

By: Senator(s) DeBar, McLendon

To: Education

SENATE BILL NO. 2178

1 AN ACT TO AMEND SECTION 37-7-301, MISSISSIPPI CODE OF 1972,
2 TO EMPOWER ALL SCHOOL BOARDS OF ALL SCHOOL DISTRICTS TO VOTE TO
3 PROVIDE SCHOOL BOARD MEMBERS AND THEIR ELIGIBLE DEPENDENTS WITH
4 HEALTH INSURANCE, PROVIDED THAT SUCH INSURANCE IS PAID FOR WITH
5 LOCAL FUNDS AND NOT STATE FUNDS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 37-7-301, Mississippi Code of 1972, is
8 amended as follows:

9 37-7-301. The school boards of all school districts shall
10 have the following powers, authority and duties in addition to all
11 others imposed or granted by law * * *:

12 (a) To organize and operate the schools of the district
13 and to make such division between the high school grades and
14 elementary grades as, in their judgment, will serve the best
15 interests of the school;

16 (b) To introduce public school music, art, manual
17 training and other special subjects into either the elementary or
18 high school grades, as the board shall deem proper;



19 (c) To be the custodians of real and personal school
20 property and to manage, control and care for same, both during the
21 school term and during vacation;

22 (d) To have responsibility for the erection, repairing
23 and equipping of school facilities and the making of necessary
24 school improvements;

25 (e) To suspend or to expel a pupil or to change the
26 placement of a pupil to the school district's alternative school
27 or homebound program for misconduct in the school or on school
28 property, as defined in Section 37-11-29, on the road to and from
29 school, or at any school-related activity or event, or for conduct
30 occurring on property other than school property or other than at
31 a school-related activity or event when such conduct by a pupil,
32 in the determination of the school superintendent or principal,
33 renders that pupil's presence in the classroom a disruption to the
34 educational environment of the school or a detriment to the best
35 interest and welfare of the pupils and teacher of such class as a
36 whole, and to delegate such authority to the appropriate officials
37 of the school district;

38 (f) To visit schools in the district, in their
39 discretion, in a body for the purpose of determining what can be
40 done for the improvement of the school in a general way;

41 (g) To support, within reasonable limits, the
42 superintendent, principal and teachers where necessary for the
43 proper discipline of the school;



44 (h) To exclude from the schools students with what
45 appears to be infectious or contagious diseases; provided,
46 however, such student may be allowed to return to school upon
47 presenting a certificate from a public health officer, duly
48 licensed physician or nurse practitioner that the student is free
49 from such disease;

50 (i) To require those vaccinations specified by the
51 State Health Officer as provided in Section 41-23-37;

52 (j) To see that all necessary utilities and services
53 are provided in the schools at all times when same are needed;

54 (k) To authorize the use of the school buildings and
55 grounds for the holding of public meetings and gatherings of the
56 people under such regulations as may be prescribed by said board;

57 (l) To prescribe and enforce rules and regulations not
58 inconsistent with law or with the regulations of the State Board
59 of Education for their own government and for the government of
60 the schools, and to transact their business at regular and special
61 meetings called and held in the manner provided by law;

62 (m) To maintain and operate all of the schools under
63 their control for such length of time during the year as may be
64 required;

65 (n) To enforce in the schools the courses of study and
66 the use of the textbooks prescribed by the proper authorities;

67 (o) To make orders directed to the superintendent of
68 schools for the issuance of pay certificates for lawful purposes



69 on any available funds of the district and to have full control of
70 the receipt, distribution, allotment and disbursement of all funds
71 provided for the support and operation of the schools of such
72 school district whether such funds be derived from state
73 appropriations, local ad valorem tax collections, or otherwise.
74 The local school board shall be authorized and empowered to
75 promulgate rules and regulations that specify the types of claims
76 and set limits of the dollar amount for payment of claims by the
77 superintendent of schools to be ratified by the board at the next
78 regularly scheduled meeting after payment has been made;

79 (p) To select all school district personnel in the
80 manner provided by law, and to provide for such employee fringe
81 benefit programs, including accident reimbursement plans, as may
82 be deemed necessary and appropriate by the board;

83 (q) To provide athletic programs and other school
84 activities and to regulate the establishment and operation of such
85 programs and activities;

86 (r) To join, in their discretion, any association of
87 school boards and other public school-related organizations, and
88 to pay from local funds other than total funding formula funds,
89 any membership dues;

90 (s) To expend local school activity funds, or other
91 available school district funds, other than total funding formula
92 funds, for the purposes prescribed under this paragraph.

