

By: Representative Harness

To: Public Utilities; Ways  
and Means

## HOUSE BILL NO. 708

1 AN ACT TO AMEND SECTION 27-35-309, MISSISSIPPI CODE OF 1972,  
2 TO REPEAL THE PROVISION OF LAW THAT EXEMPTS FROM AD VALOREM  
3 TAXATION ANY NUCLEAR GENERATING PLANT LOCATED IN THE STATE WHICH  
4 IS OWNED OR OPERATED BY A PUBLIC UTILITY RENDERING ELECTRIC  
5 SERVICE WITHIN THE STATE AND WHICH IS NOT OWNED OR OPERATED BY AN  
6 INSTRUMENTALITY OF THE FEDERAL GOVERNMENT, AND THAT PROVIDES FOR  
7 SUCH A PUBLIC UTILITY TO MAKE PAYMENTS IN LIEU OF AD VALOREM  
8 TAXES; TO BRING FORWARD SECTIONS 19-9-151, 19-9-153, 19-9-155 AND  
9 19-9-157, MISSISSIPPI CODE OF 1972, WHICH RELATE TO IN-LIEU  
10 PAYMENTS TO COUNTIES IN WHICH NUCLEAR GENERATING PLANTS ARE  
11 LOCATED, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD  
12 SECTION 27-39-305, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES  
13 COUNTIES TO LEVY AD VALOREM TAXES FOR MAINTENANCE AND CONSTRUCTION  
14 OF ROADS AND BRIDGES, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO  
15 BRING FORWARD SECTION 27-39-320, MISSISSIPPI CODE OF 1972, WHICH  
16 PROVIDES FOR LIMITATIONS ON INCREASES OF AD VALOREM TAX REVENUES,  
17 FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION  
18 33-15-51, MISSISSIPPI CODE OF 1972, WHICH CREATES THE GRAND GULF  
19 DISASTER ASSISTANCE TRUST FUND, FOR THE PURPOSES OF POSSIBLE  
20 AMENDMENT; TO BRING FORWARD SECTION 37-57-105, MISSISSIPPI CODE OF  
21 1972, WHICH AUTHORIZES AND PROVIDES THE PROCEDURE FOR THE LEVY OF  
22 CERTAIN AD VALOREM TAXES FOR SCHOOL DISTRICT PURPOSES, FOR THE  
23 PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION  
24 37-151-87, MISSISSIPPI CODE OF 1972, WHICH RELATES TO THE  
25 REDUCTION OF LOCAL SUPPLEMENT OR SUPPORT FROM AD VALOREM TAXATION  
26 UNDER THE MISSISSIPPI STUDENT FUNDING FORMULA, FOR THE PURPOSES OF  
27 POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 37-151-211,  
28 MISSISSIPPI CODE OF 1972, WHICH REQUIRES TAX ASSESSORS TO FILE  
29 CERTAIN REPORTS WITH THE STATE DEPARTMENT OF EDUCATION AND  
30 REQUIRES THE DEPARTMENT TO CALCULATE A SCHOOL DISTRICT'S REQUIRED  
31 MINIMUM MILLAGE AND THE CONTRIBUTION TO THE COST OF THE TOTAL  
32 FUNDING FORMULA REQUIRED OF EACH SCHOOL DISTRICT AND CHARTER  
33 SCHOOL UNDER THE MISSISSIPPI STUDENT FUNDING FORMULA, FOR THE  
34 PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.



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

**SECTION 1.** Section 27-35-309, Mississippi Code of 1972, is amended as follows:

27-35-309. (1) The Department of Revenue shall, if practicable, on or before the first Monday of June of each year, make out for each person, firm, company or corporation listed in Section 27-35-303, Mississippi Code of 1972, an assessment of the company's property, both real and personal, tangible and intangible. The Department of Revenue shall apportion the assessment of value of each company's property according to the provisions of this article, except as provided in subsection (3) of this section, as follows:

(a) When the property of such public service company is located in more than one (1) county in this state, the Department of Revenue shall direct the company to apportion the assessed value between the counties and municipalities and all other taxing districts therein, in the proportion which the property located therein bears to the entire value of the property of such company as valued by the department, so that to each county, municipality and taxing district therein, there shall be apportioned such part of the entire valuation as will fairly equalize the relative value of the property therein located to the whole value thereof.

(b) When the property of such public utility required to be assessed by the provisions of this article is located in more than one (1) state, the assessed value thereof shall be



60 apportioned by the Department of Revenue in such manner as will  
61 fairly and equitably determine the principal sum for the value  
62 thereof in this state, and after ascertaining such value it shall  
63 be apportioned by them as herein provided.

64 The assessment roll shall contain all the property of any  
65 such public service company, railroad, person, firm or corporation  
66 and the value thereof, and so made that each county, municipality,  
67 and taxing district shall receive its just share of taxes  
68 proportionately to the amount of property therein situated.

