

By: Representative Ford

To: Education;
AppropriationsHOUSE BILL NO. 482
(As Passed the House)

1 AN ACT TO REENACT SECTIONS 37-19-1 THROUGH 37-19-5, 37-19-9,
 2 37-19-11, 37-19-15 THROUGH 37-19-19, 37-19-21 AND 37-19-23 THROUGH
 3 37-19-53, MISSISSIPPI CODE OF 1972, WHICH ESTABLISH THE MINIMUM
 4 EDUCATION PROGRAM AND DEFINE THE VARIOUS FUNDING COMPONENTS OF THE
 5 PROGRAM; TO REENACT SECTIONS 37-22-1 AND 37-22-3, MISSISSIPPI CODE
 6 OF 1972, WHICH ESTABLISH THE MISSISSIPPI SCHOOL DISTRICT UNIFORM
 7 MILLAGE ASSISTANCE GRANT PROGRAM AND THE SECOND LEVEL FUNDING
 8 PROGRAM; TO REENACT SECTION 37-151-3, MISSISSIPPI CODE OF 1972,
 9 WHICH REQUIRES THE STATE DEPARTMENT OF EDUCATION TO ANNUALLY
 10 CONDUCT STATE FUNDING PROJECTIONS AND COMPARISONS FOR SCHOOL
 11 DISTRICTS; TO AMEND REENACTED SECTION 37-19-21, MISSISSIPPI CODE
 12 OF 1972, TO DELETE THE JULY 1, 2002, REPEALER DATE ON THAT
 13 SECTION, WHICH PROVIDES AN ALLOTMENT UNDER THE MINIMUM EDUCATION
 14 PROGRAM FOR SUPPORTIVE SERVICES; TO AMEND REENACTED SECTION
 15 37-19-24, MISSISSIPPI CODE OF 1972, TO DELETE THE JULY 1, 2002,
 16 REPEALER DATE ON THAT SECTION, WHICH PROVIDES AN ALLOTMENT UNDER
 17 THE MINIMUM EDUCATION PROGRAM FOR THE LOCAL COST OF TEACHER SALARY
 18 INCREASES; TO AMEND REENACTED SECTION 37-151-3, MISSISSIPPI CODE
 19 OF 1972, TO PROVIDE FOR THE REPEAL OF THE STATUTE THAT REQUIRES
 20 THE STATE DEPARTMENT OF EDUCATION TO ANNUALLY CONDUCT STATE
 21 FUNDING PROJECTIONS AND COMPARISONS FOR SCHOOL DISTRICTS,
 22 EFFECTIVE JULY 1, 2003; TO REPEAL SECTION 30, CHAPTER 612, LAWS OF
 23 1997, WHICH PROVIDES FOR THE JULY 1, 2002, REPEAL OF THE MINIMUM
 24 EDUCATION PROGRAM, THE MISSISSIPPI SCHOOL DISTRICT UNIFORM MILLAGE
 25 ASSISTANCE GRANT PROGRAM AND SECOND LEVEL FUNDING PROGRAM, AND THE
 26 STATUTE REQUIRING THE STATE DEPARTMENT OF EDUCATION TO ANNUALLY
 27 CONDUCT STATE FUNDING PROJECTIONS AND COMPARISONS FOR SCHOOL
 28 DISTRICTS; TO CREATE NEW SECTION 37-19-55, MISSISSIPPI CODE OF
 29 1972, TO PROVIDE FOR THE REPEAL OF THE MINIMUM EDUCATION PROGRAM
 30 ON JULY 1, 2003; TO CREATE NEW SECTION 37-22-4, MISSISSIPPI CODE
 31 OF 1972, TO PROVIDE FOR THE REPEAL OF THE MISSISSIPPI SCHOOL
 32 DISTRICT UNIFORM MILLAGE ASSISTANCE GRANT PROGRAM AND SECOND LEVEL
 33 FUNDING PROGRAM ON JULY 1, 2003; TO AMEND REENACTED SECTION
 34 37-22-1, MISSISSIPPI CODE OF 1972, TO EXCLUDE REVENUE GENERATED
 35 FROM SIXTEENTH SECTION TIMBER SALES FROM THE DEFINITION OF "OTHER
 36 LOCAL REVENUE SOURCES"; AND FOR RELATED PURPOSES.

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

38 **SECTION 1.** Section 37-19-1, Mississippi Code of 1972, is
 39 reenacted as follows:

40 37-19-1. As used in this chapter:

41 (a) The term "minimum education program" shall mean the
 42 program of education made possible by the financing plan provided
 43 for in this chapter;



44 (b) The term "teacher" shall include any employee of a
45 school board of a school district who is required by law to obtain
46 a teacher's license from the State Board of Education and who is
47 assigned to an instructional area of work as defined by the State
48 Department of Education the equivalent of a minimum of three (3)
49 normal periods per school day;

50 (c) The term "principal" shall mean the head of an
51 attendance center or division thereof;

52 (d) The term "superintendent" shall mean the head of a
53 school district;

54 (e) The term "teacher unit" means one (1) teacher unit
55 for each twenty-four (24) pupils in average daily attendance in
56 kindergarten and in Grades 1, 2, 3 and 4 and one (1) teacher unit
57 for each twenty-seven (27) pupils in average daily attendance in
58 all other grades;

59 (f) The term "cost of the minimum program" shall mean
60 the calculated allowance as fixed by law or by regulations of the
61 State Board of Education for teachers' salaries, administrative
62 expense, transportation, the employer's part of the public
63 employees' retirement and social security, and "supportive
64 services" as defined elsewhere in this chapter;

65 (g) The term "school district" shall, for purposes of
66 this chapter, be construed to include any type of school district
67 in the State of Mississippi;

68 (h) "Minimum school term" shall mean a term of at least
69 one hundred eighty (180) days of school in which both teachers and
70 pupils are in regular attendance for scheduled classroom
71 instruction for not less than sixty percent (60%) of the normal
72 school day. It is the intent of the Legislature that any tax
73 levies generated to produce additional local funds required by any
74 school district to operate school terms in excess of one hundred
75 seventy-five (175) days shall not be construed to constitute a new
76 program for the purposes of exemption from the limitation on tax



77 revenues as allowed under Sections 27-39-321 and 37-57-107 for new
78 programs mandated by the Legislature;

79 (i) The term "transportation density" shall mean the
80 number of transported children in average daily attendance per
81 square mile of area served in a county or a separate school
82 district, as determined by the State Department of Education;