93 "Activity funds" shall mean all funds received by school officials



94 in all school districts paid or collected to participate in any
95 school activity, such activity being part of the school program
96 and partially financed with public funds or supplemented by public
97 funds. The term "activity funds" shall not include any funds
98 raised and/or expended by any organization unless commingled in a
99 bank account with existing activity funds, regardless of whether
100 the funds were raised by school employees or received by school
101 employees during school hours or using school facilities, and
102 regardless of whether a school employee exercises influence over
103 the expenditure or disposition of such funds. Organizations shall
104 not be required to make any payment to any school for the use of
105 any school facility if, in the discretion of the local school
106 governing board, the organization's function shall be deemed to be
107 beneficial to the official or extracurricular programs of the
108 school. For the purposes of this provision, the term
109 "organization" shall not include any organization subject to the
110 control of the local school governing board. Activity funds may
111 only be expended for any necessary expenses or travel costs,
112 including advances, incurred by students and their chaperons in
113 attending any in-state or out-of-state school-related programs,
114 conventions or seminars and/or any commodities, equipment, travel
115 expenses, purchased services or school supplies which the local
116 school governing board, in its discretion, shall deem beneficial
117 to the official or extracurricular programs of the district,
118 including items which may subsequently become the personal



property of individuals, including yearbooks, athletic apparel,
book covers and trophies. Activity funds may be used to pay
travel expenses of school district personnel. The local school
governing board shall be authorized and empowered to promulgate
rules and regulations specifically designating for what purposes
school activity funds may be expended. The local school governing
board shall provide (i) that such school activity funds shall be
maintained and expended by the principal of the school generating
the funds in individual bank accounts, or (ii) that such school
activity funds shall be maintained and expended by the
superintendent of schools in a central depository approved by the
board. The local school governing board shall provide that such
school activity funds be audited as part of the annual audit
required in Section 37-9-18. The State Department of Education
shall prescribe a uniform system of accounting and financial
reporting for all school activity fund transactions;

(t) To enter into an energy performance contract,
energy services contract, on a shared-savings, lease or
lease-purchase basis, for energy efficiency services and/or
equipment as provided for in Section 31-7-14;

(u) To maintain accounts and issue pay certificates on
school food service bank accounts;

(v) (i) To lease a school building from an individual,
partnership, nonprofit corporation or a private for-profit
corporation for the use of such school district, and to expend



144 funds therefor as may be available from any sources other than
145 total funding formula funds as set by Sections 37-151-200 through
146 37-151-215. The school board of the school district desiring to
147 lease a school building shall declare by resolution that a need
148 exists for a school building and that the school district cannot
149 provide the necessary funds to pay the cost or its proportionate
150 share of the cost of a school building required to meet the
151 present needs. The resolution so adopted by the school board
152 shall be published once each week for three (3) consecutive weeks
153 in a newspaper having a general circulation in the school district
154 involved, with the first publication thereof to be made not less
155 than thirty (30) days prior to the date upon which the school
156 board is to act on the question of leasing a school building. If
157 no petition requesting an election is filed prior to such meeting
158 as hereinafter provided, then the school board may, by resolution
159 spread upon its minutes, proceed to lease a school building. If
160 at any time prior to said meeting a petition signed by not less
161 than twenty percent (20%) or fifteen hundred (1500), whichever is
162 less, of the qualified electors of the school district involved
163 shall be filed with the school board requesting that an election
164 be called on the question, then the school board shall, not later
165 than the next regular meeting, adopt a resolution calling an
166 election to be held within such school district upon the question
167 of authorizing the school board to lease a school building. Such
168 election shall be called and held, and notice thereof shall be



169 given, in the same manner for elections upon the questions of the
170 issuance of the bonds of school districts, and the results thereof
171 shall be certified to the school board. If at least three-fifths
172 (3/5) of the qualified electors of the school district who voted
173 in such election shall vote in favor of the leasing of a school
174 building, then the school board shall proceed to lease a school
175 building. The term of the lease contract shall not exceed twenty
176 (20) years, and the total cost of such lease shall be either the
177 amount of the lowest and best bid accepted by the school board
178 after advertisement for bids or an amount not to exceed the
179 current fair market value of the lease as determined by the
180 averaging of at least two (2) appraisals by certified general
181 appraisers licensed by the State of Mississippi. The term "school
182 building" as used in this paragraph (v) (i) shall be construed to
183 mean any building or buildings used for classroom purposes in
184 connection with the operation of schools and shall include the
185 site therefor, necessary support facilities, and the equipment
186 thereof and appurtenances thereto such as heating facilities,
187 water supply, sewage disposal, landscaping, walks, drives and
188 playgrounds. The term "lease" as used in this paragraph (v) (i)
189 may include a lease-purchase contract;

