

By: Representative Crawford

To: Education;  
Appropriations A

HOUSE BILL NO. 1507

1 AN ACT TO REQUIRE FUNDING FOR SPECIAL EDUCATION TO BE  
 2 APPROPRIATED TO THE STATE BOARD OF EDUCATION AS A SEPARATE LINE  
 3 ITEM IN THE K-12 EDUCATION GENERAL SUPPORT APPROPRIATIONS BILL; TO  
 4 PRESCRIBE A FORMULA FOR DETERMINING ALLOCATIONS OF SPECIAL  
 5 EDUCATION FUNDS TO THE LOCAL SCHOOL DISTRICTS; TO REQUIRE  
 6 DISTRICTS TO PLACE SPECIAL EDUCATION FUNDS RECEIVED IN A SEPARATE  
 7 ACCOUNT TO BE ADMINISTERED BY THE PROPER DISTRICT PERSONNEL  
 8 RESPONSIBLE FOR DIRECTING OR COORDINATING SPECIAL EDUCATION  
 9 SERVICES; TO AMEND SECTIONS 37-151-5, 37-151-7 AND 37-151-81,  
 10 MISSISSIPPI CODE OF 1972, TO REMOVE SPECIAL EDUCATION PROGRAMS  
 11 FROM THE ADD-ON PROGRAM COSTS INCLUDED IN APPROPRIATIONS UNDER THE  
 12 MISSISSIPPI ADEQUATE EDUCATION PROGRAM; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Beginning with the appropriation for fiscal year  
 15 2025, funding for the special education program required under  
 16 Chapter 23, Title 37, Mississippi Code of 1972, shall be  
 17 appropriated to the State Board of Education as a separate line  
 18 item in the K-12 education general support appropriations bill.  
 19 The State Board of Education shall allocate the special education  
 20 funding to each school district as follows:

21 (a) For each teacher employed by a school district in a  
 22 program for exceptional children, as defined in Section 27-23-3,  
 23 which is approved by the State Department of Education, an amount



24 equal to one hundred percent (100%) of the adequate education  
25 program salary schedule prescribed in Section 37-19-7, based on  
26 the type of license and number of years' teaching experience held  
27 by each approved special education teacher, plus an amount equal  
28 to one hundred percent (100%) of the applicable employer's rate  
29 for social security and contributions to the state retirement  
30 system.

31 (b) Funds appropriated for the special education  
32 program shall be allocated to each school district as prescribed  
33 under paragraph (a) and the estimated number of new teacher units  
34 requested by the district and approved by the State Department of  
35 Education for instruction and related support services provided to  
36 exceptional children based on each eligible child's Individualized  
37 Education Plan (IEP). Once received by the district, the funds  
38 shall be deposited into an account separate from the general state  
39 aid funds received by the district under the adequate education  
40 program. The fund shall be administered by the district special  
41 education director or coordinator, or if there is no such position  
42 within the district, then by the superintendent of schools, or his  
43 or her appointed designee, and shall be used for purposes  
44 specified under this section and other applicable provisions of  
45 law providing for the instruction, services, equipment, necessary  
46 accommodations and support of exceptional children as required  
47 under IDEA and Chapter 23, Title 37, Mississippi Code of 1972.



48           **SECTION 2.** Section 37-151-5, Mississippi Code of 1972, is  
49 amended as follows:

50           37-151-5. As used in Sections 37-151-5 and 37-151-7:

51           (a) "Adequate program" or "adequate education program"  
52 or "Mississippi Adequate Education Program (MAEP)" shall mean the  
53 program to establish adequate current operation funding levels  
54 necessary for the programs of such school district to meet at  
55 least a successful Level III rating of the accreditation system as  
56 established by the State Board of Education using current  
57 statistically relevant state assessment data.

58           (b) "Educational programs or elements of programs not  
59 included in the adequate education program calculations, but which  
60 may be included in appropriations and transfers to school  
61 districts" shall mean:

62           (i) "Capital outlay" shall mean those funds used  
63 for the constructing, improving, equipping, renovating or major  
64 repairing of school buildings or other school facilities, or the  
65 cost of acquisition of land whereon to construct or establish such  
66 school facilities.

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

71           (iii) "Adult education" shall mean public  
72 education dealing primarily with students above eighteen (18)



73 years of age not enrolled as full-time public school students and  
74 not classified as students of technical schools, colleges or  
75 universities of the state.

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

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

83 (d) "Base student cost" shall mean the funding level  
84 necessary for providing an adequate education program for one (1)  
85 base student, subject to any minimum amounts prescribed in Section  
86 37-151-7(1).