69 (2) (a) The assessment when made shall remain open for  
70 twenty (20) days in the Office of the Department of Revenue, and  
71 be for such time subject to the objections thereto which may be  
72 filed with the Executive Director of the Board of Tax Appeals; but  
73 real estate belonging to railroads and which forms no part of the  
74 road, and is wholly disconnected from its railroad business, shall  
75 not be assessed by the Department of Revenue, but shall be  
76 assessed as other real estate is assessed by the tax assessor of  
77 the county where situated.

78 (b) The apportionment of the assessed value as required  
79 by this section shall be filed with the Department of Revenue by  
80 such public service company on or before the last day of the  
81 objection period established in paragraph (a) of this subsection  
82 (2). If such company shall fail, refuse or neglect to render the  
83 apportionment of assessed value as required by this section, such  
84 company shall be subject to the penalties provided for in Section



27-35-305. The filing of an objection by such public service company shall not preclude such company from filing the property apportionment as required by this section.

(3) Any nuclear generating plant which is located in the state, which is owned or operated by a public utility rendering electric service within the state and not exempt from ad valorem taxation under any other statute and which is not owned or operated by an instrumentality of the federal government shall be exempt from county, municipal and district ad valorem taxes. In lieu of the payment of county, municipal and district ad valorem taxes, such public utility shall pay to the Department of Revenue a sum based on the assessed value of such nuclear generating plant in an amount to be determined and distributed as follows:

(a) The Department of Revenue shall annually assign an assessed value to any nuclear generating plant described in this subsection in the same manner as for ad valorem tax purposes by using accepted industry methods for appraising and assessing public utility property. The assessed value assigned shall be used for the purpose of determining the in-lieu tax due under this section and shall not be included on the ad valorem tax rolls of the situs taxing authority nor be subject to ad valorem taxation by the situs taxing authority nor shall the assessed value assigned be used in determining the debt limit of the situs taxing authority. However, the assessed value so assigned may be used by



the situs taxing authority for the purpose of determining salaries of its public officials.

(b) On or before February 1, 1987, for the 1986 taxable year and on or before February 1 of each year through the 1989 taxable year, such utility shall pay to the Department of Revenue a sum equal to two percent (2%) of the assessed value as ascertained by the Department of Revenue, but such payment shall not be less than Sixteen Million Dollars (\$16,000,000.00) for any of the four (4) taxable years; all such payments in excess of Sixteen Million Dollars (\$16,000,000.00) for these four (4) taxable years shall be paid into the General Fund of the state.

On or before February 1, 1991, for the 1990 taxable year and on or before February 1 of each year thereafter, such utility shall pay to the Department of Revenue a sum equal to two percent (2%) of the assessed value as ascertained by the Department of Revenue, but such payment shall not be less than Twenty Million Dollars (\$20,000,000.00) for any taxable year for as long as such nuclear power plant is licensed to operate and is not being permanently decommissioned; all such payments in excess of Sixteen Million Dollars (\$16,000,000.00) for taxable years 1990 and thereafter shall be paid as follows:

(i) An amount of Three Million Forty Thousand Dollars (\$3,040,000.00) annually, beginning with fiscal year 1991, shall be transferred by the Department of Revenue to Claiborne County. Such payments may be expended by the Board of Supervisors



of Claiborne County for any purpose for which a county is authorized by law to levy an ad valorem tax and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes under Sections 27-39-305 and 27-39-321. However, should the Board of Supervisors of Claiborne County withdraw its support of the Grand Gulf Nuclear Station off-site emergency plan or otherwise fail to satisfy its off-site emergency plan commitments as determined by the Mississippi Emergency Management Agency and the Federal Emergency Management Agency, Five Hundred Thousand Dollars (\$500,000.00) annually of the funds designated for Claiborne County as described by this \* \* \* subparagraph (i) shall be deposited in the Grand Gulf Disaster Assistance Fund as provided in Section 33-15-51.

(ii) An amount of One Hundred Sixty Thousand Dollars (\$160,000.00) annually, beginning with fiscal year 1991, shall be transferred by the Department of Revenue to the City of Port Gibson, Mississippi. Such payments may be expended by the Board of Aldermen of the City of Port Gibson for any purpose for which a municipality is authorized by law to levy an ad valorem tax and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes under Sections 27-39-305 and 27-39-321. However, should the Board of Aldermen of the City of Port Gibson withdraw its support of the Grand Gulf Nuclear Station off-site emergency



plan or otherwise fail to satisfy its off-site emergency plan commitment, as determined by the Mississippi Emergency Management Agency and the Federal Emergency Management Agency, Fifty Thousand Dollars (\$50,000.00) annually of the funds designated for the City of Port Gibson as described by this \* \* \* subparagraph (ii) shall be deposited in the Grand Gulf Disaster Assistance Fund as provided in Section 33-15-51.