190 (ii) If two (2) or more school districts propose
191 to enter into a lease contract jointly, then joint meetings of the
192 school boards having control may be held but no action taken shall
193 be binding on any such school district unless the question of



194 leasing a school building is approved in each participating school
195 district under the procedure hereinabove set forth in paragraph
196 (v)(i). All of the provisions of paragraph (v)(i) regarding the
197 term and amount of the lease contract shall apply to the school
198 boards of school districts acting jointly. Any lease contract
199 executed by two (2) or more school districts as joint lessees
200 shall set out the amount of the aggregate lease rental to be paid
201 by each, which may be agreed upon, but there shall be no right of
202 occupancy by any lessee unless the aggregate rental is paid as
203 stipulated in the lease contract. All rights of joint lessees
204 under the lease contract shall be in proportion to the amount of
205 lease rental paid by each;

206 (w) To employ all noninstructional and noncertificated
207 employees and fix the duties and compensation of such personnel
208 deemed necessary pursuant to the recommendation of the
209 superintendent of schools;

210 (x) To employ and fix the duties and compensation of
211 such legal counsel as deemed necessary;

212 (y) Subject to rules and regulations of the State Board
213 of Education, to purchase, own and operate trucks, vans and other
214 motor vehicles, which shall bear the proper identification
215 required by law;

216 (z) To expend funds for the payment of substitute
217 teachers and to adopt reasonable regulations for the employment
218 and compensation of such substitute teachers;



219 (aa) To acquire in its own name by purchase all real
220 property which shall be necessary and desirable in connection with
221 the construction, renovation or improvement of any public school
222 building or structure. Whenever the purchase price for such real
223 property is greater than Fifty Thousand Dollars (\$50,000.00), the
224 school board shall not purchase the property for an amount
225 exceeding the fair market value of such property as determined by
226 the average of at least two (2) independent appraisals by
227 certified general appraisers licensed by the State of Mississippi.
228 If the board shall be unable to agree with the owner of any such
229 real property in connection with any such project, the board shall
230 have the power and authority to acquire any such real property by
231 condemnation proceedings pursuant to Section 11-27-1 et seq.,
232 Mississippi Code of 1972, and for such purpose, the right of
233 eminent domain is hereby conferred upon and vested in said board.
234 Provided further, that the local school board is authorized to
235 grant an easement for ingress and egress over sixteenth section
236 land or lieu land in exchange for a similar easement upon
237 adjoining land where the exchange of easements affords substantial
238 benefit to the sixteenth section land; provided, however, the
239 exchange must be based upon values as determined by a competent
240 appraiser, with any differential in value to be adjusted by cash
241 payment. Any easement rights granted over sixteenth section land
242 under such authority shall terminate when the easement ceases to
243 be used for its stated purpose. No sixteenth section or lieu land



which is subject to an existing lease shall be burdened by any such easement except by consent of the lessee or unless the school district shall acquire the unexpired leasehold interest affected by the easement;

(bb) To charge reasonable fees related to the educational programs of the district, in the manner prescribed in Section 37-7-335;

(cc) Subject to rules and regulations of the State Board of Education, to purchase relocatable classrooms for the use of such school district, in the manner prescribed in Section 37-1-13;

(dd) Enter into contracts or agreements with other school districts, political subdivisions or governmental entities to carry out one or more of the powers or duties of the school board, or to allow more efficient utilization of limited resources for providing services to the public;

(ee) To provide for in-service training for employees of the district;

(ff) As part of their duties to prescribe the use of textbooks, to provide that parents and legal guardians shall be responsible for the textbooks and for the compensation to the school district for any books which are not returned to the proper schools upon the withdrawal of their dependent child. If a textbook is lost or not returned by any student who drops out of the public school district, the parent or legal guardian shall



also compensate the school district for the fair market value of the textbooks;

(gg) To conduct fund-raising activities on behalf of the school district that the local school board, in its discretion, deems appropriate or beneficial to the official or extracurricular programs of the district; provided that:

(i) Any proceeds of the fund-raising activities shall be treated as "activity funds" and shall be accounted for as are other activity funds under this section; and

(ii) Fund-raising activities conducted or authorized by the board for the sale of school pictures, the rental of caps and gowns or the sale of graduation invitations for which the school board receives a commission, rebate or fee shall contain a disclosure statement advising that a portion of the proceeds of the sales or rentals shall be contributed to the student activity fund;

