To: Education

By: Senator(s) DeBar

## SENATE BILL NO. 2176

- AN ACT TO AMEND SECTIONS 37-17-6 AND 37-17-13, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT, DURING THE SCHOOL BOARD'S FIRST YEAR FULLY ADMINISTERING A SCHOOL DISTRICT AFTER A DECLARATION OF A STATE OF EMERGENCY IS LIFTED OR THE SCHOOL BOARD IS RECONSTITUTED, THE INTERIM SUPERINTENDENT SHALL CONTINUE TO SERVE ALONGSIDE BOTH THE SCHOOL BOARD AND THE SCHOOL DISTRICT'S NEWLY APPOINTED SUPERINTENDENT IN AN ADVISORY AND OVERSIGHT CAPACITY AND SHALL MAKE PERIODIC REPORTS TO THE STATE BOARD OF EDUCATION; AND FOR RELATED PURPOSES.
- 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- SECTION 1. Section 37-17-6, Mississippi Code of 1972, is
- 12 amended as follows:
- 13 37-17-6. (1) The State Board of Education, acting through
- 14 the Commission on School Accreditation, shall establish and
- 15 implement a permanent performance-based accreditation system, and
- 16 all noncharter public elementary and secondary schools shall be
- 17 accredited under this system.
- 18 (2) School districts shall be required to provide school
- 19 classroom space that is air-conditioned as a minimum requirement
- 20 for accreditation.

| 21 | (3) (a) The State Board of Edu        | cation, acting through the    |
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| 22 | Commission on School Accreditation, s | hall require that school      |
| 23 | districts employ certified school lib | rarians according to the      |
| 24 | following formula:                    |                               |
| 25 | Number of Students                    | Number of Certified           |
| 26 | Per School Library                    | School Librarians             |
| 27 | 0 - 499 Students                      | 1/2 Full-time Equivalent      |
| 28 |                                       | Certified Librarian           |
| 29 | 500 or More Students                  | 1 Full-time Certified         |
| 30 |                                       | Librarian                     |
| 31 | (b) The State Board of Edu            | cation, however, may increase |
| 32 | the number of positions beyond the ab | ove requirements.             |
| 33 | (c) The assignment of cert            | ified school librarians to    |
| 34 | the particular schools shall be at th | e discretion of the local     |
|    |                                       |                               |

38 (d) School librarians in the district shall spend at

a school librarian by the State Department of Education.

school district. No individual shall be employed as a certified

school librarian without appropriate training and certification as

least fifty percent (50%) of direct work time in a school library

- 40 and shall devote no more than one-fourth (1/4) of the workday to
- 41 administrative activities that are library related.
- 42 (e) Nothing in this subsection shall prohibit any 43 school district from employing more certified school librarians
- 44 than are provided for in this section.

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| 45 (f) Any additional millage levied to fund sch | f) Any additional millage levied to fund school |
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- 46 librarians required for accreditation under this subsection shall
- 47 be included in the tax increase limitation set forth in Sections
- 48 37-57-105 and 37-57-107 and shall not be deemed a new program for
- 49 purposes of the limitation.
- 50 (4) [Deleted]
- 51 (5) (a) The State Department of Education, acting through
- 52 the Mississippi Commission on School Accreditation, shall
- 53 implement a single "A" through "F" school and school district
- 54 accountability system complying with applicable federal and state
- 55 requirements in order to reach the following educational goals:
- 56 (i) To mobilize resources and supplies to ensure
- 57 that all students exit third grade reading on grade level;
- 58 (ii) To reduce the student dropout rate to ten
- 59 percent (10%) by 2015; and
- 60 (iii) To have sixty percent (60%) of students
- 61 scoring proficient and advanced on assessments.
- (b) The State Department of Education shall combine the
- 63 state school and school district accountability system with the
- 64 federal system in order to have a single system.
- 65 (c) The State Department of Education shall establish
- 66 five (5) performance categories ("A," "B," "C," "D" and "F") for
- 67 the accountability system based on the following criteria:
- 68 (i) Student Achievement: the percent of students
- 69 proficient and advanced on the current state assessments;