(iii) The remaining balance of the payments in excess of Sixteen Million Dollars (\$16,000,000.00) annually, less amounts transferred under (i) and (ii) of this subsection, beginning with fiscal year 1991, shall be allocated in accordance with subsection (3)(f) of this section.

(c) Pursuant to certification by the Attorney General to the State Treasurer and the Department of Revenue that the suit against the State of Mississippi pending on the effective date of House Bill 8, First Extraordinary Session of 1990, [Laws, 1990 Ex Session, Ch. 12, eff June 26, 1990], in the Chancery Court for the First Judicial District of Hinds County, Mississippi, styled Albert Butler et al v. the Mississippi State Tax Commission et al, has been voluntarily dismissed with prejudice as to all plaintiffs at the request of the complainants and that no attorney's fees or court costs have been assessed against the state and each of the parties, including Claiborne County and each municipality and school district located in the county, have signed and delivered to the Attorney General a full and complete release in favor of



the State of Mississippi and its elected officials of all claims that have been asserted or may be asserted in the suit pending on the effective date of House Bill 8, First Extraordinary Session of 1990, [Laws, 1990 Ex Session, Ch. 12, eff June 26, 1990], in the Chancery Court for the First Judicial District of Hinds County, Mississippi, styled Albert Butler et al v. the Mississippi State Tax Commission et al, and the deposit into the State General Fund of in-lieu payments and interest thereon due the state under subsection (3)(b) of this section but placed in escrow because of the lawsuit described above, the state shall promptly transfer to the Board of Supervisors of Claiborne County out of the State General Fund an amount of Two Million Dollars (\$2,000,000.00) which shall be a one-time distribution to Claiborne County from the state. Such payment may be expended by the Board of Supervisors of Claiborne County for any purposes for which a county is authorized by law to levy an ad valorem tax and shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes for the 1991 fiscal year under Sections 27-39-321 and 27-39-305.

(d) After distribution of the one-time payment to Claiborne County as set forth in subsection (3)(c) of this section, the Department of Revenue upon certification that the pending lawsuit as described in subsection (3)(c) of this section has been voluntarily dismissed shall promptly deposit an amount of Five Hundred Thousand Dollars (\$500,000.00) into the Grand Gulf





Disaster Assistance Trust Fund as provided for in Section 33-15-51, which shall be a one-time payment, to be utilized in accordance with the provisions of such section.

(e) After distribution of the one-time payment to Claiborne County as set forth in subsection (3)(c) of this section and the payment to the Grand Gulf Disaster Assistance Trust Fund as set forth in subsection (3)(d) of this section, the Department of Revenue upon certification that the pending lawsuit as described in subsection (3)(c) of this section has been voluntarily dismissed shall promptly distribute ten percent (10%) of the remainder of the prior payments remaining in escrow to the General Fund of the state and the balance of the prior payments remaining in escrow shall be distributed to the counties and municipalities in this state wherein such public utility has rendered electric service in the proportion that the amount of electric energy consumed by the retail customers of such public utility in each county, excluding municipalities therein, and in each municipality, for the next preceding fiscal year bears to the total amount of electric energy consumed by all retail customers of such public utility in the State of Mississippi for the next preceding fiscal year. The payments distributed to the counties and municipalities under this paragraph (e) may be expended by such counties and municipalities for any lawful purpose and shall not be included or considered as proceeds of ad valorem taxes for



the purposes of the growth limitation on ad valorem taxes under Sections 27-39-321 and 27-39-305.

(f) After distribution of the payments for fiscal year 1991 as set forth in Section 19-9-151 and distribution of the payments as provided for in subsection (3)(b) of this section, the Department of Revenue shall distribute ten percent (10%) of the remainder of the payments to the General Fund of the state and the balance to the counties and municipalities in this state wherein such public utility renders electric service in the proportion that the amount of electric energy consumed by the retail customers of such public utility in each county, excluding municipalities therein, and in each municipality for the next preceding fiscal year bears to the total amount of electric energy consumed by all retail customers of such public utility in the State of Mississippi for the next preceding fiscal year.

(g) No county, including municipalities therein, shall receive in excess of twenty percent (20%) of the funds distributed under paragraph (f) of this subsection.

(h) The revenues received by counties and municipalities under paragraph (f) of this subsection shall not be included or considered as proceeds of ad valorem taxes for the purposes of the growth limitation on ad valorem taxes under Sections 27-39-305 and 27-39-321.

(i) This subsection (3) shall stand repealed on July 1, 2025.



