

**Adopted
SUBSTITUTE NO 1 FOR COMMITTEE AMENDMENT NO 1 PROPOSED
TO**

House Bill No. 1369

BY: Senator(s) DeBar

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

34 **SECTION 1.** Section 37-151-7, Mississippi Code of 1972, is
35 amended as follows:

36 37-151-7. The annual allocation to each school district for
37 the operation of the adequate education program shall be
38 determined as follows:

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



43 (a) **Determination of average daily attendance.**
44 Effective with fiscal year 2011, the State Department of Education
45 shall determine the percentage change from the prior year of each
46 year of each school district's average of months two (2) and three
47 (3) average daily attendance (ADA) for the three (3) immediately
48 preceding school years of the year for which funds are being
49 appropriated. For any school district that experiences a positive
50 growth in the average of months two (2) and three (3) ADA each
51 year of the three (3) years, the average percentage growth over
52 the three-year period shall be multiplied times the school
53 district's average of months two (2) and three (3) ADA for the
54 year immediately preceding the year for which MAEP funds are being
55 appropriated. The resulting amount shall be added to the school
56 district's average of months two (2) and three (3) ADA for the
57 year immediately preceding the year for which MAEP funds are being
58 appropriated to arrive at the ADA to be used in determining a
59 school district's MAEP allocation. Otherwise, months two (2) and
60 three (3) ADA for the year immediately preceding the year for
61 which MAEP funds are being appropriated will be used in
62 determining a school district's MAEP allocation. In any fiscal
63 year prior to 2010 in which the MAEP formula is not fully funded,
64 for those districts that do not demonstrate a three-year positive
65 growth in months two (2) and three (3) ADA, months one (1) through
66 nine (9) ADA of the second preceding year for which funds are
67 being appropriated or months two (2) and three (3) ADA of the



68 preceding year for which funds are being appropriated, whichever
69 is greater, shall be used to calculate the district's MAEP
70 allocation. The district's average daily attendance shall be
71 computed and currently maintained in accordance with regulations
72 promulgated by the State Board of Education. The district's
73 average daily attendance shall include any student enrolled in a
74 Dual Enrollment-Dual Credit Program as defined and provided in
75 Section 37-15-38(19). The State Department of Education shall
76 make payments for Dual Enrollment-Dual Credit Programs to the home
77 school in which the student is enrolled, in accordance with
78 regulations promulgated by the State Board of Education. The
79 community college providing services to students in a Dual
80 Enrollment-Dual Credit Program shall require payment from the home
81 school district for services provided to such students at a rate
82 of one hundred percent (100%) of ADA. All MAEP/state funding
83 shall cease upon completion of high school graduation
84 requirements.

85 (b) **Determination of base student cost.** Effective with
86 fiscal year 2011 and every fourth fiscal year thereafter, the
87 State Board of Education, on or before August 1, with adjusted
88 estimate no later than January 2, shall submit to the Legislative
89 Budget Office and the Governor a proposed base student cost
90 adequate to provide the following cost components of educating a
91 pupil in a successful school district: (i) instructional cost;
92 (ii) administrative cost; (iii) operation and maintenance of



93 plant; and (iv) ancillary support cost. For purposes of these
94 calculations, the Department of Education shall utilize financial
95 data from the second preceding year of the year for which funds
96 are being appropriated.

97 For the instructional cost component, the Department of
98 Education shall select districts that have been identified as
99 instructionally successful and have a ratio of a number of
100 teachers per one thousand (1,000) students that is between one (1)
101 standard deviation above the mean and two (2) standard deviations
102 below the mean of the statewide average of teachers per one
103 thousand (1,000) students. The instructional cost component shall
104 be calculated by dividing the latest available months one (1)
105 through nine (9) ADA into the instructional expenditures of these
106 selected districts. For the purpose of this calculation, the
107 Department of Education shall use the following funds, functions
108 and objects:

109 Fund 1120 Functions 1110-1199 Objects 100-999, Functions
110 1210, 1220, 2150-2159 Objects 210 and 215;

111 Fund 1130 All Functions, Object Code 210 and 215;

112 Fund 2001 Functions 1110-1199 Objects 100-999;

113 Fund 2070 Functions 1110-1199 Objects 100-999;

114 Fund 2420 Functions 1110-1199 Objects 100-999;

115 Fund 2711 All Functions, Object Code 210 and 215.

116 Prior to the calculation of the instructional cost component,
117 there shall be subtracted from the above expenditures any revenue



118 received for Chickasaw Cession payments, Master Teacher
119 Certification payments and the district's portion of state revenue
120 received from the MAEP at-risk allocation.