83 (j) The term "transported children" shall mean children
84 being transported to school who live within legal limits for
85 transportation and who are otherwise qualified for being
86 transported to school at public expense as fixed by Mississippi
87 state law;

88 (k) The term "year of teaching experience" shall mean
89 nine (9) months of actual teaching in the public or private
90 schools of this or some other state. In no case shall more than
91 one (1) year of teaching experience be given for all services in
92 one (1) calendar or school year. In determining a teacher's
93 experience, no deduction shall be made because of the temporary
94 absence of the teacher because of illness or other good cause, and
95 the teacher shall be given credit therefor. The State Board of
96 Education shall fix a number of days, not to exceed twenty-five
97 (25) consecutive school days, during which a teacher may not be
98 under contract of employment during any school year and still be
99 considered to have been in full-time employment for a regular
100 scholastic term. In determining the experience of school
101 librarians, each complete year of continuous, full-time employment
102 as a professional librarian in a public library in this or some
103 other state shall be considered a year of teaching experience. If
104 a full-time school administrator returns to actual teaching in the
105 public schools, the term "year of teaching experience" shall
106 include the period of time he or she served as a school
107 administrator;

108 (l) The term "average daily attendance" shall be the
109 figure which results when the total aggregate attendance during



110 the period or months counted is divided by the number of days
111 during the period or months counted upon which both teachers and
112 pupils are in regular attendance for scheduled classroom
113 instruction;

114 (m) The term "local supplement" shall mean the amount
115 paid to an individual teacher over and above the minimum
116 foundation program salary schedule for regular teaching duties;

117 (n) The term "aggregate amount of support from ad
118 valorem taxation" shall mean the amounts produced by the
119 district's total tax levies for operations;

120 (o) The term "minimum program funds" shall mean all
121 funds, both state and local, constituting the requirements for
122 meeting the cost of the minimum program as provided for in this
123 chapter.

124 **SECTION 2.** Section 37-19-3, Mississippi Code of 1972, is
125 reenacted as follows:

126 37-19-3. The total cost of the minimum education program
127 shall be the sum of the amounts provided for in Sections 37-19-5
128 through 37-19-33.

129 **SECTION 3.** Section 37-19-5, Mississippi Code of 1972, is
130 reenacted as follows:

131 37-19-5. (1) The total number of teachers included in the
132 program for each school district shall not be in excess of the
133 number of teachers employed or the number of teacher units
134 allowed, whichever number is smaller. The number of teacher units
135 shall be determined by the State Department of Education for each
136 school district for the current year as follows: For Kindergarten
137 and Grades 1, 2, 3 and 4, one (1) teacher unit shall be allotted
138 for each twenty-four (24) pupils in average daily attendance for
139 the prior school year or for months two and three of the current
140 year, whichever is greater, and for all other grades, one (1)
141 teacher unit shall be allotted for each twenty-seven (27) pupils
142 in average daily attendance for the prior school year or for



143 months two and three of the current year, whichever is greater. A
144 remaining major fraction of a unit shall be counted as a whole
145 unit. It shall be the duty of the State Department of Education
146 to determine that each school district actually has employed in
147 Kindergarten and Grades 1, 2, 3 and 4, a number of teachers which
148 shall not be fewer than the earned units calculated in accordance
149 with this subsection and, to that end, the State Department of
150 Education is empowered to make regulations not inconsistent with
151 this chapter which are reasonably necessary to implement and
152 assure its compliance. No teacher may be included in such number
153 of teachers unless he spends not less than seventy-five percent
154 (75%) of his working time in actual classroom instruction in
155 Kindergarten and Grades 1, 2, 3 and 4, and the State Department of
156 Education shall require the school district to certify, under oath
157 of a person informed of such matters, and authorized by the school
158 district governing authority to do so, that only such teachers
159 have been so included in that number. If a school district
160 employs more teachers than the teacher units allotted, the State
161 Department of Education shall use the teachers of highest training
162 and number of years experience in determining the allotment for
163 salaries. It is the intent of the Legislature that the additional
164 teachers provided herein for Kindergarten and Grades 1, 2, 3 and 4
165 shall be utilized exclusively in Kindergarten and in those grades,
166 and that such classes shall not exceed a maximum number of
167 twenty-seven (27) students in enrollment at any time during the
168 school term unless exempted under rules and regulations
169 promulgated by the State Board of Education providing for
170 hardship, emergency or other special situations. In addition, the
171 total number of students that may be taught by an individual
172 teacher in core subjects at any time during the school year shall
173 not exceed one hundred fifty (150) unless exempted under the rules
174 and regulations promulgated by the State Board of Education. Any
175 such exemption regarding the maximum number of students per class



176 or per individual teacher shall be certified by the local board of
177 education to the State Department of Education with each monthly
178 average daily attendance report. In the event any school district
179 meets Level 4 or 5 accreditation standards, the State Board of
180 Education may, in its discretion, exempt such school district from
181 the maximum pupil-teacher ratio in Grades 1, 2, 3 and 4 prescribed
182 herein.

183 (2) One-half (1/2) of a teacher unit shall be added to the
184 teacher unit allotment for each school district for each
185 vocational teacher employed full time during the regular school
186 term in a vocational education program approved by the State
187 Department of Education. For each teacher employed in a
188 vocational program less than full time, the additional one-half
189 (1/2) teacher unit shall be prorated by the percentage of time
190 spent in the vocational program. Minimum program funds will be
191 allotted based on the type of certificate and number of years
192 teaching experience held by each approved vocational teacher.

193 (3) One (1) additional teacher unit shall be added to the
194 teacher unit allotment for each school district for each teacher
195 employed in a State Department of Education approved program for
196 exceptional children as defined in Section 37-23-3, except that
197 only seventy percent (70%) of a teacher unit will be approved for
198 the program for three- and four-year-old exceptional children.
199 Exceptional children as defined in Section 37-23-3 who are under
200 the age of three (3) years shall receive teacher units for each
201 teacher employed in an approved program for those children.
202 However, notwithstanding the calculation of teacher units as
203 defined in subsection (1) above, exceptional children enrolled in
204 a self-contained class, as defined by the State Department of
205 Education, shall not be counted in average daily attendance when
206 determining the regular teacher unit allocation. Minimum program
207 funds will be allotted based on the type of certificate and the



208 number of years teaching experience held by each approved
209 exceptional education teacher.