**SECTION 2.** Section 19-9-151, Mississippi Code of 1972, is brought forward as follows:

19-9-151. The in-lieu payments made to the State Tax Commission pursuant to Section 27-35-309(3)(b), excluding payments made in excess of Sixteen Million Dollars (\$16,000,000.00) which are required to be paid into the General Fund of the state, shall be distributed by the State Tax Commission as follows:

(a) For fiscal year 1987, fifty percent (50%) of such payment shall be paid to the situs county wherein such nuclear generating plant is located;

(b) For fiscal year 1988, forty-five percent (45%) of such payment shall be paid to the situs county wherein such nuclear generating plant is located;

(c) For fiscal year 1989, forty percent (40%) of such payment shall be paid to the situs county wherein such nuclear generating plant is located;

(d) For fiscal year 1990, thirty-five (35%) of such payment shall be paid to the situs county wherein such nuclear generating plant is located;

(e) For fiscal year 1991 and thereafter, thirty percent (30%) of such payment shall be paid to the situs county wherein such nuclear generating plant is located.

**SECTION 3.** Section 19-9-153, Mississippi Code of 1972, is brought forward as follows:



19-9-153. Of the funds received pursuant to Section 19-9-151 by a situs county wherein such nuclear generating plant is located, the board of supervisors of such situs county shall distribute ten percent (10%) of each payment, upon receipt, to the most populous incorporated municipality within the county; however, if such plant is located within a municipality, such payments which would otherwise be made to the situs county pursuant to Section 19-9-151 shall be divided equally between the situs county and situs municipality.

**SECTION 4.** Section 19-9-155, Mississippi Code of 1972, is brought forward as follows:

19-9-155. Of the funds retained by the situs county after the payment made pursuant to Section 19-9-153, not more than Five Million Five Hundred Thousand Dollars (\$5,500,000.00) per year may be expended by the board of supervisors of the county for any purposes for which a county is authorized by law to levy an ad valorem tax, and any funds in excess of such amount shall be expended in accordance with Section 19-9-157.

**SECTION 5.** Section 19-9-157, Mississippi Code of 1972, is brought forward as follows:

19-9-157. The board of supervisors of the situs county, upon receipt of the payments pursuant to Section 19-9-151 less the payment made according to Section 19-9-153, shall pay all such funds in excess of Five Million Five Hundred Thousand Dollars (\$5,500,000.00) to the governing authorities of the public school



districts in such county in the proportion that the net enrollment for the preceding scholastic year of each school district bears to the total net enrollment of the county for the preceding scholastic year. Such funds may be expended only for the purposes of capital improvements to school facilities and only after plans therefor have been submitted to and approved by the State Board of Education. The governing authorities of such school districts may borrow money in anticipation of receipt of payments pursuant to this section and the levying authority for the school district may issue negotiable notes therefor, for the purposes set forth herein. Such loan shall be repaid from the payments received under this section by the governing authorities of the public school district. However, no public school districts within the situs county shall be entitled to any payments after January 1, 1990.

**SECTION 6.** Section 27-39-305, Mississippi Code of 1972, is brought forward as follows:

27-39-305. (1) In addition to the levy authorized by Section 27-39-303, the board of supervisors may annually impose a countywide ad valorem tax levy or levies for the maintenance and/or construction of roads and bridges.

(2) For each fiscal year, the aggregate receipts from taxes levied for the maintenance and/or construction of roads and bridges pursuant to this section shall not exceed the aggregate receipts from this source during any one (1) of the immediately



332 preceding three (3) fiscal years, as determined by the board of  
333 supervisors, plus an increase not to exceed ten percent (10%). The  
334 additional revenue from the ad valorem tax on any newly  
335 constructed properties or any existing properties added to the tax  
336 rolls or any properties previously exempt, which were not assessed  
337 in the next preceding year may be excluded from the ten percent  
338 (10%) increase limitation set forth herein.

339       (3) The ten percent (10%) increase limitation prescribed in  
340 this section may be increased an additional amount only as  
341 provided in subsection (4) of this section or when the county  
342 board of supervisors has determined the need for additional  
343 revenues and has held an election on the question of raising the  
344 limitation prescribed in this section. The limitation may be  
345 increased under this subsection only if the proposed increase is  
346 approved by a majority of those voting in an election held for  
347 such purpose. The resolution, notice and manner of holding the  
348 election shall be as prescribed by law for the holding of  
349 elections for the issuance of bonds by the county board of  
350 supervisors. Revenues collected for the fiscal year in excess of  
351 the ten percent (10%) increase limitation pursuant to an election  
352 shall be included in the tax base for the purpose of determining  
353 aggregate receipts for which the ten percent (10%) increase  
354 limitation applies for subsequent fiscal years.

355       (4) As an alternative to the procedure provided in  
356 subsection (3) of this section, the ten percent (10%) increase



limitation prescribed in this section may be increased by an additional amount without an election thereon if the aggregate receipts from the levy authorized in this section and from all other county levies to which Sections 27-39-320 and 27-39-321 apply do not exceed one hundred ten percent (110%) of the aggregate receipts from all such levies during any one (1) of the immediately preceding three (3) fiscal years, as determined by the board of supervisors.