| 71 | students making one (1) year's progress in one (1) year's time on |
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| 72 | the state assessment, with an emphasis on the progress of the     |
| 73 | lowest twenty-five percent (25%) of students in the school or     |
| 74 | district;   |
| 75 | (iii) Four-year graduation rate: the percent of                   |
| 76 | students graduating with a standard high school diploma in four   |
| 77 | (4) years, as defined by federal regulations;                     |
| 78 | (iv) The system shall include the federally                       |
| 79 | compliant four-year graduation rate in school and school district |
| 80 | accountability system calculations. Graduation rate will apply to |
| 81 | high school and school district accountability ratings as a       |
| 82 | compensatory component. The system shall discontinue the use of   |
| 83 | the High School Completer Index (HSCI);                           |
| 84 | (v) The school and school district accountability                 |
| 85 | system shall incorporate a standards-based growth model, in order |
| 86 | to support improvement of individual student learning;            |
| 87 | (vi) The State Department of Education shall                      |
| 88 | determine feeder patterns of schools that do not earn a school    |
| 89 | grade because the grades and subjects taught at the school do not |
| 90 | have statewide standardized assessments needed to calculate a     |
| 91 | school grade. Upon determination of the feeder pattern, the       |
| 92 | department shall notify schools and school districts prior to the |
| 93 | release of the school grades. Feeder schools will be assigned the |

(ii) Individual student growth: the percent of

- 95 students;
- 96 (vii) Standards for student, school and school
- 97 district performance will be increased when student proficiency is
- 98 at a seventy-five percent (75%) and/or when sixty-five percent
- 99 (65%) of the schools and/or school districts are earning a grade
- 100 of "B" or higher, in order to raise the standard on performance
- 101 after targets are met; and
- 102 (viii) The system shall include student
- 103 performance on the administration of a career-readiness
- 104 assessment, such as, but not limited to, the ACT WorkKeys
- 105 Assessment, deemed appropriate by the State Department of
- 106 Education working in coordination with the Office of Workforce
- 107 Development.
- 108 (6) Nothing in this section shall be deemed to require a
- 109 nonpublic school that receives no local, state or federal funds
- 110 for support to become accredited by the State Board of Education.
- 111 (7) The State Board of Education shall create an
- 112 accreditation audit unit under the Commission on School
- 113 Accreditation to determine whether schools are complying with
- 114 accreditation standards.
- 115 (8) The State Board of Education shall be specifically
- 116 authorized and empowered to withhold allocations from the total
- 117 funding formula funds as provided in Sections 37-151-200 through
- 118 37-151-215 to any public school district for failure to timely

| 119 | report  | student  | , school | personnel   | and | fiscal | data | necessary | to | meet |
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| 120 | state a | and/or f | ederal r | equirements | S.  |        |      |           |    |      |

- 121 (9) [Deleted]
- 122 (10) The State Board of Education shall establish, for those
  123 school districts failing to meet accreditation standards, a
  124 program of development to be complied with in order to receive
  125 state funds, except as otherwise provided in subsection (15) of
  126 this section when the Governor has declared a state of emergency
  127 in a school district or as otherwise provided in Section 206,
- 128 Mississippi Constitution of 1890. The state board, in
- 129 establishing these standards, shall provide for notice to schools
- 130 and sufficient time and aid to enable schools to attempt to meet
- 131 these standards, unless procedures under subsection (15) of this
- 132 section have been invoked.
- 133 (11) The State Board of Education shall be charged with the 134 implementation of the program of development in each applicable 135 school district as follows:
- 136 (a) Develop an impairment report for each district
  137 failing to meet accreditation standards in conjunction with school
  138 district officials;
- 139 (b) Notify any applicable school district failing to
  140 meet accreditation standards that it is on probation until
  141 corrective actions are taken or until the deficiencies have been
  142 removed. The local school district shall develop a corrective
  143 action plan to improve its deficiencies. For district academic

144 deficiencies, the corrective action plan for each such school 145 district shall be based upon a complete analysis of the following: student test data, student grades, student attendance reports, 146 student dropout data, existence and other relevant data. 147 148 corrective action plan shall describe the specific measures to be 149 taken by the particular school district and school to improve: 150 (i) instruction; (ii) curriculum; (iii) professional development; 151 (iv) personnel and classroom organization; (v) student incentives 152 for performance; (vi) process deficiencies; and (vii) reporting to 153 the local school board, parents and the community. The corrective 154 action plan shall describe the specific individuals responsible 155 for implementing each component of the recommendation and how each 156 will be evaluated. All corrective action plans shall be provided 157 to the State Board of Education as may be required. The decision 158 of the State Board of Education establishing the probationary 159 period of time shall be final; 160 Offer, during the probationary period, technical

assistance to the school district in making corrective actions.