210 (4) In addition to the allowances provided above, for each
211 handicapped child who is being educated by a public school
212 district or is placed in accord with Section 37-23-77 and whose
213 individualized educational program (IEP) requires an extended
214 school year in accord with the State Department of Education
215 criteria, a sufficient amount of minimum program funds shall be
216 allocated for the purpose of providing the educational services
217 the student requires. The State Board of Education shall
218 promulgate such regulations as are required to insure the
219 equitable distribution of these funds. All costs for the extended
220 school year for a particular summer shall be reimbursed from
221 minimum program funds appropriated for the fiscal year beginning
222 July 1 of that summer. If sufficient funds are not made available
223 to finance all of the required educational services, the State
224 Department of Education shall expend available funds in such a
225 manner that it does not limit the availability of appropriate
226 education to handicapped students more severely than it does to
227 nonhandicapped students.

228 (5) The State Department of Education is hereby authorized
229 to match minimum program funds allocated for provision of services
230 to handicapped children with Division of Medicaid funds to provide
231 language-speech services, physical therapy and occupational
232 therapy to handicapped students who meet State Department of
233 Education or Division of Medicaid standards and who are Medicaid
234 eligible. Provided further, that the State Department of
235 Education is authorized to pay such minimum program funds as may
236 be required as a match directly to the Division of Medicaid
237 pursuant to an agreement to be developed between the State
238 Department of Education and the Division of Medicaid.

239 (6) In the event of an inordinately large number of
240 absentees in any school district as a result of epidemic, natural



241 disaster, or any concerted activity discouraging school
242 attendance, then in such event school attendance for the purposes
243 of determining teacher units shall be based upon the average daily
244 attendance for the three (3) preceding school years for such
245 school district.

246 (7) In addition to the allotments provided above, a school
247 district may provide a program of education and instruction to
248 children ages five (5) years through twenty-one (21) years, who
249 are resident citizens of the State of Mississippi, who cannot have
250 their educational needs met in a regular public school program and
251 who have not finished or graduated from high school, if those
252 children are determined by competent medical authorities and
253 psychologists to need placement in a state licensed facility for
254 inpatient treatment, day treatment or residential treatment or a
255 therapeutic group home. Such program shall operate under rules,
256 regulations, policies and standards of school districts as
257 determined by the State Board of Education. If a private school
258 approved by the State Board of Education is operated as an
259 integral part of the state licensed facility that provides for the
260 treatment of such children, the private school within the facility
261 may provide a program of education, instruction and training to
262 such children by requesting the State Department of Education to
263 allocate one (1) teacher unit or a portion of a teacher unit for
264 each approved class. The facility shall be responsible for
265 providing for any additional costs of the program.

266 Minimum program funds will be allotted based on the type of
267 certificate and number of years' teaching experience held by each
268 approved teacher. Such children shall not be counted in average
269 daily attendance when determining the regular teacher unit
270 allocation.

271 **SECTION 4.** Section 37-19-9, Mississippi Code of 1972, is
272 reenacted as follows:



273 37-19-9. Any special license-nonrenewable issued in
274 accordance with Section 37-3-2(6)(d) will be considered equivalent
275 to a Class A certification and license for the purpose of the
276 scale as set forth in Section 37-19-7, and for the purpose of the
277 experience increases provided for in Section 37-19-7.

278 **SECTION 5.** Section 37-19-11, Mississippi Code of 1972, is
279 reenacted as follows:

280 37-19-11. No school district shall pay any teacher on the
281 minimum foundation program less than the state minimum salary
282 provided for in Section 37-19-7. No school district shall receive
283 any funds under the provisions of this chapter for any school year
284 during which the aggregate amount of local supplement as defined
285 in Section 37-19-1 shall have been reduced below such amount for
286 the previous year; however, where there has been a reduction in
287 the number of teacher units in such district in such year, where
288 there has been a reduction in the amount of federal funds to such
289 district below the previous year, or where there has been a
290 reduction in ad valorem taxes to such school district for the
291 1986-1987 school year below the amount for the previous year due
292 to the exemption of nuclear generating plants from ad valorem
293 taxation, pursuant to Section 27-35-309, the aggregate amount of
294 local supplement in such district may be reduced proportionately
295 without loss of funds under this chapter. No school district may
296 receive any funds under the provisions of this chapter for any
297 school year if the aggregate amount of support from ad valorem
298 taxation shall be reduced during such school year below such
299 amount for the previous year; however, where there is a loss in
300 teacher units, or where there is or heretofore has been a decrease
301 in the total assessed value of taxable property within a school
302 district, the aggregate amount of such support may be reduced
303 proportionately. Nothing herein contained shall prohibit any
304 school district from adopting or continuing a program or plan
305 whereby teachers are paid varying salaries according to the



306 teaching ability, classroom performance and other similar
307 standards.

308 **SECTION 6.** Section 37-19-15, Mississippi Code of 1972, is
309 reenacted as follows:

310 37-19-15. The minimum base pay for all classroom teachers as
311 fixed in this chapter may be increased by the district from any
312 funds available to it other than minimum program funds; and those
313 districts which have not prior to July 1, 1978, so increased said
314 base pay, shall increase the minimum base pay for classroom
315 teachers as fixed by this chapter and as authorized by any of the
316 provisions of or standards set forth in this chapter.

317 **SECTION 7.** Section 37-19-17, Mississippi Code of 1972, is
318 reenacted as follows:

319 37-19-17. The total allowance made by the State Board of
320 Education in the minimum education program for teachers' salaries
321 for each type of certificate in any school district shall not be
322 in excess of the total amount determined by the scale for teachers
323 holding each type of certificate as provided in this chapter or
324 the amount actually paid to such teachers with such type of
325 certificates, whichever amount is smaller. However, the school
326 boards of all school districts may establish salary schedules
327 based on training, experience, and other such factors as may be
328 incorporated therein, including student progress and performance
329 as developed by the State Board of Education, paying teachers
330 greater amounts than the scale provided herein, but no teacher may
331 be paid less than the amount allotted for such teacher based upon
332 the scale of pay provided in this chapter, and all supplements
333 paid from local funds shall be based upon the salary schedules so
334 established. The school boards may call upon the State Department
335 of Education for aid and assistance in formulating and
336 establishing such salary schedules, and it shall be the duty of
337 the State Department of Education, when so called upon, to render
338 such aid and assistance.



339 The amount allotted for teachers' salaries by the State Board
340 of Education and the amount actually paid to each teacher shall be
341 based upon and determined by the type of certificate held by such
342 teacher.

343 **SECTION 8.** Section 37-19-19, Mississippi Code of 1972, is
344 reenacted as follows:

345 37-19-19. Each county and separate school district shall be
346 allotted Seventy-five Dollars (\$75.00) per teacher unit for paying
347 or supplementing superintendents' and principals' salaries.