(5) Except as otherwise provided for excess revenues generated pursuant to an election under subsection (3) of this section and for excess revenues generated in accordance with subsection (4) of this section, if revenues collected as the result of the taxes levied for the fiscal year pursuant to this section exceed the increase limitation, then it shall be the mandatory duty of the board of supervisors to deposit such excess receipts over and above the increase limitation into a special account and credit it to the county road and bridge fund. It will be the further duty of such board to hold said funds and invest the same as authorized by law. Such excess funds shall be calculated in the road and bridge budget for the succeeding fiscal year. Taxes imposed for the succeeding year shall be reduced by the amount of excess funds available. Under no circumstances shall such excess funds be expended during the fiscal year in which such excess funds are collected.



(6) In any county where there is located a nuclear generating power plant on which a tax is assessed under Section 27-35-309(3), the term "the aggregate receipts from taxes" as used in this section shall be the portion of the "base revenue" as defined in Section 27-39-320 which is used for the maintenance and/or construction of roads and bridges.

(7) If a shortfall occurs in revenues from sources other than ad valorem taxes and oil and gas severance taxes budgeted for the county road and bridge fund during the 1987 fiscal year, then the county may levy a special ad valorem tax for the 1988 fiscal year in an amount the avails of which shall not exceed such shortfall; provided, however, that the aggregate receipts from all ad valorem levies for the maintenance and/or construction of roads and bridges for the 1988 fiscal year shall not exceed the aggregate receipts from this source for the immediately preceding fiscal year plus an increase not to exceed twenty percent (20%).

(8) If a shortfall occurs in revenues from oil and gas severance taxes budgeted for the county road and bridge fund during the 1987 fiscal year, then the county may levy a special ad valorem tax for the 1988 fiscal year in an amount the avails of which shall not exceed such shortfall. The avails of such special ad valorem tax shall not be included within the ten percent (10%) increase limitation. The ad valorem taxes levied to offset the shortfall shall be deemed to be ad valorem tax receipts produced





in the 1988 fiscal year for the purpose of determining the limitation on receipts for the succeeding fiscal years.

**SECTION 7.** Section 27-39-320, Mississippi Code of 1972, is brought forward as follows:

27-39-320. (1) The Legislature finds and determines that legislation requiring a specific levy or requiring consent of some other governing body to reduce the levy was intended to raise a certain amount of revenue for specific purposes. Upon this determination and notwithstanding the provisions of any statute which requires a definite levy to be made or which requires that a levy may not be reduced except by the consent of some other governing authority, the amount of such levy shall be deemed to be an amount necessary to produce the revenues received in the next preceding year plus, at the option of the taxing authority, an increase not to exceed ten percent (10%) of such revenues.

(2) In any county where there is located a nuclear generating power plant on which a tax is assessed under Section 27-35-309(3), such required levy and revenue produced thereby may be reduced by the levying authority in an amount in proportion to a reduction in the base revenue of any such county from the previous year. Such reduction shall be allowed only if the reduction in base revenue equals or exceeds five percent (5%). "Base revenue" shall mean the revenue received by the county from the ad valorem tax levy plus the revenue received by the county from the tax assessed under Section 27-35-309(3) and authorized to



430 be used for any purposes for which a county is authorized by law  
431 to levy an ad valorem tax. For purposes of determining if the  
432 reduction equals or exceeds five percent (5%), a levy of millage  
433 equal to the prior year's millage shall be hypothetically applied  
434 to the current year's ad valorem tax base to determine the amount  
435 of revenue to be generated from the ad valorem tax levy. For the  
436 purposes of this section, the portion of base revenue used to fund  
437 the purpose for which a specific levy is required shall be deemed  
438 to be the total receipts from ad valorem taxes for such purpose.  
439 This paragraph shall apply to taxes levied for the 1987 fiscal  
440 year and for each fiscal year thereafter. If the Mississippi  
441 Supreme Court or another court finally adjudicates that the tax  
442 levied under Section 27-35-309(3) is unconstitutional, then this  
443 paragraph shall stand repealed.

444 (3) With respect to ad valorem taxes levied on or after  
445 October 1, 1980, no county or municipality shall levy those mills  
446 heretofore required by law to be levied to an extent that such  
447 levy shall produce more than the total receipts produced from such  
448 levy in the next preceding year, plus, at the option of the taxing  
449 authority, an increase not to exceed ten percent (10%) of such  
450 receipts. Such total receipts shall be deemed to include the  
451 total avails of such levy either collected from the property owner  
452 or by reimbursement by the state. The revenues produced from any  
453 newly constructed properties or any existing properties added to  
454 the tax rolls or any properties previously exempt which were not



assessed in the next preceding year may be excluded from the limitation set forth herein.

(4) The ten percent (10%) increase limitation prescribed in this section may be increased by an additional amount by the board of supervisors of any county if the aggregate receipts from all county levies to which this section and Sections 27-39-305 and 27-39-321 apply do not exceed one hundred ten percent (110%) of the aggregate receipts from all such levies during any one (1) of the immediately preceding three (3) fiscal years, as determined by the board of supervisors.