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

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

93 (ii) "Vocational or technical education program"  
94 shall mean a secondary vocational or technical program approved by  
95 the State Department of Education and provided for from state  
96 funds.

97 \* \* \*



98 ( \* \* \*iii) "Gifted education program" shall mean  
99 those programs for the instruction of intellectually or  
100 academically gifted children as defined and provided for in  
101 Section 37-23-175 et seq.

102 ( \* \* \*iv) "Alternative school program" shall mean  
103 those programs for certain compulsory-school-age students as  
104 defined and provided for in Sections 37-13-92 and 37-19-22.

105 ( \* \* \*y) "Extended school year programs" shall  
106 mean those programs authorized by law which extend beyond the  
107 normal school year.

108 ( \* \* \*vi) "University-based programs" shall mean  
109 those university-based programs for handicapped children as  
110 defined and provided for in Section 37-23-131 et seq.

111 ( \* \* \*vii) "Bus driver training" programs shall  
112 mean those driver training programs as provided for in Section  
113 37-41-1.

114 (f) "Teacher" shall include any employee of a local  
115 school who is required by law to obtain a teacher's license from  
116 the State Board of Education and who is assigned to an  
117 instructional area of work as defined by the State Department of  
118 Education.

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

121 (h) "Superintendent" shall mean the head of a school  
122 district.



123 (i) "School district" shall mean any type of school  
124 district in the State of Mississippi, and shall include  
125 agricultural high schools.

126 (j) "Minimum school term" shall mean a term of at least  
127 one hundred eighty (180) days of school in which both teachers and  
128 pupils are in regular attendance for scheduled classroom  
129 instruction for not less than sixty-three percent (63%) of the  
130 instructional day, as fixed by the local school board for each  
131 school in the school district. It is the intent of the  
132 Legislature that any tax levies generated to produce additional  
133 local funds required by any school district to operate school  
134 terms in excess of one hundred seventy-five (175) days shall not  
135 be construed to constitute a new program for the purposes of  
136 exemption from the limitation on tax revenues as allowed under  
137 Sections 27-39-321 and 37-57-107 for new programs mandated by the  
138 Legislature.

139 (k) The term "transportation density" shall mean the  
140 number of transported children in average daily attendance per  
141 square mile of area served in a school district, as determined by  
142 the State Department of Education.

143 (l) The term "transported children" shall mean children  
144 being transported to school who live within legal limits for  
145 transportation and who are otherwise qualified for being  
146 transported to school at public expense as fixed by Mississippi  
147 state law.



148 (m) The term "year of teaching experience" shall mean  
149 nine (9) months of actual teaching in the public or private  
150 elementary and secondary schools and shall also include nine (9)  
151 months of actual teaching at postsecondary institutions accredited  
152 by the Southern Association of Colleges and Schools (SACS) or  
153 equivalent regional accrediting body for degree-granting  
154 postsecondary institutions. In no case shall more than one (1)  
155 year of teaching experience be given for all services in one (1)  
156 calendar or school year. In determining a teacher's experience,  
157 no deduction shall be made because of the temporary absence of the  
158 teacher because of illness or other good cause, and the teacher  
159 shall be given credit therefor. Beginning with the 2003-2004  
160 school year, the State Board of Education shall fix a number of  
161 days, not to exceed forty-five (45) consecutive school days,  
162 during which a teacher may not be under contract of employment  
163 during any school year and still be considered to have been in  
164 full-time employment for a regular scholastic term. If a teacher  
165 exceeds the number of days established by the State Board of  
166 Education that a teacher may not be under contract but may still  
167 be employed, that teacher shall not be credited with a year of  
168 teaching experience. In determining the experience of school  
169 librarians, each complete year of continuous, full-time employment  
170 as a professional librarian in a public library in this or some  
171 other state shall be considered a year of teaching experience. If  
172 a full-time school administrator returns to actual teaching in the



173 public schools, the term "year of teaching experience" shall  
174 include the period of time he or she served as a school  
175 administrator. In determining the salaries of teachers who have  
176 experience in any branch of the military, the term "year of  
177 teaching experience" shall include each complete year of actual  
178 classroom instruction while serving in the military. In  
179 determining the experience of speech-language pathologists and  
180 audiologists, each complete year of continuous full-time post  
181 master's degree employment in an educational setting in this or  
182 some other state shall be considered a year of teaching  
183 experience. Provided, however, that school districts are  
184 authorized, in their discretion, to negotiate the salary levels  
185 applicable to certificated employees employed after July 1, 2009,  
186 who are receiving retirement benefits from the retirement system  
187 of another state, and the annual experience increment provided in  
188 Section 37-19-7 shall not be applicable to any such retired  
189 certificated employee.