121 For the administrative cost component, the Department of
122 Education shall select districts that have been identified as
123 instructionally successful and have a ratio of an administrative
124 staff to nonadministrative staff between one (1) standard
125 deviation above the mean and two (2) standard deviations below the
126 mean of the statewide average administrative staff to
127 nonadministrative staff. The administrative cost component shall
128 be calculated by dividing the latest available months one (1)
129 through nine (9) ADA of the selected districts into the
130 administrative expenditures of these selected districts. For the
131 purpose of this calculation, the Department of Education shall use
132 the following funds, functions and objects:

133 Fund 1120 Functions 2300-2599, Functions 2800-2899,
134 Objects 100-999;

135 Fund 2711 Functions 2300-2599, Functions 2800-2899,
136 Objects 100-999.

137 For the plant and maintenance cost component, the Department
138 of Education shall select districts that have been identified as
139 instructionally successful and have a ratio of plant and
140 maintenance expenditures per one hundred thousand (100,000) square
141 feet of building space and a ratio of maintenance workers per one
142 hundred thousand (100,000) square feet of building space that are



143 both between one (1) standard deviation above the mean and two (2)
144 standard deviations below the mean of the statewide average. The
145 plant and maintenance cost component shall be calculated by
146 dividing the latest available months one (1) through nine (9) ADA
147 of the selected districts into the plant and maintenance
148 expenditures of these selected districts. For the purpose of this
149 calculation, the Department of Education shall use the following
150 funds, functions and objects:

151 Fund 1120 Functions 2600-2699, Objects 100-699
152 and Objects 800-999;

153 Fund 2711 Functions 2600-2699, Objects 100-699
154 and Objects 800-999;

155 Fund 2430 Functions 2600-2699, Objects 100-699
156 and Objects 800-999.

157 For the ancillary support cost component, the Department of
158 Education shall select districts that have been identified as
159 instructionally successful and have a ratio of a number of
160 librarians, media specialists, guidance counselors and
161 psychologists per one thousand (1,000) students that is between
162 one (1) standard deviation above the mean and two (2) standard
163 deviations below the mean of the statewide average of librarians,
164 media specialists, guidance counselors and psychologists per one
165 thousand (1,000) students. The ancillary cost component shall be
166 calculated by dividing the latest available months one (1) through
167 nine (9) ADA into the ancillary expenditures instructional



168 expenditures of these selected districts. For the purpose of this
169 calculation, the Department of Education shall use the following
170 funds, functions and objects:

171 Fund 1120 Functions 2110-2129, Objects 100-999;

172 Fund 1120 Functions 2140-2149, Objects 100-999;

173 Fund 1120 Functions 2220-2229, Objects 100-999;

174 Fund 2001 Functions 2100-2129, Objects 100-999;

175 Fund 2001 Functions 2140-2149, Objects 100-999;

176 Fund 2001 Functions 2220-2229, Objects 100-999.

177 The total base cost for each year shall be the sum of the
178 instructional cost component, administrative cost component, plant
179 and maintenance cost component and ancillary support cost
180 component, and any estimated adjustments for additional state
181 requirements as determined by the State Board of Education.

182 Provided, however, that the base student cost in fiscal year 1998
183 shall be Two Thousand Six Hundred Sixty-four Dollars (\$2,664.00).