348 **SECTION 9.** Section 37-19-21, Mississippi Code of 1972, is
349 reenacted and amended as follows:

350 37-19-21. For fiscal year 2002, each school district shall
351 be allotted Five Thousand Ninety-seven Dollars (\$5,097.00) per
352 teacher unit for use in supportive services.

353 * * *

354 **SECTION 10.** Section 37-19-23, Mississippi Code of 1972, is
355 reenacted as follows:

356 37-19-23. The amount to be included in the minimum education
357 program by the State Board of Education for transportation shall
358 be determined as follows:

359 (1) The State Department of Education shall calculate the
360 cost of transportation in school districts by ascertaining the
361 average cost per pupil in average daily attendance of transported
362 pupils in school districts classified in different density groups
363 as determined by the State Department of Education. Based on
364 these calculations, the State Department of Education shall
365 develop a scale for determining the allowable cost per pupil in
366 different density groups, which scale shall provide greatest
367 allowance per pupil transported in school districts with lowest
368 densities and smallest allowance per pupil in school districts
369 with highest densities. The total allowance in the minimum
370 education program for transported children for any school district
371 for the current year shall be the average daily attendance of the



372 transported children for the nine (9) months of the prior year,
373 multiplied by the allowance per transported pupil as provided
374 herein. However, the State Department of Education is hereby
375 authorized and empowered to make proper adjustments in allotments,
376 under rules and regulations of the State Board of Education, in
377 cases where major changes in the number of children in average
378 daily attendance transported occur from one year to another as a
379 result of changes or alterations in the boundaries of school
380 districts, a change in or relocation of attendance centers, or for
381 other reasons which would result in major decrease or increase in
382 the number of children in average daily attendance transported
383 during the current school year as compared with the preceding
384 year. Moreover, the State Board of Education is hereby authorized
385 and empowered to make such payments to all districts and/or
386 university-based programs as deemed necessary in connection with
387 transporting exceptional children as defined in Section 37-23-3.
388 The State Board of Education shall establish and implement all
389 necessary rules and regulations to allot transportation payments
390 to university-based programs. In developing density
391 classifications under the provisions hereof, the State Department
392 of Education may give consideration to the length of the route,
393 the sparsity of the population, the lack of adequate roads,
394 highways and bridges, and the presence of large streams or other
395 geographic obstacles. In addition to funds allotted under the
396 above provisions, funds shall be allotted to each school district
397 that transports students from their assigned school or attendance
398 center to classes in an approved vocational-technical center at a
399 rate per mile not to exceed the average statewide cost per mile of
400 school bus transportation during the preceding year exclusive of
401 bus replacement. All such transportation must have prior approval
402 by the State Department of Education.

403 (2) The average daily attendance of transported children
404 shall be reported by the school district in which such children



405 attend school. If children living in a school district are
406 transported at the expense of such school district to another
407 school district, the average daily attendance of such transported
408 children shall be deducted by the State Department of Education
409 from the aggregate average daily attendance of transported
410 children in the school district in which they attend school and
411 shall be added to the aggregated average daily attendance of
412 transported children of the school district from which they come
413 for the purpose of calculating transportation allotments.
414 However, such deduction shall not be made for the purpose of
415 calculating teacher units.

416 (3) The State Department of Education shall include in the
417 allowance for transportation for each school district an amount
418 for the replacement of school buses or the purchase of new buses,
419 which amount shall be calculated upon the estimated useful life of
420 all school buses being used for the transportation of children in
421 such school district, whether such buses be publicly or privately
422 owned.

423 (4) The school boards of all districts operating school bus
424 transportation are authorized and directed to establish a salary
425 schedule for school bus drivers. No school district shall be
426 entitled to receive the funds herein allotted for transportation
427 unless it pays each of its nonstudent adult school bus drivers
428 paid from such transportation allotments a minimum of One Hundred
429 Ninety Dollars (\$190.00) per month. In addition, local school
430 boards may compensate school bus drivers for actual expenses
431 incurred when acquiring an initial commercial license or any
432 renewal of a commercial license to drive a school bus.

433 (5) The State Board of Education shall be authorized and
434 empowered to use such part of the funds appropriated for
435 transportation in the minimum education fund as may be necessary
436 to finance driver training courses as provided for in Section
437 37-41-1.



438 **SECTION 11.** Section 37-19-24, Mississippi Code of 1972, is
439 reenacted and amended as follows:

440 37-19-24. Beginning with the 1999-2000 school year, in
441 addition to other funds allotted under this chapter, an amount
442 subject to appropriation shall be provided to fund the local cost
443 of state mandated salary increases as provided through Section
444 37-19-7. Such funds are provided where amounts provided through
445 Section 37-19-21 are insufficient to fund such increases and shall
446 be distributed based on district staffing for the immediate
447 preceding school year, as determined by the State Department of
448 Education.

449 * * *

450 **SECTION 12.** Section 37-19-25, Mississippi Code of 1972, is
451 reenacted as follows:

452 37-19-25. School districts embracing territory in more than
453 one (1) county shall be administered in the county where the
454 buildings are located insofar as the minimum education program is
455 concerned, and the cost of the education program for a line school
456 shall be included in the total for the county in which the school
457 buildings are located, except that the children attending such
458 school and residing in another county shall be counted for
459 transportation allotment purposes in the county which furnishes or
460 provides the transportation.

461 **SECTION 13.** Section 37-19-27, Mississippi Code of 1972, is
462 reenacted as follows:

463 37-19-27. (1) Legally transferred students going from one
464 school district to another shall be counted for teacher allotment
465 and allotments for supportive services by the school district
466 wherein the pupils attend school, including cost allotments
467 prescribed in Sections 37-19-19 and 37-19-31 for school district
468 administrative and clerical salaries and other expenses, but shall
469 be counted for transportation allotment purposes in the school
470 district which furnishes or provides the transportation. The



471 school boards of the school districts which approve the transfer
472 of a student under the provisions of Section 37-15-31 shall enter
473 into an agreement and contract for the payment or nonpayment of
474 any portion of their local maintenance funds which they deem fair
475 and equitable in support of any transferred student. Except as
476 provided in subsection (2) of this section, local maintenance
477 funds shall be transferred only to the extent specified in the
478 agreement and contract entered into by the affected school
479 districts. The terms of any local maintenance fund payment
480 transfer contract shall be spread upon the minutes of both of the
481 affected school district school boards. The school district
482 accepting any transfer students shall be authorized to accept
483 tuition from such students under the provisions of Section
484 37-15-31(1) and such agreement may remain in effect for any length
485 of time designated in the contract. The terms of such student
486 transfer contracts and the amounts of any tuition charged any
487 transfer student shall be spread upon the minutes of both of the
488 affected school boards. No school district accepting any transfer
489 students under the provisions of Section 37-15-31(2), which
490 provides for the transfer of certain school district employee
491 dependents, shall be authorized to charge such transfer students
492 any tuition fees.