(5) The limitations set forth in this section shall apply to the mandatory tax levied by Section 27-39-329.

**SECTION 8.** Section 33-15-51, Mississippi Code of 1972, is brought forward as follows:

33-15-51. The Grand Gulf Disaster Assistance Trust Fund is hereby created as a special fund in the State Treasury to be administered by the Mississippi Emergency Management Agency. Monies paid into the fund shall be derived from Sections 27-35-309(3)(b)(i) and (ii) and 27-35-309(3)(d). All monies deposited therein shall be available for expenditure, transfer and allocation by the Mississippi Emergency Management Agency for state and local preparedness activities directly related to the Grand Gulf Nuclear Generating Plant, with at least fifty percent (50%) of the monies in the fund earmarked for use in conducting



479 such activities in the geographic area falling within a  
480 thirty-mile radius of the plant.

481       **SECTION 9.** Section 37-57-105, Mississippi Code of 1972, is  
482 brought forward as follows:

483       37-57-105. (1) In addition to the taxes levied under  
484 Section 37-57-1, the levying authority for the school district, as  
485 defined in Section 37-57-1, upon receipt of a certified copy of an  
486 order adopted by the school board of the school district  
487 requesting an ad valorem tax effort in dollars for the support of  
488 the school district and any charter schools located in the  
489 district, shall, at the same time and in the same manner as other  
490 ad valorem taxes are levied, levy an annual ad valorem tax in the  
491 amount fixed in such order upon all of the taxable property of  
492 such school district, which shall not be less than the millage  
493 rate certified by the State Board of Education as the uniform  
494 minimum school district ad valorem tax levy required for the  
495 support of the total funding formula as required by Sections  
496 37-151-200 through 37-151-215 in such school district under  
497 Sections 37-57-1 and 37-151-211. However, any school district  
498 levying less than the uniform minimum school district ad valorem  
499 tax levy on July 1, 1997, shall only be required to increase its  
500 local district maintenance levy in four (4) mill annual increments  
501 in order to attain such millage requirements. In making such  
502 levy, the levying authority shall levy an additional amount  
503 sufficient to cover anticipated delinquencies and costs of



504 collection so that the net amount of money to be produced by such  
505 levy shall be equal to the amount which is requested by the school  
506 board. The proceeds of such tax levy, excluding levies for the  
507 payment of the principal of and interest on school bonds or notes  
508 and excluding levies for costs of collection, shall be placed in  
509 the school depository to the credit of the school district and  
510 shall be expended in the manner provided by law for the purpose of  
511 supplementing teachers' salaries, extending school terms,  
512 purchasing furniture, supplies and materials, and for all other  
513 lawful operating and incidental expenses of such school district.

514 The monies authorized to be received by school districts from  
515 the School Ad Valorem Tax Reduction Fund pursuant to Section  
516 37-61-35 shall be included as ad valorem tax receipts. The  
517 levying authority for the school district, as defined in Section  
518 37-57-1, shall reduce the ad valorem tax levy for such school  
519 district in an amount equal to the amount distributed to such  
520 school district from the School Ad Valorem Tax Reduction Fund each  
521 calendar year pursuant to Section 37-61-35. Such reduction shall  
522 not be less than the millage rate necessary to generate a  
523 reduction in ad valorem tax receipts equal to the funds  
524 distributed to such school district from the School Ad Valorem Tax  
525 Reduction Fund pursuant to Section 37-61-35. The millage levy  
526 certified by the State Board of Education as the minimum tax levy  
527 shall be subject to the provisions of this paragraph.



528           In any county where there is located a nuclear generating  
529 power plant on which a tax is assessed under Section 27-35-309(3),  
530 such required levy and revenue produced thereby may be reduced by  
531 the levying authority in an amount in proportion to a reduction in  
532 the base revenue of any such county from the previous year. Such  
533 reduction shall be allowed only if the reduction in base revenue  
534 equals or exceeds five percent (5%). "Base revenue" shall mean  
535 the revenue received by the county from the ad valorem tax levy  
536 plus the revenue received by the county from the tax assessed  
537 under Section 27-35-309(3) and authorized to be used for any  
538 purposes for which a county is authorized by law to levy an ad  
539 valorem tax. For purposes of determining if the reduction equals  
540 or exceeds five percent (5%), a levy of millage equal to the prior  
541 year's millage shall be hypothetically applied to the current  
542 year's ad valorem tax base to determine the amount of revenue to  
543 be generated from the ad valorem tax levy. For the purposes of  
544 this section and Section 37-57-107, the portion of the base  
545 revenue used for the support of any school district shall be  
546 deemed to be the aggregate receipts from ad valorem taxes for the  
547 support of any school district. This paragraph shall apply to  
548 taxes levied for the 1987 fiscal year and for each fiscal year  
549 thereafter. If the Mississippi Supreme Court or another court  
550 finally adjudicates that the tax levied under Section 27-35-309(3)  
551 is unconstitutional, then this paragraph shall stand repealed.