184 For each of the fiscal years between the recalculation of the
185 base student cost under the provisions of this paragraph (b), the
186 base student cost shall be increased by an amount equal to * * *
187 twenty-five percent (25%) of the base student cost for the
188 previous fiscal year, multiplied by the * * * twenty-year average
189 annual rate of inflation rounded up to the nearest tenth of a
190 percent for the State of Mississippi as determined by the State
191 Economist, plus any adjustments for additional state requirements



192 such as, but not limited to, teacher pay raises and health
193 insurance premium increases.

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

198 Multiply the average daily attendance of the district by the
199 base student cost as established by the Legislature, which yields
200 the total base program cost for each school district.

201 (d) **Adjustment to the base student cost for at-risk**
202 **pupils.** The amount to be included for at-risk pupil programs for
203 each school district shall be computed as follows: Multiply the
204 base student cost for the appropriate fiscal year as determined
205 under paragraph (b) by five percent (5%), and multiply that
206 product by the number of pupils participating in the federal free
207 school lunch program in such school district, which yields the
208 total adjustment for at-risk pupil programs for such school
209 district.

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

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



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

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

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

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

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

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

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

239 The sum of the items listed above (i) transportation, (ii)
240 vocational or technical education, (iii) special education, (iv)
241 gifted education, (v) alternative school, (vi) extended school



242 year, (vii) university-based, and (viii) bus driver training shall
243 yield the add-on cost for each school district.

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

245 The total Mississippi Adequate Education Program cost shall be the
246 sum of the total basic adequate education program cost (paragraph
247 (c)), and the adjustment to the base student cost for at-risk
248 pupils (paragraph (d)) for each school district. In any year in
249 which the MAEP is not fully funded, the Legislature shall direct
250 the Department of Education in the K-12 appropriation bill as to
251 how to allocate MAEP funds to school districts for that year.

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

257 (2) **Computation of the required local revenue in support of**
258 **the adequate education program.** The amount that each district
259 shall provide toward the cost of the adequate education program
260 shall be calculated as follows:

261 (a) The State Department of Education shall certify to
262 each school district that twenty-eight (28) mills, less the
263 estimated amount of the yield of the School Ad Valorem Tax
264 Reduction Fund grants as determined by the State Department of
265 Education, is the millage rate required to provide the district
266 required local effort for that year, or * * * twenty-nine and



267 one-half percent (29.5%) of the basic adequate education program
268 cost for such school district as determined under paragraph (c),
269 whichever is a lesser amount. In the case of an agricultural high
270 school, the millage requirement shall be set at a level which
271 generates an equitable amount per pupil to be determined by the
272 State Board of Education. The local contribution amount for
273 school districts in which there is located one or more charter
274 schools will be calculated using the following methodology: using
275 the adequate education program twenty-eight (28) mill value, or
276 the * * * twenty-nine and one-half percent (29.5%) cap amount
277 (whichever is less) for each school district in which a charter
278 school is located, an average per pupil amount will be calculated.
279 This average per pupil amount will be multiplied times the number
280 of students attending the charter school in that school district.
281 The sum becomes the charter school's local contribution to the
282 adequate education program.

283 (b) The State Department of Education shall determine
284 the following from the annual assessment information submitted to
285 the department by the tax assessors of the various counties: (i)
286 the total assessed valuation of nonexempt property for school
287 purposes in each school district; (ii) assessed value of exempt
288 property owned by homeowners aged sixty-five (65) or older or
289 disabled as defined in Section 27-33-67(2), Mississippi Code of
290 1972; (iii) the school district's tax loss from exemptions
291 provided to applicants under the age of sixty-five (65) and not



292 disabled as defined in Section 27-33-67(1), Mississippi Code of
293 1972; and (iv) the school district's homestead reimbursement
294 revenues.

295 (c) The amount of the total adequate education program
296 funding which shall be contributed by each school district shall
297 be the sum of the ad valorem receipts generated by the millage
298 required under this subsection plus the following local revenue
299 sources for the appropriate fiscal year which are or may be
300 available for current expenditure by the school district:

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

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

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

307 (a) The required state effort in support of the
308 adequate education program shall be determined by subtracting the
309 sum of the required local tax effort as set forth in subsection
310 (2) (a) of this section and the other local revenue sources as set
311 forth in subsection (2) (c) of this section in an amount not to
312 exceed * * * twenty-nine and one-half percent (29.5%) of the total
313 projected adequate education program cost as set forth in
314 subsection (1) (f) of this section from the total projected
315 adequate education program cost as set forth in subsection (1) (f)
316 of this section.