(hh) To allow individual lessons for music, art and other curriculum-related activities for academic credit or nonacademic credit during school hours and using school equipment and facilities, subject to uniform rules and regulations adopted by the school board;

(ii) To charge reasonable fees for participating in an extracurricular activity for academic or nonacademic credit for necessary and required equipment such as safety equipment, band instruments and uniforms;



(jj) To conduct or participate in any fund-raising activities on behalf of or in connection with a tax-exempt charitable organization;

(kk) To exercise such powers as may be reasonably necessary to carry out the provisions of this section;

(ll) To expend funds for the services of nonprofit arts organizations or other such nonprofit organizations who provide performances or other services for the students of the school district;

(mm) To expend federal No Child Left Behind Act funds, or any other available funds that are expressly designated and authorized for that use, to pay training, educational expenses, salary incentives and salary supplements to employees of local school districts; except that incentives shall not be considered part of the local supplement, nor shall incentives be considered part of the local supplement paid to an individual teacher for the purposes of Section 37-19-7(1);

(nn) To use any available funds, not appropriated or designated for any other purpose, for reimbursement to the state-licensed employees from both in state and out of state, who enter into a contract for employment in a school district, for the expense of moving when the employment necessitates the relocation of the licensed employee to a different geographical area than that in which the licensed employee resides before entering into the contract. The reimbursement shall not exceed One Thousand



Dollars (\$1,000.00) for the documented actual expenses incurred in the course of relocating, including the expense of any professional moving company or persons employed to assist with the move, rented moving vehicles or equipment, mileage in the amount authorized for county and municipal employees under Section 25-3-41 if the licensed employee used his personal vehicle or vehicles for the move, meals and such other expenses associated with the relocation. No licensed employee may be reimbursed for moving expenses under this section on more than one (1) occasion by the same school district. Nothing in this section shall be construed to require the actual residence to which the licensed employee relocates to be within the boundaries of the school district that has executed a contract for employment in order for the licensed employee to be eligible for reimbursement for the moving expenses. However, the licensed employee must relocate within the boundaries of the State of Mississippi. Any individual receiving relocation assistance through the Critical Teacher Shortage Act as provided in Section 37-159-5 shall not be eligible to receive additional relocation funds as authorized in this paragraph;

(oo) To use any available funds, not appropriated or designated for any other purpose, to reimburse persons who interview for employment as a licensed employee with the district for the mileage and other actual expenses incurred in the course



of travel to and from the interview at the rate authorized for county and municipal employees under Section 25-3-41;

(pp) Consistent with the report of the Task Force to Conduct a Best Financial Management Practices Review, to improve school district management and use of resources and identify cost savings as established in Section 8 of Chapter 610, Laws of 2002, local school boards are encouraged to conduct independent reviews of the management and efficiency of schools and school districts. Such management and efficiency reviews shall provide state and local officials and the public with the following:

(i) An assessment of a school district's governance and organizational structure;

(ii) An assessment of the school district's financial and personnel management;

(iii) An assessment of revenue levels and sources;

(iv) An assessment of facilities utilization, planning and maintenance;

(v) An assessment of food services, transportation and safety/security systems;

(vi) An assessment of instructional and administrative technology;

(vii) A review of the instructional management and the efficiency and effectiveness of existing instructional programs; and



(viii) Recommended methods for increasing efficiency and effectiveness in providing educational services to the public;

(qq) To enter into agreements with other local school boards for the establishment of an educational service agency (ESA) to provide for the cooperative needs of the region in which the school district is located, as provided in Section 37-7-345;

(rr) To implement a financial literacy program for students in Grades 10 and 11. The board may review the national programs and obtain free literature from various nationally recognized programs. After review of the different programs, the board may certify a program that is most appropriate for the school districts' needs. If a district implements a financial literacy program, then any student in Grade 10 or 11 may participate in the program. The financial literacy program shall include, but is not limited to, instruction in the same areas of personal business and finance as required under Section 37-1-3(2) (b). The school board may coordinate with volunteer teachers from local community organizations, including, but not limited to, the following: United States Department of Agriculture Rural Development, United States Department of Housing and Urban Development, Junior Achievement, bankers and other nonprofit organizations. Nothing in this paragraph shall be construed as to require school boards to implement a financial literacy program;