Subject to appropriations, the State Department of Education shall provide technical and/or financial assistance to all such school districts in order to implement each measure identified in that district's corrective action plan through professional development and on-site assistance. Each such school district shall apply for and utilize all available federal funding in order to support its

- 168 corrective action plan in addition to state funds made available 169 under this paragraph;
- (d) Assign department personnel or contract, in its discretion, with the institutions of higher learning or other appropriate private entities with experience in the academic, finance and other operational functions of schools to assist
- (e) Provide for publication of public notice at least 175 176 one time during the probationary period, in a newspaper published within the jurisdiction of the school district failing to meet 177 178 accreditation standards, or if no newspaper is published therein, 179 then in a newspaper having a general circulation therein. publication shall include the following: declaration of school 180 system's status as being on probation; all details relating to the 181 impairment report; and other information as the State Board of 182 183 Education deems appropriate. Public notices issued under this 184 section shall be subject to Section 13-3-31 and not contrary to other laws regarding newspaper publication. 185
- 186 (12)(a) If the recommendations for corrective action are 187 not taken by the local school district or if the deficiencies are 188 not removed by the end of the probationary period, the Commission 189 on School Accreditation shall conduct a hearing to allow the 190 affected school district to present evidence or other reasons why 191 its accreditation should not be withdrawn. Additionally, if the local school district violates accreditation standards that have 192

school districts;

193 been determined by the policies and procedures of the State Board 194 of Education to be a basis for withdrawal of school district's 195 accreditation without a probationary period, the Commission on 196 School Accreditation shall conduct a hearing to allow the affected 197 school district to present evidence or other reasons why its 198 accreditation should not be withdrawn. After its consideration of 199 the results of the hearing, the Commission on School Accreditation 200 shall be authorized, with the approval of the State Board of 201 Education, to withdraw the accreditation of a public school 202 district, and issue a request to the Governor that a state of 203 emergency be declared in that district.

If the State Board of Education and the (b) (i) Commission on School Accreditation determine that an extreme emergency situation exists in a school district that jeopardizes the safety, security or educational interests of the children enrolled in the schools in that district and that emergency situation is believed to be related to a serious violation or violations of accreditation standards or state or federal law, the State Board of Education may request the Governor to declare a state of emergency in that school district. For purposes of this paragraph, the declarations of a state of emergency district's impairments \* \* \* may include the school district's serious failure to meet minimum academic standards, as evidenced by a continued pattern of poor student performance, or impairments related to a lack of financial resources.

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| 218 | (ii) If the State Board of Education determines                    |
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| 219 | that a public school or district in the state which, during each   |
| 220 | of two (2) consecutive school years or during two (2) of three (3) |
| 221 | consecutive school years, receives an "F" designation by the State |
| 222 | Board of Education under the accountability rating system or has   |
| 223 | been persistently failing as defined by the State Board of         |
| 224 | Education; or if the State Board of Education determines that a    |
| 225 | public school or district in the state which, during each of four  |
| 226 | (4) consecutive school years, receives a "D" or "F" designation by |
| 227 | the State Board of Education under the accountability rating       |
| 228 | system or has been persistently failing as defined by the State    |
| 229 | Board of Education; or if more than fifty percent (50%) of the     |
| 230 | schools within a school district are designated as Schools-At-Risk |
| 231 | in any one (1) year, then the board may place such school or       |
| 232 | district into a District of Transformation. The State Board of     |
| 233 | Education shall take over only the number of schools and districts |
| 234 | for which it has the capacity to serve. The State Board of         |
| 235 | Education shall adopt rules and regulations governing any          |
| 236 | additional requirements for placement into a District of           |
| 237 | Transformation and the operation thereof. School districts or      |
| 238 | schools that are eligible to be placed into a District of          |
| 239 | Transformation due to poor academic performance but are not        |
| 240 | absorbed due to the capacity of the State Board of Education,      |
| 241 | shall develop and implement a district improvement plan with       |
| 242 | prescriptive guidance and support from the Mississippi Department  |