493 (2) Local maintenance funds shall be paid by the home school
494 district to the transferee school district for students granted
495 transfers under the provisions of Sections 37-15-29(3) and
496 37-15-31(3), Mississippi Code of 1972, not to exceed the
497 "individual student entitlement" as defined in Section
498 37-22-1(2)(d), Mississippi Code of 1972, multiplied by the number
499 of such legally transferred students.

500 **SECTION 14.** Section 37-19-29, Mississippi Code of 1972, is
501 reenacted follows:

502 37-19-29. Notwithstanding any provision of this chapter or
503 any other law requiring the number of children in average daily



504 attendance or the average daily attendance of transported children
505 to be determined on the basis of the preceding year, the state
506 board of education is hereby authorized and empowered to make
507 proper adjustments in allotments in cases where major changes in
508 the number of children in average daily attendance or the average
509 daily attendance of transported children occurs from one year to
510 another as a result of changes or alterations in the boundaries of
511 school districts, the sending of children from one county or
512 district to another upon a contract basis, the termination or
513 discontinuance of a contract for the sending of children from one
514 county or district to another, a change in or relocation of
515 attendance centers, or for any other reason which would result in
516 a major decrease or increase in the number of children in average
517 daily attendance or the average daily attendance of transported
518 children during the current school year as compared with the
519 preceding year.

520 **SECTION 15.** Section 37-19-31, Mississippi Code of 1972, is
521 reenacted as follows:

522 37-19-31. The State Department of Education shall include in
523 the minimum education program for each school system annually the
524 sum of Fifteen Thousand Dollars (\$15,000.00) and an additional
525 amount of Fifty Dollars (\$50.00) for each teacher unit in excess
526 of fifty (50) teacher units as defined and determined in this
527 chapter. However, no school district shall be allotted more than
528 Twenty-five Thousand Dollars (\$25,000.00).

529 **SECTION 16.** Section 37-19-33, Mississippi Code of 1972, is
530 reenacted as follows:

531 37-19-33. In addition to the allowances provided in Sections
532 37-19-5 through 37-19-31, the State Department of Education may
533 allot to each school district an amount to cover and pay the
534 employer's part of the public employees' retirement and social
535 security. The allowance under this section shall be based upon
536 the current rate applied to each funding element except for



537 transportation which shall be the amount appropriated for
538 salaries. In the event a rate changes during the fiscal year, the
539 State Department of Education shall apportion the allowance under
540 this section by the number of days of the regular school term
541 occurring in each rate period.

542 **SECTION 17.** Section 37-19-34, Mississippi Code of 1972, is
543 reenacted as follows:

544 37-19-34. The State Board of Education shall allot to each
545 school district such funds appropriated to pay one hundred percent
546 (100%) of the cost of the State and School Employees' Life and
547 Health Insurance Plan created under Article 7, Chapter 15, Title
548 25, Mississippi Code of 1972, for all district employees who work
549 no less than twenty (20) hours during each week and regular
550 nonstudent school bus drivers employed by the district.

551 Where the use of federal funding is allowable to defray, in
552 full or in part, the cost of participation in the insurance plan
553 by district employees who work no less than twenty (20) hours
554 during each week and regular nonstudent school bus drivers, whose
555 salaries are paid, in full or in part, by federal funds, the
556 allowance under this section shall be reduced to the extent of the
557 federal funding. Where the use of federal funds is allowable but
558 not available, it is the intent of the Legislature that school
559 districts contribute the cost of participation for such employees
560 from local funds, except that parent fees for child nutrition
561 programs shall not be increased to cover such cost.

562 The State Department of Education, in accordance with rules
563 and regulations established by the State Board of Education, may
564 withhold a school district's minimum program funds for failure of
565 the district to timely report student, fiscal and personnel data
566 necessary to meet state and/or federal requirements. The rules
567 and regulations promulgated by the State Board of Education shall
568 require the withholding of minimum program funds for those
569 districts that fail to remit premiums, interest penalties and/or



570 late charges under the State and School Employees' Life and Health
571 Insurance Plan. Noncompliance with such rules and regulations
572 shall result in a violation of compulsory accreditation standards
573 as established by the State Board of Education and Commission on
574 School Accreditation.

575 **SECTION 18.** Section 37-19-35, Mississippi Code of 1972, is
576 reenacted as follows:

577 37-19-35. The minimum local ad valorem tax effort required
578 of each school district in proportion to its relative taxpaying
579 ability shall be determined as follows:

580 (a) The total minimum local ad valorem tax effort
581 required of all school districts in the state shall be as follows:
582 Sixteen Million Five Hundred Thousand Dollars (\$16,500,000.00) for
583 fiscal year 1987, Seventeen Million Dollars (\$17,000,000.00) for
584 fiscal year 1988, Seventeen Million Seven Hundred Fifty Thousand
585 Dollars (\$17,750,000.00) for fiscal year 1989, Eighteen Million
586 Five Hundred Thousand Dollars (\$18,500,000.00) for fiscal year
587 1990, Nineteen Million Two Hundred Fifty Thousand Dollars
588 (\$19,250,000.00) for fiscal year 1991, Twenty Million Dollars
589 (\$20,000,000.00) for fiscal year 1992, Twenty-one Million Dollars
590 (\$21,000,000.00) for fiscal year 1993, Twenty-two Million Dollars
591 (\$22,000,000.00) for fiscal year 1994, Twenty-three Million
592 Dollars (\$23,000,000.00) for fiscal year 1995, Twenty-four Million
593 Dollars (\$24,000,000.00) for fiscal year 1996 and each fiscal year
594 thereafter.