(ss) To collaborate with the State Board of Education, Community Action Agencies or the Department of Human Services to develop and implement a voluntary program to provide services for a prekindergarten program that addresses the cognitive, social, and emotional needs of four-year-old and three-year-old children. The school board may utilize any source of available revenue to fund the voluntary program. Effective with the 2013-2014 school year, to implement voluntary prekindergarten programs under the Early Learning Collaborative Act of 2013 pursuant to state funds awarded by the State Department of Education on a matching basis;

(tt) With respect to any lawful, written obligation of a school district, including, but not limited to, leases (excluding leases of sixteenth section public school trust land), bonds, notes, or other agreement, to agree in writing with the obligee that the Department of Revenue or any state agency, department or commission created under state law may:

(i) Withhold all or any part (as agreed by the school board) of any monies which such local school board is entitled to receive from time to time under any law and which is in the possession of the Department of Revenue, or any state agency, department or commission created under state law; and

(ii) Pay the same over to any financial institution, trustee or other obligee, as directed in writing by the school board, to satisfy all or part of such obligation of the school district.



417 The school board may make such written agreement to withhold
418 and transfer funds irrevocable for the term of the written
419 obligation and may include in the written agreement any other
420 terms and provisions acceptable to the school board. If the
421 school board files a copy of such written agreement with the
422 Department of Revenue, or any state agency, department or
423 commission created under state law then the Department of Revenue
424 or any state agency, department or commission created under state
425 law shall immediately make the withholdings provided in such
426 agreement from the amounts due the local school board and shall
427 continue to pay the same over to such financial institution,
428 trustee or obligee for the term of the agreement.

429 This paragraph (tt) shall not grant any extra authority to a
430 school board to issue debt in any amount exceeding statutory
431 limitations on assessed value of taxable property within such
432 school district or the statutory limitations on debt maturities,
433 and shall not grant any extra authority to impose, levy or collect
434 a tax which is not otherwise expressly provided for, and shall not
435 be construed to apply to sixteenth section public school trust
436 land;

437 (uu) With respect to any matter or transaction that is
438 competitively bid by a school district, to accept from any bidder
439 as a good-faith deposit or bid bond or bid surety, the same type
440 of good-faith deposit or bid bond or bid surety that may be
441 accepted by the state or any other political subdivision on



similar competitively bid matters or transactions. This paragraph (uu) shall not be construed to apply to sixteenth section public school trust land. The school board may authorize the investment of any school district funds in the same kind and manner of investments, including pooled investments, as any other political subdivision, including community hospitals;

(vv) To utilize the alternate method for the conveyance or exchange of unused school buildings and/or land, reserving a partial or other undivided interest in the property, as specifically authorized and provided in Section 37-7-485;

(ww) To delegate, privatize or otherwise enter into a contract with private entities for the operation of any and all functions of nonacademic school process, procedures and operations including, but not limited to, cafeteria workers, janitorial services, transportation, professional development, achievement and instructional consulting services materials and products, purchasing cooperatives, insurance, business manager services, auditing and accounting services, school safety/risk prevention, data processing and student records, and other staff services; however, the authority under this paragraph does not apply to the leasing, management or operation of sixteenth section lands.

Local school districts, working through their regional education service agency, are encouraged to enter into buying consortia with other member districts for the purposes of more efficient use of state resources as described in Section 37-7-345;



467 (xx) To partner with entities, organizations and
468 corporations for the purpose of benefiting the school district;
469 (yy) To borrow funds from the Rural Economic
470 Development Authority for the maintenance of school buildings;
471 (zz) To fund and operate voluntary early childhood
472 education programs, defined as programs for children less than
473 five (5) years of age on or before September 1, and to use any
474 source of revenue for such early childhood education programs.
475 Such programs shall not conflict with the Early Learning
476 Collaborative Act of 2013;
477 (aaa) To issue and provide for the use of procurement
478 cards by school board members, superintendents and licensed school
479 personnel consistent with the rules and regulations of the
480 Mississippi Department of Finance and Administration under Section
481 31-7-9; * * *
482 (* * *aab) To conduct an annual comprehensive
483 evaluation of the superintendent of schools consistent with the
484 assessment components of paragraph (pp) of this section and the
485 assessment benchmarks established by the Mississippi School Board
486 Association to evaluate the success the superintendent has
487 attained in meeting district goals and objectives, the
488 superintendent's leadership skill and whether or not the
489 superintendent has established appropriate standards for
490 performance, is monitoring success and is using data for
491 improvement * * *; and



492 (aac) To vote to provide school board members and their
493 eligible dependents with health insurance, provided that such
494 insurance is paid for with local funds and not state funds.

495 **SECTION 2.** This act shall take effect and be in force from
496 and after July 1, 2025.