552       The State Department of Education shall calculate a local pro  
553   rata amount for the aggregate receipts of the tax levied in this  
554   section by dividing the aggregate receipts by the sum of the  
555   school district's net enrollment, as determined under Section  
556   37-151-211, and the net enrollment of any charter school students  
557   who reside in the district.

558       (2) When the tax is levied upon the territory of any school  
559   district located in two (2) or more counties, the order of the  
560   school board requesting the levying of such tax shall be certified  
561   to the levying authority of each of the counties involved, and  
562   each of the levying authorities shall levy the tax in the manner  
563   specified herein. The taxes so levied shall be collected by the  
564   tax collector of the levying authority involved and remitted by  
565   the tax collector to the school depository of the home county to  
566   the credit of the school district involved as provided above,  
567   except that taxes for collection fees may be retained by the  
568   levying authority for deposit into its general fund.

569       (3) The aggregate receipts from ad valorem taxes levied for  
570   school district purposes, excluding collection fees, pursuant to  
571   this section and Section 37-57-1 shall be subject to the increased  
572   limitation under Section 37-57-107; however, if the ad valorem tax  
573   effort in dollars requested by the school district for the fiscal  
574   year exceeds the next preceding fiscal year's ad valorem tax  
575   effort in dollars by more than four percent (4%) but not more than  
576   seven percent (7%), then the school board shall publish notice



577 thereof once each week for at least three (3) consecutive weeks in  
578 a newspaper having general circulation in the school district  
579 involved, with the first publication thereof to be made not less  
580 than fifteen (15) days prior to the final adoption of the budget  
581 by the school board. If at any time prior to the adoption a  
582 petition signed by not less than twenty percent (20%) or fifteen  
583 hundred (1500), whichever is less, of the qualified electors of  
584 the school district involved shall be filed with the school board  
585 requesting that an election be called on the question of exceeding  
586 the next preceding fiscal year's ad valorem tax effort in dollars  
587 by more than four percent (4%) but not more than seven percent  
588 (7%), then the school board shall, not later than the next regular  
589 meeting, adopt a resolution calling an election to be held within  
590 such school district upon such question. The election shall be  
591 called and held, and notice thereof shall be given, in the same  
592 manner for elections upon the questions of the issuance of the  
593 bonds of school districts, and the results thereof shall be  
594 certified to the school board. The ballot shall contain the  
595 language "For the School Tax Increase Over Four Percent (4%)" and  
596 "Against the School Tax Increase Over Four Percent (4%)." If a  
597 majority of the qualified electors of the school district who  
598 voted in such election shall vote in favor of the question, then  
599 the stated increase requested by the school board shall be  
600 approved. For the purposes of this paragraph, the revenue sources  
601 excluded from the increased limitation under Section 37-57-107





shall also be excluded from the limitation described herein in the same manner as they are excluded under Section 37-57-107.

**SECTION 10.** Section 37-151-87, Mississippi Code of 1972, is brought forward as follows:

37-151-87. No school district shall pay any teacher less than the state minimum salary. However, school districts are authorized to reduce the state minimum salary by a pro rata daily amount in order to comply with the school district employee furlough provisions of Section 37-7-308. From and after July 1, 2012, no school district shall receive any funds under the provisions of this chapter for any school year during which the aggregate amount of local supplement is reduced below such amount for the previous year. However, (a) where there has been a reduction in total funding formula allocations for such district in such year, (b) where there has been a reduction in the amount of federal funds to such district below the previous year, or (c) where there has been a reduction in ad valorem taxes to such school district for the 1986-1987 school year below the amount for the previous year due to the exemption of nuclear generating plants from ad valorem taxation pursuant to Section 27-35-309, the aggregate amount of local supplement in such district may be reduced in the discretion of the local school board without loss of funds under this chapter. No school district may receive any funds under the provisions of this chapter for any school year if the aggregate amount of support from ad valorem taxation shall be



627 reduced during such school year below such amount for the previous  
628 year; however, where there is a loss in total funding formula  
629 allocations, or where there is or heretofore has been a decrease  
630 in the total assessed value of taxable property within a school  
631 district, the aggregate amount of such support may be reduced  
632 proportionately. Nothing herein contained shall prohibit any  
633 school district from adopting or continuing a program or plan  
634 whereby teachers are paid varying salaries according to the  
635 teaching ability, classroom performance and other similar  
636 standards.

637 For purposes of this section, the term "local supplement"  
638 means the additional amount paid to an individual teacher over and  
639 above the salary schedule prescribed in Section 37-19-7 for the  
640 performance of regular teaching duties by that teacher.