190 (n) (i) The term "average daily attendance" shall be  
191 the figure which results when the total aggregate full-day  
192 attendance during the period or months counted is divided by the  
193 number of days during the period or months counted upon which both  
194 teachers and pupils are in regular attendance for scheduled  
195 classroom instruction \* \* \*. For purposes of determining and  
196 reporting attendance, a pupil must be present for at least  
197 sixty-three percent (63%) of the instructional day, as fixed by





198 the local school board for each school in the school district, in  
199 order to be considered in full-day attendance. Prior to full  
200 implementation of the adequate education program the department  
201 shall deduct the average daily attendance for the alternative  
202 school program provided for in Section 37-19-22.

203 (ii) [Repealed]

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

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

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

214 (r) "Department" shall mean the State Department of  
215 Education.

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

218 (t) The term "successful school district" shall mean a  
219 Level III school district as designated by the State Board of  
220 Education using current statistically relevant state assessment  
221 data.



222 (u) "Dual enrollment-dual credit programs" shall mean  
223 programs for potential or recent high school student dropouts to  
224 dually enroll in their home high school and a local community  
225 college in a dual credit program consisting of high school  
226 completion coursework and a credential, certificate or degree  
227 program at the community college, as provided in Section  
228 37-15-38(19).

229 (v) "Charter school" means a public school that is  
230 established and operating under the terms of a charter contract  
231 between the school's governing board and the Mississippi Charter  
232 School Authorizer Board.

233 **SECTION 3.** Section 37-151-7, Mississippi Code of 1972, is  
234 amended as follows:

235 37-151-7. The annual allocation to each school district for  
236 the operation of the adequate education program shall be  
237 determined as follows:

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

242 (a) **Determination of average daily attendance.**  
243 Effective with fiscal year 2011, the State Department of Education  
244 shall determine the percentage change from the prior year of each  
245 year of each school district's average of months two (2) and three  
246 (3) average daily attendance (ADA) for the three (3) immediately



247 preceding school years of the year for which funds are being  
248 appropriated. For any school district that experiences a positive  
249 growth in the average of months two (2) and three (3) ADA each  
250 year of the three (3) years, the average percentage growth over  
251 the three-year period shall be multiplied times the school  
252 district's average of months two (2) and three (3) ADA for the  
253 year immediately preceding the year for which MAEP funds are being  
254 appropriated. The resulting amount shall be added to the school  
255 district's average of months two (2) and three (3) ADA for the  
256 year immediately preceding the year for which MAEP funds are being  
257 appropriated to arrive at the ADA to be used in determining a  
258 school district's MAEP allocation. Otherwise, months two (2) and  
259 three (3) ADA for the year immediately preceding the year for  
260 which MAEP funds are being appropriated will be used in  
261 determining a school district's MAEP allocation. In any fiscal  
262 year prior to 2010 in which the MAEP formula is not fully funded,  
263 for those districts that do not demonstrate a three-year positive  
264 growth in months two (2) and three (3) ADA, months one (1) through  
265 nine (9) ADA of the second preceding year for which funds are  
266 being appropriated or months two (2) and three (3) ADA of the  
267 preceding year for which funds are being appropriated, whichever  
268 is greater, shall be used to calculate the district's MAEP  
269 allocation. The district's average daily attendance shall be  
270 computed and currently maintained in accordance with regulations  
271 promulgated by the State Board of Education. The district's



272 average daily attendance shall include any student enrolled in a  
273 Dual Enrollment-Dual Credit Program as defined and provided in  
274 Section 37-15-38(19). The State Department of Education shall  
275 make payments for Dual Enrollment-Dual Credit Programs to the home  
276 school in which the student is enrolled, in accordance with  
277 regulations promulgated by the State Board of Education. The  
278 community college providing services to students in a Dual  
279 Enrollment-Dual Credit Program shall require payment from the home  
280 school district for services provided to such students at a rate  
281 of one hundred percent (100%) of ADA. All MAEP/state funding  
282 shall cease upon completion of high school graduation  
283 requirements.