595 (b) The State Department of Education shall determine
596 for each county its percent of the total taxpaying ability of the
597 state by the following economic index of taxpaying ability: (1)
598 multiply .242152 times the county's percent of the assessed
599 valuation of public utilities in the state; (2) multiply .282970
600 times the county's percent of the retail sales tax paid in the
601 state; (3) multiply .044144 times the county's percent of the
602 state total of motor vehicle license receipts as sold by the tax



603 collectors of the various counties of the state; (4) multiply
604 .065110 times the county's percent of the total value of farm
605 products in the state; (5) multiply .142688 times the average of
606 the county's percent of the state total personal income taxes paid
607 in the state; (6) multiply .222936 times the county's percent of
608 the state total of gainfully employed nonfarm, nongovernment
609 workers. The sum of the products obtained in items (1) through
610 (6), inclusive, shall be the index of the relative taxpaying
611 ability of each county, including the separate school districts
612 therein, expressed in percent of the total taxpaying ability of
613 the state. The index for each county shall be recalculated every
614 two (2) years and the data for the economic factors included in
615 the index shall be the latest and most reliable official sources
616 as determined by the State Department of Education.

617 (c) The annual minimum required local ad valorem tax
618 effort in dollars for each county shall be its percent of the
619 taxpaying ability of the state as determined in subsection (b) of
620 this section multiplied by the total statewide required local ad
621 valorem tax effort as determined in the manner provided in
622 subsection (a) of this section.

623 (d) The minimum local ad valorem tax effort in dollars
624 for each school district within a county for each year shall be
625 that district's percent of the total assessed valuation of the
626 county for the previous year multiplied by the total minimum ad
627 valorem tax effort required of that county as provided in
628 subsection (c) of this section. In making this calculation the
629 countywide assessment shall be used.

630 (e) If the school board of any school district shall
631 determine that it is not economically feasible or practicable to
632 operate any school within the district for the full one hundred
633 eighty (180) days required for a school term of nine (9) months as
634 contemplated, due to an enemy attack, a manmade, technological or
635 natural disaster in which the Governor has declared a disaster



636 emergency under the laws of this state or the President of the
637 United States has declared an emergency or major disaster to exist
638 in this state, that said school board may notify the State
639 Department of Education of such disaster and submit a plan for
640 altering the school term. If the State Board of Education finds
641 such disaster to be the cause of the school's not being able to
642 operate for the contemplated school term and that such school was
643 in a county covered by the Governor's or President's disaster
644 declaration, it may permit said school board to operate the
645 schools in its district for not less than one hundred eighty (180)
646 days, and, in such case, the State Department of Education shall
647 not reduce the allotment mentioned hereinabove, because of the
648 failure to operate said schools for one hundred eighty (180) days.

649 The State Board of Education shall not approve any such plan
650 which does not comply with standards, if any, provided by the
651 State of Mississippi or the State Department of Education to meet
652 any of the above enumerated disasters. Nothing in this section
653 shall be construed to alter the responsibility of each school
654 board of each school district to make every reasonable effort to
655 operate the schools of their district for the full school term of
656 one hundred eighty (180) days.

657 **SECTION 19.** Section 37-19-37, Mississippi Code of 1972, is
658 reenacted as follows:

659 37-19-37. (1) Except as otherwise provided in subsection
660 (4) of this section, the total state funds needed annually by each
661 county, excluding the separate school districts therein, for the
662 support of the minimum education program shall be the cost of the
663 minimum education program for that county as determined in Section
664 37-19-3, less the minimum local ad valorem tax effort required of
665 that county, as provided in Section 37-19-35, and less one-half
666 (1/2) of all refunds of severance taxes made by the state to the
667 county for the preceding year; provided, however, in the event
668 that, during any county fiscal year, one-half (1/2) of all



669 severance taxes returned or to be returned to such county from the
670 State Tax Commission will be less than one-half (1/2) of all
671 severance taxes returned to such county during the preceding
672 fiscal year, the state funds for the support of the minimum
673 education program shall be increased in the amount of such
674 deficit. The foregoing provisions shall be fully applicable to
675 the distribution of minimum education program funds to a district
676 designated as a municipal separate or special municipal separate
677 school district prior to July 1, 1986, which embraces an entire
678 county, subject to the provisions of subsection (4) of this
679 section. In any county wherein there is located a nuclear
680 generating power plant on which a tax is assessed under subsection
681 (3) of Section 27-35-309, the minimum local ad valorem tax effort
682 required of the county for school year 1986-1987 and school year
683 1987-1988 shall not be more than Two Hundred Thousand Dollars
684 (\$200,000.00) per school year. In no case shall the total state
685 funds provided in any year for the support of the minimum
686 education program in any county be less than forty percent (40%)
687 of the cost of the minimum education program for that county as
688 determined by Section 37-19-3, and in the event the workings of
689 this proviso should result in a lesser local contribution for the
690 support of the minimum education program of the county than is
691 otherwise required by this section, then the local funds otherwise
692 required for the support of said minimum education program shall
693 be reduced or eliminated in the following order of priority: (a)
694 severance taxes; (b) the minimum local ad valorem tax effort.

695 (2) Except as otherwise provided in subsection (4) of this
696 section, the total state funds needed annually by each separate
697 school district for the support of the minimum education program
698 in that district shall be the cost of the minimum education
699 program for that district, as determined in Section 37-19-3, less
700 the minimum local ad valorem tax effort required of that district,
701 as provided in Section 37-19-35, and less one-half (1/2) of all



702 refunds of severance taxes made by the state to the municipality
703 for the preceding year; provided, however, in the event that,
704 during any municipal fiscal year, one-half (1/2) of all severance
705 taxes returned or to be returned to such municipality from the
706 State Tax Commission will be less than one-half (1/2) of all
707 severance taxes returned to such municipality during the preceding
708 fiscal year, the state funds for the support of the minimum
709 education program shall be increased in the amount of such
710 deficit.

711 (3) The total state funds needed for the support of the
712 minimum education program annually shall be the total of the
713 amounts needed by all the counties and separate school districts
714 in the state as provided in subsections (1) and (2) of this
715 section.

716 (4) For any school district the following percentage
717 reduction shall be substituted for the use of the ratio of
718 one-half (1/2) as provided in subsection (1) hereinabove:

719	Fiscal Year	Percentage to be Applied
720	1995-1996	45%
721	1996-1997	40%
722	1997-1998	35%
723	1998-1999	30%
724	1999-2000	25%
725	2000-2001	20%
726	2001-2002	15%
727	2002-2003	10%
728	2003-2004	5%
729	2004-2005 and each fiscal	
730	year thereafter	0%

731 This subsection (4) shall take effect from and after July 1,
732 1995.

733 **SECTION 20.** Section 37-19-39, Mississippi Code of 1972, is
734 reenacted as follows:



735 37-19-39. The total state funds available annually for the
736 support of the minimum education program shall consist of the
737 State Common School Fund and the Minimum Education Program Fund,
738 which funds are hereby established and which shall be apportioned
739 and distributed in the manner hereinafter set forth:

740 (a) The state common school allotment shall be
741 apportioned annually to each school district proportionately on
742 the basis of the number of educable children.