317 (b) Provided, however, that in fiscal year 2015, any
318 increase in the said state contribution to any district calculated
319 under this section shall be not less than six percent (6%) in
320 excess of the amount received by said district from state funds
321 for fiscal year 2002; in fiscal year 2016, any increase in the
322 said state contribution to any district calculated under this
323 section shall be not less than four percent (4%) in excess of the
324 amount received by said district from state funds for fiscal year
325 2002; in fiscal year 2017, any increase in the said state
326 contribution to any district calculated under this section shall
327 be not less than two percent (2%) in excess of the amount received
328 by said district from state funds for fiscal year 2002; and in
329 fiscal year 2018 and thereafter, any increase in the said state
330 contribution to any district calculated under this section shall
331 be zero percent (0%). For purposes of this paragraph (b), state
332 funds shall include minimum program funds less the add-on
333 programs, State Uniform Millage Assistance Grant Funds, Education
334 Enhancement Funds appropriated for Uniform Millage Assistance
335 Grants and state textbook allocations, and State General Funds
336 allocated for textbooks.

337 (c) If the school board of any school district shall
338 determine that it is not economically feasible or practicable to
339 operate any school within the district for the full one hundred
340 eighty (180) days required for a school term of a scholastic year
341 as required in Section 37-13-63, Mississippi Code of 1972, due to



342 an enemy attack, a man-made, technological or natural disaster in
343 which the Governor has declared a disaster emergency under the
344 laws of this state or the President of the United States has
345 declared an emergency or major disaster to exist in this state,
346 said school board may notify the State Department of Education of
347 such disaster and submit a plan for altering the school term. If
348 the State Board of Education finds such disaster to be the cause
349 of the school not operating for the contemplated school term and
350 that such school was in a school district covered by the
351 Governor's or President's disaster declaration, it may permit said
352 school board to operate the schools in its district for less than
353 one hundred eighty (180) days and, in such case, the State
354 Department of Education shall not reduce the state contributions
355 to the adequate education program allotment for such district,
356 because of the failure to operate said schools for one hundred
357 eighty (180) days.

358 (d) Provided, however, that in fiscal year 2024,
359 subject to appropriations, no school district shall receive less
360 than a district received in fiscal year 2023 in said state
361 contribution, including the amount provided for the fiscal year
362 2023 teacher and assistant teacher pay raise separate from the
363 adequate education program.

364 (4) The Interim School District Capital Expenditure Fund is
365 hereby established in the State Treasury which shall be used to
366 distribute any funds specifically appropriated by the Legislature



367 to such fund to school districts entitled to increased allocations
368 of state funds under the adequate education program funding
369 formula prescribed in Sections 37-151-3 through 37-151-7,
370 Mississippi Code of 1972, until such time as the said adequate
371 education program is fully funded by the Legislature. The
372 following percentages of the total state cost of increased
373 allocations of funds under the adequate education program funding
374 formula shall be appropriated by the Legislature into the Interim
375 School District Capital Expenditure Fund to be distributed to all
376 school districts under the formula: Nine and two-tenths percent
377 (9.2%) shall be appropriated in fiscal year 1998, twenty percent
378 (20%) shall be appropriated in fiscal year 1999, forty percent
379 (40%) shall be appropriated in fiscal year 2000, sixty percent
380 (60%) shall be appropriated in fiscal year 2001, eighty percent
381 (80%) shall be appropriated in fiscal year 2002, and one hundred
382 percent (100%) shall be appropriated in fiscal year 2003 into the
383 State Adequate Education Program Fund. Until July 1, 2002, such
384 money shall be used by school districts for the following
385 purposes:

386 (a) Purchasing, erecting, repairing, equipping,
387 remodeling and enlarging school buildings and related facilities,
388 including gymnasiums, auditoriums, lunchrooms, vocational training
389 buildings, libraries, school barns and garages for transportation
390 vehicles, school athletic fields and necessary facilities
391 connected therewith, and purchasing land therefor. Any such



392 capital improvement project by a school district shall be approved
393 by the State Board of Education, and based on an approved
394 long-range plan. The State Board of Education shall promulgate
395 minimum requirements for the approval of school district capital
396 expenditure plans.