284 (b) **Determination of base student cost.** Effective with  
285 fiscal year 2011 and every fourth fiscal year thereafter, the  
286 State Board of Education, on or before August 1, with adjusted  
287 estimate no later than January 2, shall submit to the Legislative  
288 Budget Office and the Governor a proposed base student cost  
289 adequate to provide the following cost components of educating a  
290 pupil in a successful school district: (i) instructional cost;  
291 (ii) administrative cost; (iii) operation and maintenance of  
292 plant; and (iv) ancillary support cost. For purposes of these  
293 calculations, the Department of Education shall utilize financial  
294 data from the second preceding year of the year for which funds  
295 are being appropriated.



296 For the instructional cost component, the Department of  
297 Education shall select districts that have been identified as  
298 instructionally successful and have a ratio of a number of  
299 teachers per one thousand (1,000) students that is between one (1)  
300 standard deviation above the mean and two (2) standard deviations  
301 below the mean of the statewide average of teachers per one  
302 thousand (1,000) students. The instructional cost component shall  
303 be calculated by dividing the latest available months one (1)  
304 through nine (9) ADA into the instructional expenditures of these  
305 selected districts. For the purpose of this calculation, the  
306 Department of Education shall use the following funds, functions  
307 and objects:

308 Fund 1120 Functions 1110-1199 Objects 100-999, Functions  
309 1210, 1220, 2150-2159 Objects 210 and 215;

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

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

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

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

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

315 Prior to the calculation of the instructional cost component,  
316 there shall be subtracted from the above expenditures any revenue  
317 received for Chickasaw Cession payments, Master Teacher  
318 Certification payments and the district's portion of state revenue  
319 received from the MAEP at-risk allocation.



320 For the administrative cost component, the Department of  
321 Education shall select districts that have been identified as  
322 instructionally successful and have a ratio of an administrative  
323 staff to nonadministrative staff between one (1) standard  
324 deviation above the mean and two (2) standard deviations below the  
325 mean of the statewide average administrative staff to  
326 nonadministrative staff. The administrative cost component shall  
327 be calculated by dividing the latest available months one (1)  
328 through nine (9) ADA of the selected districts into the  
329 administrative expenditures of these selected districts. For the  
330 purpose of this calculation, the Department of Education shall use  
331 the following funds, functions and objects:

332 Fund 1120 Functions 2300-2599, Functions 2800-2899,  
333 Objects 100-999;

334 Fund 2711 Functions 2300-2599, Functions 2800-2899,  
335 Objects 100-999.

336 For the plant and maintenance cost component, the Department  
337 of Education shall select districts that have been identified as  
338 instructionally successful and have a ratio of plant and  
339 maintenance expenditures per one hundred thousand (100,000) square  
340 feet of building space and a ratio of maintenance workers per one  
341 hundred thousand (100,000) square feet of building space that are  
342 both between one (1) standard deviation above the mean and two (2)  
343 standard deviations below the mean of the statewide average. The  
344 plant and maintenance cost component shall be calculated by



345 dividing the latest available months one (1) through nine (9) ADA  
346 of the selected districts into the plant and maintenance  
347 expenditures of these selected districts. For the purpose of this  
348 calculation, the Department of Education shall use the following  
349 funds, functions and objects:

350 Fund 1120 Functions 2600-2699, Objects 100-699

351 and Objects 800-999;

352 Fund 2711 Functions 2600-2699, Objects 100-699

353 and Objects 800-999;

354 Fund 2430 Functions 2600-2699, Objects 100-699

355 and Objects 800-999.

356 For the ancillary support cost component, the Department of  
357 Education shall select districts that have been identified as  
358 instructionally successful and have a ratio of a number of  
359 librarians, media specialists, guidance counselors and  
360 psychologists per one thousand (1,000) students that is between  
361 one (1) standard deviation above the mean and two (2) standard  
362 deviations below the mean of the statewide average of librarians,  
363 media specialists, guidance counselors and psychologists per one  
364 thousand (1,000) students. The ancillary cost component shall be  
365 calculated by dividing the latest available months one (1) through  
366 nine (9) ADA into the ancillary expenditures instructional  
367 expenditures of these selected districts. For the purpose of this  
368 calculation, the Department of Education shall use the following  
369 funds, functions and objects:



370 Fund 1120 Functions 2110-2129, Objects 100-999;  
371 Fund 1120 Functions 2140-2149, Objects 100-999;  
372 Fund 1120 Functions 2220-2229, Objects 100-999;  
373 Fund 2001 Functions 2100-2129, Objects 100-999;  
374 Fund 2001 Functions 2140-2149, Objects 100-999;  
375 Fund 2001 Functions 2220-2229, Objects 100-999.

376 The total base cost for each year shall be the sum of the  
377 instructional cost component, administrative cost component, plant  
378 and maintenance cost component and ancillary support cost  
379 component, and any estimated adjustments for additional state  
380 requirements as determined by the State Board of Education.