743 (b) The minimum education program allotment shall be
744 allotted annually to each school district in the manner provided
745 by this chapter. This allotment shall be such an amount which,
746 together with the common school allotment provided in subsection
747 (a) above of this section, shall equal the state's part of the
748 cost of the minimum education program as determined in the manner
749 specified in subsection (3) of Section 37-19-37. The total amount
750 annually to which each school district is entitled from the
751 minimum education program allotment shall be determined by
752 subtracting from the cost of the minimum program in such school
753 district as provided in Section 37-19-3, the following: the
754 minimum local ad valorem tax effort as required by Section
755 37-19-35, the amount of the common school fund received for the
756 current year, and the applicable amount or percentage established
757 in Section 37-19-37 of the refund of severance taxes made by the
758 state to the counties and municipalities for the preceding year.

759 If in any year the Legislature or the Governor acting through
760 the Department of Finance and Administration provides less funds
761 than the total state funds needed for the support of the minimum
762 education program, as determined in Section 37-19-37, the minimum
763 program payment as provided in Section 37-19-47 shall be reduced
764 in the proportion which the funds actually made available bear to
765 the funds needed for the full support of the minimum education
766 program. If in any year the Legislature provides more funds than
767 the total state funds needed for the full support of the minimum



768 education program, as determined by Section 37-19-37, the excess
769 of such state funds above the amount needed for the full support
770 of the minimum education program for the then current year shall
771 be carried forward as a balance for use by the State Department of
772 Education for the following school year, and any or all of such
773 balances may be used by the State Department of Education, if
774 needed, for the full support of the minimum education program for
775 such following year.

776 **SECTION 21.** Section 37-19-41, Mississippi Code of 1972, is
777 reenacted as follows:

778 37-19-41. Not later than April 15 of each year, the State
779 Department of Education shall prepare an information report which
780 shall contain, in addition to such other and further information
781 as may be required by the State Board of Education, the following
782 information:

783 (a) The average daily attendance in the schools of the
784 school district during the then current scholastic year, or if
785 such information be not then available, the average daily
786 attendance for the first six (6) months of school;

787 (b) The average daily attendance of pupils transported
788 at public expense, as authorized by law, to the schools of the
789 school district during the then current scholastic year, which
790 information may also, if necessary, be based on the first six (6)
791 months of school;

792 (c) The estimated number of minimum program teachers to
793 be employed in the school district during the next succeeding
794 scholastic year which shall be grouped separately by types of
795 certificates held and number of years of teacher experience
796 possessed;

797 (d) The estimated administrative expense of the school
798 district system for the succeeding scholastic year broken down
799 into and classified by major items of expenditure as prescribed by
800 the State Board of Education;



801 (e) Until July 1, 2005, the estimated amount of refunds
802 of severance taxes received or to be received during the then
803 current fiscal year and required to be paid into the Minimum
804 Education Program Fund of the school district for the succeeding
805 scholastic year under the provisions of this chapter and other
806 applicable statutes, the amount for each source of revenue to be
807 stated separately; and

808 (f) The total assessed valuation of the county,
809 including all school districts therein, for the then current
810 fiscal year, based upon the county assessment roll, and the
811 assessed valuation of each individual school district in the
812 county for the then current fiscal year based upon the county tax
813 assessor's assessment roll.

814 In addition to the information specified herein, the State
815 Board of Education shall have full and plenary authority and power
816 to require the furnishing of such further, additional and
817 supplementary information as it may deem necessary for the purpose
818 of determining the cost of the minimum education program in such
819 school district for the succeeding fiscal year, the amount of the
820 minimum education program funds to be allotted to each school
821 district for the succeeding fiscal year, and for any other purpose
822 authorized by law or deemed necessary by said State Board of
823 Education.

824 It shall be the duty of the State Department of Education to
825 prescribe the forms for the reports provided for in this section.

826 **SECTION 22.** Section 37-19-43, Mississippi Code of 1972, is
827 reenacted as follows:

828 37-19-43. Based upon the information obtained pursuant to
829 Section 37-19-41 and upon such other and further information as
830 provided by law, the State Department of Education shall, on or
831 before June 1 of each year, or as soon thereafter as is practical,
832 furnish each school board the preliminary estimate of the amount
833 each will receive from the Common School Fund and the Minimum



834 Education Program Fund for the succeeding scholastic year, and at
835 the same time shall furnish each such school board with a
836 tentative estimate of the cost of the minimum education program in
837 the school district for such succeeding fiscal year.

838 A final estimate of the amounts each will receive from the
839 common school fund and the minimum education program fund shall be
840 furnished on or before January 15 for that year.

841 **SECTION 23.** Section 37-19-45, Mississippi Code of 1972, is
842 reenacted as follows:

843 37-19-45. It shall be the duty of the State Department of
844 Education to file with the State Treasurer and the State Fiscal
845 Management Board such data and information as may be required to
846 enable the said State Treasurer and State Fiscal Management Board
847 to distribute the common school funds and minimum education
848 program funds by electronic funds transfer to the several school
849 districts at the time required and provided under the provisions
850 of this chapter. Such data and information so filed shall show in
851 detail the amount of funds to which each school district is
852 entitled from such common school fund and minimum education
853 program fund. Such data and information so filed may be revised
854 from time to time as necessitated by law. At the time provided by
855 law, the State Treasurer and the State Fiscal Management Board
856 shall distribute to the several school districts the amounts to
857 which they are entitled from the common school fund and the
858 minimum education program fund as provided by this chapter. Such
859 distribution shall be made by electronic funds transfer to the
860 depositories of the several school districts designated in writing
861 to the State Treasurer based upon the data and information
862 supplied by the State Department of Education for such
863 distribution. In such instances, the State Treasurer shall submit
864 a request for an electronic funds transfer to the State Fiscal
865 Management Board, which shall set forth the purpose, amount and
866 payees, and shall be in such form as may be approved by the State



867 Fiscal Management Board so as to provide the necessary information
868 as would be required for a requisition and issuance of a warrant.
869 A copy of the record of said electronic funds transfers shall be
870 transmitted by the school district depositories to the Treasurer,
871 who shall file duplicates with the State Fiscal Management Board.
872 The Treasurer and State Fiscal Management Board shall jointly
873 promulgate regulations for the utilization of electronic funds
874 transfers to school districts.