397 (b) Providing necessary water, light, heating,
398 air-conditioning, and sewerage facilities for school buildings,
399 and purchasing land therefor.

400 (c) Paying debt service on existing capital improvement
401 debt of the district or refinancing outstanding debt of a district
402 if such refinancing will result in an interest cost savings to the
403 district.

404 (d) From and after October 1, 1997, through June 30,
405 1998, pursuant to a school district capital expenditure plan
406 approved by the State Department of Education, a school district
407 may pledge such funds until July 1, 2002, plus funds provided for
408 in paragraph (e) of this subsection (4) that are not otherwise
409 permanently pledged under such paragraph (e) to pay all or a
410 portion of the debt service on debt issued by the school district
411 under Sections 37-59-1 through 37-59-45, 37-59-101 through
412 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,
413 37-7-301, 37-7-302 and 37-41-81, Mississippi Code of 1972, or debt
414 issued by boards of supervisors for agricultural high schools
415 pursuant to Section 37-27-65, Mississippi Code of 1972, or
416 lease-purchase contracts entered into pursuant to Section 31-7-13,



417 Mississippi Code of 1972, or to retire or refinance outstanding
418 debt of a district, if such pledge is accomplished pursuant to a
419 written contract or resolution approved and spread upon the
420 minutes of an official meeting of the district's school board or
421 board of supervisors. It is the intent of this provision to allow
422 school districts to irrevocably pledge their Interim School
423 District Capital Expenditure Fund allotments as a constant stream
424 of revenue to secure a debt issued under the foregoing code
425 sections. To allow school districts to make such an irrevocable
426 pledge, the state shall take all action necessary to ensure that
427 the amount of a district's Interim School District Capital
428 Expenditure Fund allotments shall not be reduced below the amount
429 certified by the department or the district's total allotment
430 under the Interim Capital Expenditure Fund if fully funded, so
431 long as such debt remains outstanding.

432 (e) [Repealed]

433 (f) [Repealed]

434 (g) The State Board of Education may authorize the
435 school district to expend not more than twenty percent (20%) of
436 its annual allotment of such funds or Twenty Thousand Dollars
437 (\$20,000.00), whichever is greater, for technology needs of the
438 school district, including computers, software,
439 telecommunications, cable television, interactive video, film,
440 low-power television, satellite communications, microwave
441 communications, technology-based equipment installation and



442 maintenance, and the training of staff in the use of such
443 technology-based instruction. Any such technology expenditure
444 shall be reflected in the local district technology plan approved
445 by the State Board of Education under Section 37-151-17,
446 Mississippi Code of 1972.

447 (h) To the extent a school district has not utilized
448 twenty percent (20%) of its annual allotment for technology
449 purposes under paragraph (g), a school district may expend not
450 more than twenty percent (20%) of its annual allotment or Twenty
451 Thousand Dollars (\$20,000.00), whichever is greater, for
452 instructional purposes. The State Board of Education may
453 authorize a school district to expend more than said twenty
454 percent (20%) of its annual allotment for instructional purposes
455 if it determines that such expenditures are needed for
456 accreditation purposes.

457 (i) The State Department of Education or the State
458 Board of Education may require that any project commenced under
459 this section with an estimated project cost of not less than Five
460 Million Dollars (\$5,000,000.00) shall be done only pursuant to
461 program management of the process with respect to design and
462 construction. Any individuals, partnerships, companies or other
463 entities acting as a program manager on behalf of a local school
464 district and performing program management services for projects
465 covered under this subsection shall be approved by the State
466 Department of Education.