641 **SECTION 11.** Section 37-151-211, Mississippi Code of 1972, is  
642 brought forward as follows:

643 37-151-211. (1) (a) Before February 1 of each year, the  
644 tax assessor of each county shall file reports with the State  
645 Department of Education which provide information essential to the  
646 department in determining the local contribution that each school  
647 district or charter school is required to provide toward the cost  
648 of local school funding. A separate report must be filed for each  
649 school district or part of a school district situated in the  
650 county and must include the following information:



651                   (i)   The total assessed valuation of nonexempt  
652 property for school purposes in each school district;  
653                   (ii)   Assessed value of exempt property owned by  
654 homeowners aged sixty-five (65) or older or disabled, as defined  
655 in Section 27-33-67(2);  
656                   (iii)   The school district's tax loss from  
657 exemptions provided to applicants under the age of sixty-five (65)  
658 and not disabled, as defined in Section 27-33-67(1); and  
659                   (iv)   The school district's homestead reimbursement  
660 revenues.  
661                   (b)   The State Department of Education shall prepare and  
662 make available to the tax assessor of each county a form for the  
663 reports required under paragraph (a) of this subsection (1)(a).  
664           (2)   (a)   The department shall use the information submitted  
665 pursuant to subsection (1) to calculate and certify to each school  
666 district the millage required to raise its minimum local tax  
667 effort, which must be the value of not less than twenty-eight (28)  
668 mills for the then current fiscal year or a millage rate  
669 equivalent to twenty-seven percent (27%) of the total funding  
670 formula funds for the school district, any charter schools, and  
671 any Mississippi Achievement School District Schools located in its  
672 boundaries, whichever is a lesser amount as certified to the  
673 school district by the department, upon all of the taxable  
674 property of the school district, including the following sources:



675                   (i)     One hundred percent (100%) of Grand Gulf  
676 income, as prescribed in Section 27-35-309; and  
677                   (ii)    One hundred percent (100%) of any fees in  
678 lieu of taxes, as prescribed in Section 27-31-104, in accordance  
679 with Section 37-57-1.

680           (b)    The department shall determine the local  
681 contribution of each school district or charter school based on  
682 the minimum local tax effort, as determined under paragraph (a),  
683 and shall certify this required local contribution to each school  
684 district or charter school, as follows:

685                   (i)     For school districts in which there are no  
686 charter schools, the minimum local tax effort is the required  
687 local contribution for the school district.

688                   (ii)    For school districts in which there is  
689 located one or more charter schools, the local contribution of the  
690 school district is the product of multiplying the local pro rata  
691 amount by the net enrollment of the school district. The  
692 department will calculate the local pro rata amount by dividing  
693 the school district's minimum local tax effort by the sum of the  
694 net enrollment of the school district, as determined by Section  
695 37-151-207, and the projected enrollment of charter school  
696 students, as specified in Section 37-151-207, who reside or are  
697 estimated to reside in the district, but excluding from this  
698 projected enrollment any resident students who are projected to  
699 transfer from the district to a charter school after the



calculation of the district's net enrollment, so as not to double-count those students.

(iii) For each charter school, the local contribution is the sum of the local pro rata amount for each charter school student, as determined by Section 37-151-207, based on each student's district of residence. The department will calculate a local pro rata amount for each school district in which a student projected to attend the charter school resides or is estimated to reside using the methodology in subparagraph (ii) of this paragraph (b).

(iv) In the case of an agricultural high school, the local contribution is based on an equitable amount per pupil, as determined by the State Board of Education. The State Board of Education shall set the millage requirement to generate such an amount and will certify this amount and millage requirement to agricultural high schools in the same manner as for all other school districts under this subsection.

(3) Except as otherwise provided in Section 37-151-213(1), the required state share in support of each school district and charter school is determined by subtracting the required local contribution, which total amount may not exceed twenty-seven percent (27%) of the total projected funding formula cost, from the total projected funding formula cost, as determined under Sections 37-151-200 through 37-151-215, for the school district or charter school.



(4) If the school board of any school district or charter school governing board determines that it is not economically feasible or practicable to operate any school within the district or charter school for the full one hundred eighty (180) days required for the school term of a scholastic year under Section 37-13-63, due to an enemy attack, man-made, technological, or natural disaster in which the Governor has declared a disaster emergency under the laws of this state or the President of the United States has declared an emergency or major disaster to exist in this state, the school board or charter school governing board may notify the State Department of Education of the disaster and submit a plan for altering the school term. If the State Board of Education finds the disaster to be the cause of the school not operating for the contemplated school term and that the school is located in a school district covered by the Governor's or President's disaster declaration, the board may permit the schools located in that district to be operated for less than one hundred eighty (180) days and, in such case, the State Department of Education may not reduce the state share in support of the funding formula for that district or charter school because of the failure to operate those schools for one hundred eighty (180) days.

**SECTION 12.** This act shall take effect and be in force from and after July 1, 2025.