| 244 | student achievement. Failure of the school board, superintendent   |
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| 245 | and school district staff to implement the plan with fidelity and  |
| 246 | participate in the activities provided as support by the           |
| 247 | department shall result in the school district retaining its       |
| 248 | eligibility for placement into a District of Transformation.       |
| 249 | (iii) If the State Board of Education determined                   |
| 250 | that a school district is impaired with a serious lack of          |
| 251 | financial resources, the State Board of Education may place the    |
| 252 | school district into a District of Transformation. If a school     |
| 253 | district is placed into a District of Transformation for financial |
| 254 | reasons, the school district shall be required to reimburse the    |
| 255 | state for any costs incurred by the state on behalf of the school  |
| 256 | district.  |
| 257 | (c) Whenever the Governor declares a state of emergency            |
| 258 | in a school district in response to a request made under paragraph |
| 259 | (a) or (b) of this subsection, or when the State Board of          |
| 260 | Education places a school district into a District of              |
| 261 | Transformation due to poor academic performance or financial       |
| 262 | reasons, the State Board of Education may take one or more of the  |
| 263 | following actions:   |

of Education, with the goal of helping the district improve

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Declare a state of emergency, under which some

or all of state funds can be escrowed except as otherwise provided

in Section 206, Constitution of 1890, until the board determines

corrective actions are being taken or the deficiencies have been

| 268 | removed, or that the needs of students warrant the release of     |
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| 269 | funds. The funds may be released from escrow for any program      |
| 270 | which the board determines to have been restored to standard even |

271 though the state of emergency may not as yet be terminated for the

272 district as a whole;

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

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

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

(v) For states of emergency declared under
paragraph (a) only, if the accreditation deficiencies are related
to the fact that the school district is too small, with too few
resources, to meet the required standards and if another school
district is willing to accept those students, abolish that
district and assign that territory to another school district or

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| 293 | districts. If the school district has proposed a voluntary         |
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| 294 | consolidation with another school district or districts, then if   |
| 295 | the State Board of Education finds that it is in the best interest |
| 296 | of the pupils of the district for the consolidation to proceed,    |
| 297 | the voluntary consolidation shall have priority over any such      |
| 298 | assignment of territory by the State Board of Education;           |
| 299 | (vi) For actions taken pursuant to paragraph (b)                   |
| 300 | only, reduce local supplements paid to school district employees,  |
| 301 | including, but not limited to, instructional personnel, assistant  |
| 302 | teachers and extracurricular activities personnel, if the          |
| 303 | district's impairment is related to a lack of financial resources, |
| 304 | but only to an extent that will result in the salaries being       |
| 305 | comparable to districts similarly situated, as determined by the   |
| 306 | State Board of Education;  |
| 307 | (vii) For actions taken pursuant to paragraph (b)                  |

- 307 (vii) For actions taken pursuant to paragraph (b)
  308 only, the State Board of Education may take any action as
  309 prescribed in Section 37-17-13.
- 310 (d) At the time that satisfactory corrective action has
  311 been taken in a school district in which a state of emergency has
  312 been declared, the State Board of Education may request the
  313 Governor to declare that the state of emergency no longer exists
  314 in the district.
- 315 (e) The parent or legal guardian of a school-age child 316 who is enrolled in a school district whose accreditation has been 317 withdrawn by the Commission on School Accreditation and without

| 318 | approval of that school district may file a petition in writing to |
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| 319 | a school district accredited by the Commission on School           |
| 320 | Accreditation for a legal transfer. The school district            |
| 321 | accredited by the Commission on School Accreditation may grant the |
| 322 | transfer according to the procedures of Section $37-15-31(1)$ (b). |
| 323 | In the event the accreditation of the student's home district is   |
| 324 | restored after a transfer has been approved, the student may       |
| 325 | continue to attend the transferee school district. The per pupil   |
| 326 | amount of the total funding formula allotment for the student's    |
| 327 | home school district shall be transferred monthly to the school    |
| 328 | district accredited by the Commission on School Accreditation that |
| 329 | has granted the transfer of the school-age child.                  |
| 330 | (f) Upon the declaration of a state of emergency for               |
| 331 | any school district in which the Governor has previously declared  |
| 332 | a state of emergency, the State Board of Education may either:     |
| 333 | (i) Place the school district into district                        |
| 334 | transformation, in which the school district shall remain until it |
| 335 | has fulfilled all conditions related to district transformation.   |
| 336 | If the district was assigned an accreditation rating of "D" or "F" |
| 337 | when placed into district transformation, the district shall be    |
| 338 | eligible to return to local control when the school district has   |
| 339 | attained a "C" rating or higher for three (3) consecutive years;   |
| 340 | (ii) Abolish the school district and                               |
| 341 | administratively consolidate the school district with one or more  |
| 342 | existing school districts;   |