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

383 For each of the fiscal years between the recalculation of the  
384 base student cost under the provisions of this paragraph (b), the  
385 base student cost shall be increased by an amount equal to forty  
386 percent (40%) of the base student cost for the previous fiscal  
387 year, multiplied by the latest annual rate of inflation for the  
388 State of Mississippi as determined by the State Economist, plus  
389 any adjustments for additional state requirements such as, but not  
390 limited to, teacher pay raises and health insurance premium  
391 increases.

392 (c) **Determination of the basic adequate education**  
393 **program cost.** The basic amount for current operation to be





394 included in the Mississippi Adequate Education Program for each  
395 school district shall be computed as follows:

396 Multiply the average daily attendance of the district by the  
397 base student cost as established by the Legislature, which yields  
398 the total base program cost for each school district.

399 (d) **Adjustment to the base student cost for at-risk**  
400 **pupils.** The amount to be included for at-risk pupil programs for  
401 each school district shall be computed as follows: Multiply the  
402 base student cost for the appropriate fiscal year as determined  
403 under paragraph (b) by five percent (5%), and multiply that  
404 product by the number of pupils participating in the federal free  
405 school lunch program in such school district, which yields the  
406 total adjustment for at-risk pupil programs for such school  
407 district.

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

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

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

418 \* \* \*



419 ( \* \* \* iii) Gifted education program cost shall be  
420 the amount allocated to such school district from state funds for  
421 the operational support of such programs.

422 ( \* \* \* iv) Alternative school program cost shall  
423 be the amount allocated to such school district from state funds  
424 for the operational support of such programs.

425 ( \* \* \* v) Extended school year programs shall be  
426 the amount allocated to school districts for those programs  
427 authorized by law which extend beyond the normal school year.

428 ( \* \* \* vi) University-based programs shall be the  
429 amount allocated to school districts for those university-based  
430 programs for handicapped children as defined and provided for in  
431 Section 37-23-131 et seq., Mississippi Code of 1972.

432 ( \* \* \* vii) Bus driver training programs shall be  
433 the amount provided for those driver training programs as provided  
434 for in Section 37-41-1, Mississippi Code of 1972.

435 The sum of the items listed above (i) transportation, (ii)  
436 vocational or technical education, \* \* \* ( \* \* \* iii) gifted  
437 education, ( \* \* \* iv) alternative school, ( \* \* \* v) extended  
438 school year, ( \* \* \* vi) university-based, and ( \* \* \* vii) bus  
439 driver training shall yield the add-on cost for each school  
440 district.

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

442 The total Mississippi Adequate Education Program cost shall be the  
443 sum of the total basic adequate education program cost (paragraph



444 (c)), and the adjustment to the base student cost for at-risk  
445 pupils (paragraph (d)) for each school district. In any year in  
446 which the MAEP is not fully funded, the Legislature shall direct  
447 the Department of Education in the K-12 appropriation bill as to  
448 how to allocate MAEP funds to school districts for that year.

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

454 (2) **Computation of the required local revenue in support of**  
455 **the adequate education program.** The amount that each district  
456 shall provide toward the cost of the adequate education program  
457 shall be calculated as follows:

458 (a) The State Department of Education shall certify to  
459 each school district that twenty-eight (28) mills, less the  
460 estimated amount of the yield of the School Ad Valorem Tax  
461 Reduction Fund grants as determined by the State Department of  
462 Education, is the millage rate required to provide the district  
463 required local effort for that year, or twenty-seven percent (27%)  
464 of the basic adequate education program cost for such school  
465 district as determined under paragraph (c), whichever is a lesser  
466 amount. In the case of an agricultural high school, the millage  
467 requirement shall be set at a level which generates an equitable  
468 amount per pupil to be determined by the State Board of Education.



469 The local contribution amount for school districts in which there  
470 is located one or more charter schools will be calculated using  
471 the following methodology: using the adequate education program  
472 twenty-eight (28) mill value, or the twenty-seven percent (27%)  
473 cap amount (whichever is less) for each school district in which a  
474 charter school is located, an average per pupil amount will be  
475 calculated. This average per pupil amount will be multiplied  
476 times the number of students attending the charter school in that  
477 school district. The sum becomes the charter school's local  
478 contribution to the adequate education program.

