible for
624 the affected school districts having been determined to be in an
625 extreme emergency. The action shall include, but not be limited
626 to, initiating civil actions to recover funds and criminal actions
627 to account for criminal activity. Any funds recovered by the
628 State Auditor or the State Board of Education from the surety
629 bonds of school officials or from any civil action brought under



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

632 (16) If a majority of the membership of the school board of
633 any school district resigns from office, the State Board of
634 Education shall be authorized to assign an interim superintendent,
635 who shall be responsible for the administration, management and
636 operation of the school district until the time as new board
637 members are selected or the Governor declares a state of emergency
638 in that school district under subsection (12), whichever occurs
639 first. In that case, the State Board of Education, acting through
640 the interim superintendent, shall have all powers which were held
641 by the previously existing school board, and may take any action
642 as prescribed in Section 37-17-13 and/or one or more of the
643 actions authorized in this section.

644 (17) (a) If the Governor declares a state of emergency in a
645 school district, the State Board of Education may take all such
646 action pertaining to that school district as is authorized under
647 subsection (12) or (15) of this section, including the appointment
648 of an interim superintendent. The State Board of Education shall
649 also have the authority to issue a written request with
650 documentation to the Governor asking that the office of the
651 superintendent of the school district be subject to recall. If
652 the Governor declares that the office of the superintendent of the
653 school district is subject to recall, the local school board or



654 the county election commission, as the case may be, shall take the
655 following action:

656 (i) If the office of superintendent is an elected
657 office, in those years in which there is no general election, the
658 name shall be submitted by the State Board of Education to the
659 county election commission, and the county election commission
660 shall submit the question at a special election to the voters
661 eligible to vote for the office of superintendent within the
662 county, and the special election shall be held within sixty (60)
663 days from notification by the State Board of Education. The
664 ballot shall read substantially as follows:

665 "Shall County Superintendent of Education _____ (here the
666 name of the superintendent shall be inserted) of the _____
667 (here the title of the school district shall be inserted) be
668 retained in office? Yes _____ No _____"

669 If a majority of those voting on the question votes against
670 retaining the superintendent in office, a vacancy shall exist
671 which shall be filled in the manner provided by law; otherwise,
672 the superintendent shall remain in office for the term of that
673 office, and at the expiration of the term shall be eligible for
674 qualification and election to another term or terms.

675 (ii) If the office of superintendent is an
676 appointive office, the name of the superintendent shall be
677 submitted by the president of the local school board at the next
678 regular meeting of the school board for retention in office or



679 dismissal from office. If a majority of the school board voting
680 on the question vote against retaining the superintendent in
681 office, a vacancy shall exist which shall be filled as provided by
682 law, otherwise the superintendent shall remain in office for the
683 duration of his employment contract.

684 (b) The State Board of Education may issue a written
685 request with documentation to the Governor asking that the
686 membership of the school board of the school district shall be
687 subject to recall. Whenever the Governor declares that the
688 membership of the school board is subject to recall, the county
689 election commission or the local governing authorities, as the
690 case may be, shall take the following action:

691 (i) If the members of the local school board are
692 elected to office, in those years in which the specific member's
693 office is not up for election, the name of the school board member
694 shall be submitted by the State Board of Education to the county
695 election commission, and the county election commission at a
696 special election shall submit the question to the voters eligible
697 to vote for the particular member's office within the county or
698 school district, as the case may be, and the special election
699 shall be held within sixty (60) days from notification by the
700 State Board of Education. The ballot shall read substantially as
701 follows:

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



704 election this year are subject to recall because of the school
705 district's failure to meet critical accountability standards as
706 defined in the letter of notification to the Governor from the
707 State Board of Education. Shall the member of the school board
708 representing this area, _____ (here the name of the school
709 board member holding the office shall be inserted), be retained in
710 office? Yes _____ No _____"

711 If a majority of those voting on the question vote against
712 retaining the member of the school board in office, a vacancy in
713 that board member's office shall exist, which shall be filled in
714 the manner provided by law; otherwise, the school board member
715 shall remain in office for the term of that office, and at the
716 expiration of the term of office, the member shall be eligible for
717 qualification and election to another term or terms of office.
718 However, if a majority of the school board members are recalled in
719 the special election, the Governor shall authorize the board of
720 supervisors of the county in which the school district is situated
721 to appoint members to fill the offices of the members recalled.
722 The board of supervisors shall make those appointments in the
723 manner provided by law for filling vacancies on the school board,
724 and the appointed members shall serve until the office is filled
725 at the next regular special election or general election.

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



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

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

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

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



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

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

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

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



779 **SECTION 2.** This act shall take effect and be in force from
780 and after July 1, 2019.