| 344 | administratively consolidate parts of the district, as determined  |
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| 345 | by the State Board of Education. However, no school district       |
| 346 | which is not in district transformation shall be required to       |
| 347 | accept additional territory over the objection of the district; or |
| 348 | (iv) Require the school district to develop and                    |
| 349 | implement a district improvement plan with prescriptive guidance   |
| 350 | and support from the State Department of Education, with the goal  |
| 351 | of helping the district improve student achievement. Failure of    |
| 352 | the school board, superintendent and school district staff to      |
| 353 | implement the plan with fidelity and participate in the activities |
| 354 | provided as support by the department shall result in the school   |
| 355 | district retaining its eligibility for district transformation.    |
| 356 | (13) Upon the declaration of a state of emergency in a             |
| 357 | school district under subsection (12) of this section, or upon the |
| 358 | State Board of Education's placement of a school district into a   |
| 359 | District of Transformation for academic or financial reasons, the  |
| 360 | Commission on School Accreditation shall be responsible for public |
| 361 | notice at least once a week for at least three (3) consecutive     |
| 362 | weeks in a newspaper published within the jurisdiction of the      |
| 363 | school district failing to meet accreditation standards, or if no  |
| 364 | newspaper is published therein, then in a newspaper having a       |
| 365 | general circulation therein. The size of the notice shall be no    |
| 366 | smaller than one-fourth $(1/4)$ of a standard newspaper page and   |

shall be printed in bold print. If an interim superintendent has

(iii) Reduce the size of the district and

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| 808 | been appointed for the school district, the notice shall begin as |
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| 369 | follows: "By authority of Section 37-17-6, Mississippi Code of    |
| 370 | 1972, as amended, adopted by the Mississippi Legislature during   |
| 371 | the 1991 Regular Session, this school district (name of school    |
| 372 | district) is hereby placed under the jurisdiction of the State    |
| 373 | Department of Education acting through its appointed interim      |
| 374 | superintendent (name of interim superintendent)."                 |

The notice also shall include, in the discretion of the State Board of Education, any or all details relating to the school district's emergency status, including the declaration of a state of emergency in the school district and a description of the district's impairment deficiencies, conditions of any district transformation status and corrective actions recommended and being taken. Public notices issued under this section shall be subject to Section 13-3-31 and not contrary to other laws regarding newspaper publication.

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

The State Board of Education or the Commission on School Accreditation shall have the authority to require school districts to produce the necessary reports, correspondence,

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| 393 | financial | sta | atements, | and | any  | other   | docur | nents | and  | informa | tion |
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| 394 | necessary | to  | fulfill   | the | reau | irement | s of  | this  | sect | tion.   |      |

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

emergency in a school district in response to a request made under subsection (12) of this section, or when the State Board of Education places a school district into a District of Transformation for academic or financial reasons, the State Board of Education, in its discretion, may assign an interim superintendent to the school district, or in its discretion, may contract with an appropriate private entity with experience in the academic, finance and other operational functions of schools and school districts, who will be responsible for the administration, management and operation of the school district, including, but not limited to, the following activities:

obligations of the district, including, but not limited to, the
employment, termination, nonrenewal and reassignment of all
licensed and nonlicensed personnel, contractual agreements and
purchase orders, and approving or disapproving all claim dockets
and the issuance of checks; in approving or disapproving
employment contracts of superintendents, assistant superintendents

| 418 | or | principals, | the | interim | superintendent | shall | not | be | required | tc |
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- 419 comply with the time limitations prescribed in Sections 37-9-15
- 420 and 37-9-105;
- 421 (ii) Supervising the day-to-day activities of the
- 422 district's staff, including reassigning the duties and
- 423 responsibilities of personnel in a manner which, in the
- 424 determination of the interim superintendent, will best suit the
- 425 needs of the district;
- 426 (iii) Reviewing the district's total financial
- 427 obligations and operations and making recommendations to the
- 428 district for cost savings, including, but not limited to,
- 429 reassigning the duties and responsibilities of staff;
- 430 (iv) Attending all meetings of the district's
- 431 school board and administrative staff;
- 432 (v) Approving or disapproving all athletic, band
- 433 and other extracurricular activities and any matters related to
- 434 those activities;
- 435 (vi) Maintaining a detailed account of
- 436 recommendations made to the district and actions taken in response
- 437 to those recommendations;
- 438 (vii) Reporting periodically to the State Board of
- 439 Education on the progress or lack of progress being made in the
- 440 district to improve the district's impairments during the state of
- 441 emergency; and