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

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

474 (5) The State Department of Education shall make payments to
475 charter schools for each student in average daily attendance at
476 the charter school equal to the state share of the adequate
477 education program payments for each student in average daily
478 attendance at the school district in which the public charter
479 school is located. In calculating the local contribution for
480 purposes of determining the state share of the adequate education
481 program payments, the department shall deduct the pro rata local
482 contribution of the school district in which the student resides
483 as determined in subsection (2)(a) of this section.

484 **SECTION 2.** Section 37-57-1, Mississippi Code of 1972, is
485 amended as follows:

486 37-57-1. (1) (a) The boards of supervisors of the counties
487 shall levy and collect all taxes for and on behalf of all school
488 districts which were within the county school system or designated
489 as special municipal separate school districts prior to July 1,
490 1986. Such taxes shall be collected by the county tax collector
491 at the same time and in the same manner as county taxes are



492 collected by him, and the same penalties for delinquency shall be
493 applicable.

494 The governing authorities of the municipalities shall levy
495 and collect all taxes for and on behalf of all school districts
496 which were designated as municipal separate school districts prior
497 to July 1, 1986. Such taxes shall be collected by the municipal
498 tax collector at the same time and in the same manner as municipal
499 taxes are collected by him, and the same penalties for delinquency
500 shall be applicable.

501 Except as otherwise provided in Section 19-9-171, the county
502 or municipal tax collector, as the case may be, shall pay such tax
503 collections, except for taxes collected for the payment of the
504 principal of and interest on school bonds or notes and except for
505 taxes collected to defray collection costs, into the school
506 depository and report to the school board of the appropriate
507 school district at the same time and in the same manner as the tax
508 collector makes his payments and reports of other taxes collected
509 by him.

510 Provided, however, the State Board of Education shall
511 determine the appropriate levying authority for any school
512 district created or reorganized after July 1, 1987.

513 (b) For the purposes of this chapter and any other laws
514 pertaining to taxes levied or bonds or notes issued for and on
515 behalf of school districts, the term "levying authority" means the
516 board of supervisors of the county or the governing authorities of



517 the municipality, whichever levies taxes for and on behalf of the
518 particular school district as provided in paragraphs (a) and (b)
519 of this subsection.

520 (2) The levying authority for the school district shall, at
521 the same time and in the same manner as other taxes are levied by
522 the levying authority, levy a tax of not less than twenty-eight
523 (28) mills for the then current fiscal year, less the estimated
524 amount of the yield of the School Ad Valorem Tax Reduction Fund
525 grant to the school district as determined by the State Department
526 of Education or * * * twenty-nine and one-half percent (29.5%) of
527 the basic adequate education program cost for such school
528 district, whichever is a lesser amount, upon all of the taxable
529 property of the school district, as required under Section
530 37-151-7(2) (a). However, in no case shall the minimum local ad
531 valorem tax effort for any school district be equal to an amount
532 that would require a millage rate exceeding fifty-five (55) mills
533 in that school district. Provided, however, that if a levying
534 authority is levying in excess of fifty-five (55) mills on July 1,
535 1997, the levying authority may levy an additional amount not
536 exceeding three (3) mills in the aggregate for the period
537 beginning July 1, 1997, and ending June 30, 2003, subject to the
538 limitation on increased receipts from ad valorem taxes prescribed
539 in Sections 37-57-105 and 37-57-107. Nothing in this subsection
540 shall be construed to require any school district that is levying
541 more than fifty-five (55) mills pursuant to Sections 37-57-1 and



542 37-57-105 to decrease its millage rate to fifty-five (55) mills or
543 less. In making such levy, the levying authority shall levy an
544 additional amount sufficient to cover anticipated delinquencies
545 and costs of collection so that the net amount of money to be
546 produced by such levy shall be equal to the amount which the
547 school district is required to contribute as its said minimum
548 local ad valorem tax effort. The tax so levied shall be collected
549 by the tax collector at the same time and in the same manner as
550 other ad valorem taxes are collected by him. The amount of taxes
551 so collected as a result of such levy shall be paid into the
552 district maintenance fund of the school district by the tax
553 collector at the same time and in the same manner as reports and
554 payments of other ad valorem taxes are made by said tax collector,
555 except that the amount collected to defray costs of collection may
556 be paid into the county general fund. The levying authority shall
557 have the power and authority to direct and cause warrants to be
558 issued against such fund for the purpose of refunding any amount
559 of taxes erroneously or illegally paid into such fund where such
560 refund has been approved in the manner provided by law.