479 (b) The State Department of Education shall determine  
480 the following from the annual assessment information submitted to  
481 the department by the tax assessors of the various counties: (i)  
482 the total assessed valuation of nonexempt property for school  
483 purposes in each school district; (ii) assessed value of exempt  
484 property owned by homeowners aged sixty-five (65) or older or  
485 disabled as defined in Section 27-33-67(2) \* \* \*; (iii) the school  
486 district's tax loss from exemptions provided to applicants under  
487 the age of sixty-five (65) and not disabled as defined in Section  
488 27-33-67(1) \* \* \*; and (iv) the school district's homestead  
489 reimbursement revenues.

490 (c) The amount of the total adequate education program  
491 funding which shall be contributed by each school district shall  
492 be the sum of the ad valorem receipts generated by the millage  
493 required under this subsection plus the following local revenue



494 sources for the appropriate fiscal year which are or may be  
495 available for current expenditure by the school district:

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

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

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

502 (a) The required state effort in support of the  
503 adequate education program shall be determined by subtracting the  
504 sum of the required local tax effort as set forth in subsection  
505 (2)(a) of this section and the other local revenue sources as set  
506 forth in subsection (2)(c) of this section in an amount not to  
507 exceed twenty-seven percent (27%) of the total projected adequate  
508 education program cost as set forth in subsection (1)(f) of this  
509 section from the total projected adequate education program cost  
510 as set forth in subsection (1)(f) of this section.

511 (b) \* \* \* However, \* \* \* in fiscal year 2015, any  
512 increase in the said state contribution to any district calculated  
513 under this section shall be not less than six percent (6%) in  
514 excess of the amount received by said district from state funds  
515 for fiscal year 2002; in fiscal year 2016, any increase in the  
516 said state contribution to any district calculated under this  
517 section shall be not less than four percent (4%) in excess of the  
518 amount received by said district from state funds for fiscal year



519 2002; in fiscal year 2017, any increase in the said state  
520 contribution to any district calculated under this section shall  
521 be not less than two percent (2%) in excess of the amount received  
522 by said district from state funds for fiscal year 2002; and in  
523 fiscal year 2018 and thereafter, any increase in the said state  
524 contribution to any district calculated under this section shall  
525 be zero percent (0%). For purposes of this paragraph (b), state  
526 funds shall include minimum program funds less the add-on  
527 programs, State Uniform Millage Assistance Grant Funds, Education  
528 Enhancement Funds appropriated for Uniform Millage Assistance  
529 Grants and state textbook allocations, and State General Funds  
530 allocated for textbooks.

531 (c) If the school board of any school district shall  
532 determine that it is not economically feasible or practicable to  
533 operate any school within the district for the full one hundred  
534 eighty (180) days required for a school term of a scholastic year  
535 as required in Section 37-13-63, \* \* \* due to an enemy attack, a  
536 man-made, technological or natural disaster in which the Governor  
537 has declared a disaster emergency under the laws of this state or  
538 the President of the United States has declared an emergency or  
539 major disaster to exist in this state, said school board may  
540 notify the State Department of Education of such disaster and  
541 submit a plan for altering the school term. If the State Board of  
542 Education finds such disaster to be the cause of the school not  
543 operating for the contemplated school term and that such school



544 was in a school district covered by the Governor's or President's  
545 disaster declaration, it may permit said school board to operate  
546 the schools in its district for less than one hundred eighty (180)  
547 days and, in such case, the State Department of Education shall  
548 not reduce the state contributions to the adequate education  
549 program allotment for such district, because of the failure to  
550 operate said schools for one hundred eighty (180) days.

551 (4) The Interim School District Capital Expenditure Fund is  
552 hereby established in the State Treasury which shall be used to  
553 distribute any funds specifically appropriated by the Legislature  
554 to such fund to school districts entitled to increased allocations  
555 of state funds under the adequate education program funding  
556 formula prescribed in Sections 37-151-3 through 37-151-7, \* \* \*  
557 until such time as the said adequate education program is fully  
558 funded by the Legislature. The following percentages of the total  
559 state cost of increased allocations of funds under the adequate  
560 education program funding formula shall be appropriated by the  
561 Legislature into the Interim School District Capital Expenditure  
562 Fund to be distributed to all school districts under the formula:  
563 Nine and two-tenths percent (9.2%) shall be appropriated in fiscal  
564 year 1998, twenty percent (20%) shall be appropriated in fiscal  
565 year 1999, forty percent (40%) shall be appropriated in fiscal  
566 year 2000, sixty percent (60%) shall be appropriated in fiscal  
567 year 2001, eighty percent (80%) shall be appropriated in fiscal  
568 year 2002, and one hundred percent (100%) shall be appropriated in



569 fiscal year 2003 into the State Adequate Education Program Fund.  
570 Until July 1, 2002, such money shall be used by school districts  
571 for the following purposes:

572 (a) Purchasing, erecting, repairing, equipping,  
573 remodeling and enlarging school buildings and related facilities,  
574 including gymnasiums, auditoriums, lunchrooms, vocational training  
575 buildings, libraries, school barns and garages for transportation  
576 vehicles, school athletic fields and necessary facilities  
577 connected therewith, and purchasing land therefor. Any such  
578 capital improvement project by a school district shall be approved  
579 by the State Board of Education, and based on an approved  
580 long-range plan. The State Board of Education shall promulgate  
581 minimum requirements for the approval of school district capital  
582 expenditure plans.