| 442 | (viii) Appointing a parent advisory committee,                     |
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| 443 | comprised of parents of students in the school district that may   |
| 444 | make recommendations to the interim superintendent concerning the  |
| 445 | administration, management and operation of the school district.   |
| 446 | The cost of the salary of the interim superintendent and any       |
| 447 | other actual and necessary costs related to district               |
| 448 | transformation status paid by the State Department of Education    |
| 449 | shall be reimbursed by the local school district from funds other  |
| 450 | than total funding formula funds as provided in Sections           |
| 451 | 37-151-200 through 37-151-215. In the alternative, the local       |
| 452 | school district may pay the cost of the salary of the interim      |
| 453 | superintendent. The department shall submit an itemized statement  |
| 454 | to the superintendent of the local school district for             |
| 455 | reimbursement purposes, and any unpaid balance may be withheld     |
| 456 | from the district's funding formula funds.                         |
| 457 | At the time that the Governor, in accordance with the request      |
| 458 | of the State Board of Education, declares that the state of        |
| 459 | emergency no longer exists in a school district, * * * during the  |
| 460 | school board's first year fully administering the school district, |
| 461 | the interim superintendent shall continue to serve alongside both  |
| 462 | the school board and the school district's newly appointed         |
| 463 | superintendent in an advisory and oversight capacity and shall     |
| 464 | make periodic reports to the State Board of Education.             |
| 465 | (b) In order to provide loans to school districts under            |
| 466 | a state of emergency or in district transformation status that     |

| 467 | have impairments related to a lack of financial resources, the     |
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| 468 | School District Emergency Assistance Fund is created as a special  |
| 469 | fund in the State Treasury into which monies may be transferred or |
| 470 | appropriated by the Legislature from any available public          |
| 471 | education funds. Funds in the School District Emergency            |
| 472 | Assistance Fund up to a maximum balance of Three Million Dollars   |
| 473 | (\$3,000,000.00) annually shall not lapse but shall be available   |
| 474 | for expenditure in subsequent years subject to approval of the     |
| 475 | State Board of Education. Any amount in the fund in excess of      |
| 476 | Three Million Dollars (\$3,000,000.00) at the end of the fiscal    |
| 477 | year shall lapse into the State General Fund or the Education      |
| 478 | Enhancement Fund, depending on the source of the fund.             |
| 479 | The State Board of Education may loan monies from the School       |
| 480 | District Emergency Assistance Fund to a school district that is    |
| 481 | under a state of emergency or in district transformation status,   |
| 482 | in those amounts, as determined by the board, that are necessary   |
| 483 | to correct the district's impairments related to a lack of         |
| 484 | financial resources. The loans shall be evidenced by an agreement  |
| 485 | between the school district and the State Board of Education and   |
| 486 | shall be repayable in principal, without necessity of interest, to |
| 487 | the School District Emergency Assistance Fund by the school        |
| 488 | district from any allowable funds that are available. The total    |
| 489 | amount loaned to the district shall be due and payable within five |
| 490 | (5) years after the impairments related to a lack of financial     |
| 491 | resources are corrected. If a school district fails to make        |

| 492 | payments on the loan in accordance with the terms of the agreement |
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| 493 | between the district and the State Board of Education, the State   |
| 494 | Department of Education, in accordance with rules and regulations  |
| 495 | established by the State Board of Education, may withhold that     |
| 496 | district's total funding formula funds in an amount and manner     |
| 497 | that will effectuate repayment consistent with the terms of the    |
| 498 | agreement; the funds withheld by the department shall be deposited |
| 499 | into the School District Emergency Assistance Fund.                |

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

514 (16) [Deleted]

515 (17) [Deleted]

- 18) The State Board of Education, acting through the
  Commission on School Accreditation, shall require each school
  district to comply with standards established by the State
  Department of Audit for the verification of fixed assets and the
  auditing of fixed assets records as a minimum requirement for
  accreditation.
- 522 (19) [Deleted]
- 523 (20) [Deleted]