561 **SECTION 3.** This act shall take effect and be in force from
562 and after July 1, 2023, and shall stand repealed on June 30, 2023.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 37-151-7, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM FUNDING



3 FORMULA TO PROVIDE THAT FOR EACH FISCAL YEAR BETWEEN THE
4 RECALCULATION OF THE BASE STUDENT COST, THE BASE STUDENT COST
5 SHALL BE INCREASED BY AN AMOUNT EQUAL TO 25% OF THE BASE STUDENT
6 COST FOR THE PREVIOUS FISCAL YEAR, MULTIPLIED BY THE 20-YEAR
7 AVERAGE ANNUAL RATE OF INFLATION ROUNDED UP TO THE NEAREST TENTH
8 OF A PERCENT FOR THE STATE OF MISSISSIPPI AS DETERMINED BY THE
9 STATE ECONOMIST, PLUS ANY ADJUSTMENTS FOR ADDITIONAL STATE
10 REQUIREMENTS SUCH AS, BUT NOT LIMITED TO, TEACHER PAY RAISES AND
11 HEALTH INSURANCE PREMIUM INCREASES; TO PROVIDE THAT THE STATE
12 DEPARTMENT OF EDUCATION SHALL CERTIFY TO EACH SCHOOL DISTRICT THAT
13 28 MILLS, LESS THE ESTIMATED AMOUNT OF THE YIELD OF THE SCHOOL AD
14 VALOREM TAX REDUCTION FUND GRANTS AS DETERMINED BY THE STATE
15 DEPARTMENT OF EDUCATION, SHALL BE THE MILLAGE RATE REQUIRED TO
16 PROVIDE THE DISTRICT REQUIRED LOCAL EFFORT FOR THAT YEAR, OR 29.5%
17 OF THE BASIC ADEQUATE EDUCATION PROGRAM COST FOR SUCH SCHOOL
18 DISTRICT, WHICHEVER IS A LESSER AMOUNT; TO PROVIDE THE METHODOLOGY
19 FOR LOCAL CONTRIBUTION AMOUNTS FOR SCHOOL DISTRICTS IN WHICH THERE
20 IS LOCATED ONE OR MORE CHARTER SCHOOLS; TO PROVIDE THAT THE
21 METHODOLOGY FOR THE REQUIRED STATE EFFORT IN SUPPORT OF THE
22 ADEQUATE EDUCATION PROGRAM SHALL BE DETERMINED BY SUBTRACTING THE
23 SUM OF THE REQUIRED LOCAL TAX EFFORT AND THE OTHER LOCAL REVENUE
24 SOURCES IN AN AMOUNT NOT TO EXCEED 29.5% OF THE TOTAL PROJECTED
25 ADEQUATE EDUCATION PROGRAM COST FROM THE TOTAL PROJECTED ADEQUATE
26 EDUCATION PROGRAM COST; TO PROVIDE THAT IN FISCAL YEAR 2024,
27 SUBJECT TO APPROPRIATIONS, NO SCHOOL DISTRICT SHALL RECEIVE LESS
28 THAN A DISTRICT RECEIVED IN FISCAL YEAR 2023 IN SAID STATE
29 CONTRIBUTION, INCLUDING THE AMOUNT PROVIDED FOR THE FISCAL YEAR
30 2023 TEACHER AND ASSISTANT TEACHER PAY RAISE SEPARATE FROM THE
31 ADEQUATE EDUCATION PROGRAM; TO AMEND SECTION 37-57-1, MISSISSIPPI
32 CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