583 (b) Providing necessary water, light, heating,  
584 air-conditioning, and sewerage facilities for school buildings,  
585 and purchasing land therefor.

586 (c) Paying debt service on existing capital improvement  
587 debt of the district or refinancing outstanding debt of a district  
588 if such refinancing will result in an interest cost savings to the  
589 district.

590 (d) From and after October 1, 1997, through June 30,  
591 1998, pursuant to a school district capital expenditure plan  
592 approved by the State Department of Education, a school district  
593 may pledge such funds until July 1, 2002, plus funds provided for





594 in paragraph (e) of this subsection (4) that are not otherwise  
595 permanently pledged under such paragraph (e) to pay all or a  
596 portion of the debt service on debt issued by the school district  
597 under Sections 37-59-1 through 37-59-45, 37-59-101 through  
598 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,  
599 37-7-301, 37-7-302 and 37-41-81, \* \* \* or debt issued by boards of  
600 supervisors for agricultural high schools pursuant to Section  
601 37-27-65, \* \* \* or lease-purchase contracts entered into pursuant  
602 to Section 31-7-13, \* \* \* or to retire or refinance outstanding  
603 debt of a district, if such pledge is accomplished pursuant to a  
604 written contract or resolution approved and spread upon the  
605 minutes of an official meeting of the district's school board or  
606 board of supervisors. It is the intent of this provision to allow  
607 school districts to irrevocably pledge their Interim School  
608 District Capital Expenditure Fund allotments as a constant stream  
609 of revenue to secure a debt issued under the foregoing code  
610 sections. To allow school districts to make such an irrevocable  
611 pledge, the state shall take all action necessary to ensure that  
612 the amount of a district's Interim School District Capital  
613 Expenditure Fund allotments shall not be reduced below the amount  
614 certified by the department or the district's total allotment  
615 under the Interim Capital Expenditure Fund if fully funded, so  
616 long as such debt remains outstanding.

617 (e) [Repealed]

618 (f) [Repealed]



619 (g) The State Board of Education may authorize the  
620 school district to expend not more than twenty percent (20%) of  
621 its annual allotment of such funds or Twenty Thousand Dollars  
622 (\$20,000.00), whichever is greater, for technology needs of the  
623 school district, including computers, software,  
624 telecommunications, cable television, interactive video, film,  
625 low-power television, satellite communications, microwave  
626 communications, technology-based equipment installation and  
627 maintenance, and the training of staff in the use of such  
628 technology-based instruction. Any such technology expenditure  
629 shall be reflected in the local district technology plan approved  
630 by the State Board of Education under Section 37-151-17 \* \* \*.

631 (h) To the extent a school district has not utilized  
632 twenty percent (20%) of its annual allotment for technology  
633 purposes under paragraph (g), a school district may expend not  
634 more than twenty percent (20%) of its annual allotment or Twenty  
635 Thousand Dollars (\$20,000.00), whichever is greater, for  
636 instructional purposes. The State Board of Education may  
637 authorize a school district to expend more than said twenty  
638 percent (20%) of its annual allotment for instructional purposes  
639 if it determines that such expenditures are needed for  
640 accreditation purposes.

641 (i) The State Department of Education or the State  
642 Board of Education may require that any project commenced under  
643 this section with an estimated project cost of not less than Five



644 Million Dollars (\$5,000,000.00) shall be done only pursuant to  
645 program management of the process with respect to design and  
646 construction. Any individuals, partnerships, companies or other  
647 entities acting as a program manager on behalf of a local school  
648 district and performing program management services for projects  
649 covered under this subsection shall be approved by the State  
650 Department of Education.

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

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

658 (5) The State Department of Education shall make payments to  
659 charter schools for each student in average daily attendance at  
660 the charter school equal to the state share of the adequate  
661 education program payments for each student in average daily  
662 attendance at the school district in which the public charter  
663 school is located. In calculating the local contribution for  
664 purposes of determining the state share of the adequate education  
665 program payments, the department shall deduct the pro rata local  
666 contribution of the school district in which the student resides  
667 as determined in subsection (2) (a) of this section.