- 524 If a local school district is determined as failing and (21)525 placed into district transformation status for reasons authorized 526 by the provisions of this section, the interim superintendent 527 appointed to the district shall, within forty-five (45) days after 528 being appointed, present a detailed and structured corrective 529 action plan to move the local school district out of district 530 transformation status to the deputy superintendent. A copy of the 531 interim superintendent's corrective action plan shall also be
- SECTION 2. Section 37-17-13, Mississippi Code of 1972, is amended as follows:
- 37-17-13. (1) Whenever the Governor declares a state of
  emergency in a school district in response to a certification by
  the State Board of Education and the Commission on School
  Accreditation made under Section 37-17-6(12)(b), or when the State
  Board of Education places a school district into a District of
  Transformation for academic or financial reasons under Section

filed with the State Board of Education.

541 37-17-6(12) (b), the State Board of Education, in addition to any 542 actions taken under Section 37-17-6, shall abolish the school 543 district and assume control and administration of the schools formerly constituting the district, and appoint an interim 544 545 superintendent to carry out this purpose under the direction of 546 the State Board of Education. In such case, the State Board of 547 Education shall have all powers which were held by the previously 548 existing school board, and the previously existing superintendent 549 of schools or county superintendent of education, including, but 550 not limited to, those enumerated in Section 37-7-301, and the 551 authority to request tax levies from the appropriate governing 552 authorities for the support of the schools and to receive and 553 expend the tax funds as provided by Section 37-57-1 et seq. and 554 Section 37-57-105 et seq.

(2) When a school district is abolished under this section, loans from the School District Emergency Assistance Fund may be made by the State Board of Education for the use and benefit of the schools formerly constituting the district in accordance with the procedures set forth in Section 37-17-6(15) for such loans to the district. The abolition of a school district under this section shall not impair or release the property of that school district from liability for the payment of the loan indebtedness, and it shall be the duty of the appropriate governing authorities to levy taxes on the property of the district so abolished from

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year to year according to the terms of the indebtedness until same shall be fully paid.

567 After a local school board is abolished by the State 568 Board of Education, at such time the State Board of Education 569 determines that the impairments are being substantially corrected 570 and the responsibility of the district transformation in such 571 district upon the conclusion of the final scholastic year in which a district has maintained a "C" accountability rating for three 572 573 (3) consecutive years, the State Board of Education may appoint a new five-member board for the administration of the school 574 575 district and shall notify the local county board of supervisors 576 and/or municipal governing authority of such appointment, 577 spreading the names of the new school board members on its 578 The new local school board members shall be residents of 579 the school district. The new local school board members appointed 580 by the State Board of Education may serve in an advisory capacity 581 to the interim superintendent for its first year of service and 582 thereafter shall have full responsibility to administer the school 583 district. Thirty (30) days prior to the end of the first year of 584 office as an advisory board, each member shall draw lots to 585 determine when the members shall rotate off the board as follows: 586 one (1) member shall serve a one-year term of office; one (1) 587 member shall serve a two-year term of office; one (1) member shall 588 serve a three-year term of office; one (1) member shall serve a four-year term of office; and one (1) member shall serve a 589

| 590 | five-year term of office. At that time, the State Board of         |
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| 591 | Education shall notify the appropriate board of supervisors or     |
| 592 | municipal governing authority of this action and request them to   |
| 593 | provide for the election or appointment of school board members at |
| 594 | the end of the terms of office in the manner provided by law, in   |
| 595 | order for the local residents of the school district to select a   |
| 596 | new school board on a phased-in basis. In such situations, the     |
| 597 | Governor will set the date of any necessary special election which |
| 598 | shall be conducted by the county election commission. * * $\star$  |
| 599 | During the school board's first year fully administering the       |
| 600 | school district, the interim superintendent shall continue to      |
| 601 | serve alongside both the school board and the school district's    |
| 602 | newly appointed superintendent in an advisory and oversight        |
| 603 | capacity and shall make periodic reports to the State Board of     |
| 604 | Education. A board member or superintendent in office at the time  |
| 605 | the Governor declares a state of emergency in a school district,   |
| 606 | or when the State Board of Education places a school district into |
| 607 | a District of Transformation due to academic or financial reasons, |
| 608 | shall not be eligible to serve in the office of school board       |
| 609 | member or superintendent for the school district reconstituted or  |
| 610 | reorganized following the district transformation period.          |
| 611 | SECTION 3. This act shall take effect and be in force from         |
| 612 | and after July 1, 2025.  |