

By: Senator(s) Norwood, Butler (36th),
Jordan, Jackson, Blount, Turner-Ford, Thomas,
Butler (38th)

To: Education;
Appropriations

SENATE BILL NO. 2553

1 AN ACT TO AMEND SECTION 37-28-55, MISSISSIPPI CODE OF 1972,
2 TO MODIFY THE FORMULA FOR CALCULATING THE AMOUNT OF PRO RATA AD
3 VALOREM FUNDS TO BE PAID TO CHARTER SCHOOLS BY LOCAL SCHOOL
4 DISTRICTS TO ENSURE EQUITABLE FUNDING BETWEEN EACH SCHOOL; AND FOR
5 RELATED PURPOSES.

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

7 **SECTION 1.** Section 37-28-55, Mississippi Code of 1972, is
8 amended as follows:

9 37-28-55. (1) (a) The State Department of Education shall
10 make payments to charter schools for each student in average daily
11 attendance at the charter school equal to the state share of the
12 adequate education program payments for each student in average
13 daily attendance at the school district in which the charter
14 school is located. In calculating the local contribution for
15 purposes of determining the state share of the adequate education
16 program payments, the department shall deduct the pro rata local
17 contribution of the school district in which the student resides,
18 to be determined as provided in Section 37-151-7(2) (a).



19 (b) Payments made pursuant to this subsection by the
20 State Department of Education must be made at the same time and in
21 the same manner as adequate education program payments are made to
22 school districts under Sections 37-151-101 and 37-151-103.
23 Amounts payable to a charter school must be determined by the
24 State Department of Education. Amounts payable to a charter
25 school over its charter term must be based on the enrollment
26 projections set forth over the term of the charter contract. Such
27 projections must be reconciled with the average daily attendance
28 using months two (2) and three (3) ADA for the current year for
29 which adequate education program funds are being appropriated and
30 any necessary adjustments must be made to payments during the
31 school's following year of operation.

32 (2) For students attending a charter school located in the
33 school district in which the student resides, the school district
34 in which a charter school is located shall pay directly to the
35 charter school an amount for each student enrolled in the charter
36 school equal to the ad valorem tax receipts and in-lieu payments
37 received per pupil for the support of the local school district in
38 which the student resides. The pro rata ad valorem receipts and
39 in-lieu receipts to be transferred to the charter school shall
40 include all levies for the support of the local school district
41 under Sections 37-57-1 (local contribution to the adequate
42 education program) and 37-57-105 (school district operational
43 levy) and may not include any taxes levied for the retirement of



44 the local school district's bonded indebtedness or short-term
45 notes or any taxes levied for the support of vocational-technical
46 education programs. The amount of funds payable to the charter
47 school by the school district must be based on the previous year's
48 enrollment data and ad valorem receipts and in-lieu receipts of
49 the local school district in which the student resides and the
50 portion of the charter school's average daily membership for month
51 one (1) reflecting students who reside in the school district.
52 The pro rata amount must be calculated by dividing the sum of the
53 local school district's months one (1) through nine (9) average
54 daily membership and the portion of the charter school's average
55 daily membership for month one (1) of the current year reflecting
56 students who reside in the school district into the total amount
57 of ad valorem receipts and in-lieu receipts, as reported to the
58 State Department of Education by the local school district. The
59 local school district shall pay an amount equal to this pro rata
60 amount multiplied by the number of students enrolled in the
61 charter school, based on the charter school's end of first month
62 enrollment for the current school year. The amount must be paid
63 by the school district to the charter school before * * * March 15
64 of the current fiscal year. If the local school district does not
65 pay the required amount to the charter school before * * * March
66 15, the State Department of Education shall reduce the local
67 school district's * * * transfer of Mississippi Adequate Education
68 Program funds by the amount owed to the charter school and shall



69 redirect that amount to the charter school. Any such payments
70 made under this subsection (2) by the State Department of
71 Education to a charter school must be made at the same time and in
72 the same manner as adequate education program payments are made to
73 school districts under Sections 37-151-101 and 37-151-103.

74 (3) For students attending a charter school located in a
75 school district in which the student does not reside, the State
76 Department of Education shall pay to the charter school in which
77 the student is enrolled an amount as follows: the pro rata ad
78 valorem receipts and in-lieu payments per pupil for the support of
79 the local school district in which the student resides under
80 Sections 37-57-1 (local contribution to the adequate education
81 program) and 37-57-105 (school district operational levy),
82 however, not including any taxes levied for the retirement of the
83 local school district's bonded indebtedness or short-term notes or
84 any taxes levied for the support of vocational-technical education
85 programs. The amount of funds payable to the charter school by
86 the school district must be based on the previous year's
87 enrollment data and ad valorem receipts and in-lieu receipts of
88 the local school district in which the student resides and the
89 portion of the charter school's average daily membership for month
90 one (1) reflecting students who reside in the school district.
91 The pro rata amount must be calculated by dividing the sum of the
92 local school district's months one (1) through nine (9) average
93 daily membership and the portion of the charter school's average



94 daily membership for month one (1) of the current year reflecting
95 students who reside in the school district into the total amount
96 of ad valorem receipts and in-lieu receipts, as reported to the
97 State Department of Education by the transferor local school
98 district. The payable amount shall be equal to this pro rata
99 amount multiplied by the number of students enrolled in the
100 charter school, based on the charter school's end of first month
101 enrollment for the current school year. The State Department of
102 Education shall reduce the school district's January transfer of
103 Mississippi Adequate Education Program funds by the amount owed to
104 the charter school and shall redirect that amount to the charter
105 school. Any such payments made under this subsection (3) by the
106 State Department of Education to a charter school must be made at
107 the same time and in the same manner as adequate education program
108 payments are made to school districts under Sections 37-151-101
109 and 37-151-103.

110 (4) (a) The State Department of Education shall direct the
111 proportionate share of monies generated under federal and state
112 categorical aid programs, including special education, vocational,
113 gifted and alternative school programs, to charter schools serving
114 students eligible for such aid. The department shall ensure that
115 charter schools with rapidly expanding enrollments are treated
116 equitably in the calculation and disbursement of all federal and
117 state categorical aid program dollars. Each charter school that
118 serves students who may be eligible to receive services provided



119 through such programs shall comply with all reporting requirements
120 to receive the aid.

121 (b) A charter school shall pay to a local school
122 district any federal or state aid attributable to a student with a
123 disability attending the charter school in proportion to the level
124 of services for that student which the local school district
125 provides directly or indirectly.

126 (c) Subject to the approval of the authorizer, a
127 charter school and a local school district may negotiate and enter
128 into a contract for the provision of and payment for special
129 education services, including, but not necessarily limited to, a
130 reasonable reserve not to exceed five percent (5%) of the local
131 school district's total budget for providing special education
132 services. The reserve may be used by the local school district
133 only to offset excess costs of providing services to students with
134 disabilities enrolled in the charter school.

135 (5) (a) The State Department of Education shall disburse
136 state transportation funding to a charter school on the same basis
137 and in the same manner as it is paid to school districts under the
138 adequate education program.

139 (b) A charter school may enter into a contract with a
140 school district or private provider to provide transportation to
141 the school's students.

142 **SECTION 2.** This act shall take effect and be in force from
143 and after July 1, 2023.