668           **SECTION 4.** Section 37-151-81, Mississippi Code of 1972, is  
669 amended as follows:

670           37-151-81.   \* \* \*

671           ( \* \* \*1) In addition to the allowances provided \* \* \* for  
672 each handicapped child who is being educated by a public school  
673 district or is placed in accord with Section 37-23-77, \* \* \* and  
674 whose individualized educational program (IEP) requires an  
675 extended school year in accord with the State Department of  
676 Education criteria, a sufficient amount of funds shall be  
677 allocated for the purpose of providing the educational services  
678 the student requires. The State Board of Education shall  
679 promulgate such regulations as are required to insure the  
680 equitable distribution of these funds. All costs for the extended  
681 school year for a particular summer shall be reimbursed from funds  
682 appropriated for the fiscal year beginning July 1 of that summer.  
683 If sufficient funds are not made available to finance all of the  
684 required educational services, the State Department of Education  
685 shall expend available funds in such a manner that it does not  
686 limit the availability of appropriate education to handicapped  
687 students more severely than it does to nonhandicapped students.

688           ( \* \* \*2) The State Department of Education is hereby  
689 authorized to match adequate education program and other funds  
690 allocated for provision of services to handicapped children with  
691 Division of Medicaid funds to provide language-speech services,  
692 physical therapy and occupational therapy to handicapped students



693 who meet State Department of Education or Division of Medicaid  
694 standards and who are Medicaid eligible. Provided further, that  
695 the State Department of Education is authorized to pay such funds  
696 as may be required as a match directly to the Division of Medicaid  
697 pursuant to an agreement to be developed between the State  
698 Department of Education and the Division of Medicaid.

699 ( \* \* \*3) In addition to other funds provided for in this  
700 chapter, there shall be added to the allotment for each school  
701 district for each teacher employed in a State Department of  
702 Education approved program for gifted education, as defined in  
703 Sections 37-23-173 through 37-23-181, \* \* \* the value of one  
704 hundred percent (100%) of the adequate education program salary  
705 schedule prescribed in Section 37-19-7, \* \* \* based on the type of  
706 certificate and number of years' teaching experience held by each  
707 approved gifted education teacher plus one hundred percent (100%)  
708 of the applicable employer's rate for social security and state  
709 retirement.

710 ( \* \* \*4) When any children who are residents of the State  
711 of Mississippi and qualify under the provisions of Section  
712 37-23-31, \* \* \* shall be provided a program of education,  
713 instruction and training within a school under the provisions of  
714 said section, the State Department of Education shall allocate the  
715 value of one hundred percent (100%) of the adequate education  
716 program salary schedule prescribed in Section 37-19-7, \* \* \* for  
717 each approved program based on the type of certificate and number



718 of years' teaching experience held by each approved teacher plus  
719 one hundred percent (100%) of the applicable employer's rate for  
720 social security and state retirement. The university or college  
721 shall be eligible for state and federal funds for such programs on  
722 the same basis as local school districts. The university or  
723 college shall be responsible for providing for the additional  
724 costs of the program.

725 ( \* \* \*5) In addition to the allotments provided above, a  
726 school district may provide a program of education and instruction  
727 to children ages five (5) years through twenty-one (21) years,  
728 who are resident citizens of the State of Mississippi, who cannot  
729 have their educational needs met in a regular public school  
730 program and who have not finished or graduated from high school,  
731 if those children are determined by competent medical authorities  
732 and psychologists to need placement in a state licensed facility  
733 for inpatient treatment, day treatment or residential treatment or  
734 a therapeutic group home. Such program shall operate under rules,  
735 regulations, policies and standards of school districts as  
736 determined by the State Board of Education. If a private school  
737 approved by the State Board of Education is operated as an  
738 integral part of the state licensed facility that provides for the  
739 treatment of such children, the private school within the facility  
740 may provide a program of education, instruction and training to  
741 such children by requesting the State Department of Education to  
742 allocate one (1) teacher unit or a portion of a teacher unit for



743 each approved class. The facility shall be responsible for  
744 providing any additional costs of the program.

745 Such funds will be allotted based on the type of certificate  
746 and number of years' teaching experience held by each approved  
747 teacher. Such children shall not be counted in average daily  
748 attendance when determining regular teacher unit allocation.

749 **SECTION 5.** This act shall take effect and be in force from  
750 and after its passage.