875 **SECTION 24.** Section 37-19-47, Mississippi Code of 1972, is
876 reenacted as follows:

877 37-19-47. Funds due each school district under the terms of
878 this chapter from the Common School Fund and the Minimum Education
879 Program Fund shall be paid in the following manner: On the
880 twenty-fifth day of each month, or the next business date after
881 that date, there shall be paid to each school district by
882 electronic funds transfer one-twelfth (1/12) of the funds to which
883 the district is entitled from funds appropriated for the Common
884 School Fund and the Minimum Education Program Fund. Provided,
885 however, that in December said payments shall be made on December
886 15th or the next business day after that date.

887 Provided, however, that if the cash balance in the State
888 General Fund is not adequate on the due date to pay the amounts
889 due to all school districts in the state as determined by the
890 State Superintendent of Education, the State Fiscal Management
891 Board shall not transfer said funds payable to any school district
892 or districts until money is available to pay the amount due to all
893 districts.

894 **SECTION 25.** Section 37-19-49, Mississippi Code of 1972, is
895 reenacted as follows:

896 37-19-49. The number of teachers, excluding nonteaching
897 superintendents and principals, who may be employed in each school
898 district and school therein shall not be less than the number of
899 teacher units in that school as determined by subsection (1) of



900 Section 37-19-5. Vocational teachers, exceptional education
901 teachers and teachers whose salaries are paid from federal funds
902 shall not be counted in determining the number of teachers to be
903 employed under this section. For the purpose of determining the
904 number of teachers to be employed, a remaining fraction of a
905 teacher unit may be counted as a whole in any school district or
906 school therein, in the discretion of the superintendent of
907 schools.

908 **SECTION 26.** Section 37-19-51, Mississippi Code of 1972, is
909 reenacted as follows:

910 37-19-51. The State Board of Education shall have the
911 authority to make such regulations not inconsistent with law which
912 it deems necessary for the administration of this chapter. The
913 State Board of Education, if it deems such practice necessary, may
914 use reports of the first six (6) months of school for the purpose
915 of determining average daily attendance and the number of pupils
916 transported for that year.

917 **SECTION 27.** Section 37-19-53, Mississippi Code of 1972, is
918 reenacted as follows:

919 37-19-53. Any county superintendent of education, member of
920 the county board of education, member of the board of trustees of
921 any school district, superintendent, principal, teacher, carrier,
922 bus driver, or member or employee of the State Department of
923 Education or State Board of Education, or any other person, who
924 shall wilfully violate any of the provisions of this chapter, or
925 who shall wilfully make any false report, list or record, or who
926 shall wilfully make use of any false report, list or record,
927 concerning the number of school children in average daily
928 attendance or the number of children being transported or entitled
929 to be transported in any county or school district, shall be
930 guilty of a misdemeanor and upon conviction shall be punished by
931 imprisonment in the county jail for a period not to exceed sixty
932 (60) days or by a fine of not less than One Hundred Dollars



933 (\$100.00), nor more than Three Hundred Dollars (\$300.00), or by
934 both such fine and imprisonment, in the discretion of the court.
935 In addition, any such person shall be civilly liable for all
936 amounts of public funds which are illegally, unlawfully or
937 wrongfully expended or paid out by virtue of or pursuant to such
938 false report, list or record, and upon conviction or adjudication
939 of civil liability hereunder, such person shall forfeit his
940 license to teach for a period of three (3) years, if such person
941 is the holder of such a license. Any suit to recover such funds
942 illegally, unlawfully, or wrongfully expended or paid out may be
943 brought in the name of the State of Mississippi by the Attorney
944 General or the proper district attorney or county attorney, and,
945 in the event such suit be brought against a person who is under
946 bond, the sureties upon such bond shall likewise be liable for
947 such amount illegally, unlawfully, or wrongfully expended or paid
948 out.

949 **SECTION 28.** Section 37-22-1, Mississippi Code of 1972, is
950 reenacted and amended as follows:

951 37-22-1. (1) There is hereby established a Mississippi
952 School District Uniform Millage Assistance Grant Program. It is
953 the intent of the Legislature that through this grant program,
954 each student counted in average daily attendance in the public
955 schools in Mississippi shall have equal access to funds generated
956 by a uniform minimum school district ad valorem tax levy.

957 (2) For the purposes of this section the following terms
958 shall have the following meanings unless context shall provide
959 otherwise:

960 (a) "Average daily attendance" means the average daily
961 attendance as calculated under the provisions of Section
962 37-19-1(1) for months one (1) through nine (9) for each school
963 district and agricultural high school during the preceding fiscal
964 year.



965 (b) "Uniform minimum school district ad valorem tax
966 levy" means that amount of millage which the State Board of
967 Education shall annually certify to the board of trustees of all
968 school districts as the "uniform minimum school district ad
969 valorem tax levy," on August 15 of each year. Until June 30,
970 1993, the State Board of Education shall determine the amount of
971 the uniform minimum school district ad valorem tax levy by
972 computing the statewide combined average millage levy for school
973 district maintenance purposes as prescribed in Section 37-57-105
974 and minimum program contributions as prescribed in Section 37-57-1
975 for the preceding fiscal year, then subtracting four (4) mills
976 from such statewide average millage levy. From and after July 1,
977 1993, the uniform minimum school district ad valorem tax levy
978 shall be the amount of millage so certified by the State Board of
979 Education for the 1993 fiscal year. Beginning with the 1993
980 fiscal year, the State Board of Education shall determine and
981 certify an equivalent uniform minimum school district ad valorem
982 tax levy for agricultural high school support and maintenance.

983 (c) "Maximum yield at the uniform minimum school
984 district ad valorem tax levy" shall mean ad valorem tax dollars
985 collectible in each school district if the district levies such
986 required number of mills for the support of the school district as
987 certified by the State Board of Education. It is calculated by
988 (i) subtracting the assessed value of exempt property owned by
989 homeowners aged sixty-five (65) or older or disabled as defined in
990 Section 27-33-67(2), Mississippi Code of 1972, from the district's
991 gross assessed value to arrive at the district's taxable assessed
992 value; (ii) applying the required millage levy to the taxable
993 assessed value to arrive at the base revenue; (iii) subtracting
994 the district's tax loss from exemptions provided to applicants
995 under the age of sixty-five (65) and not disabled as defined in
996 Section 27-33-67(1) to arrive at the maximum collectible; and (iv)
997 adding the district's homestead reimbursement revenue to arrive at



998 the district's maximum yield at the uniform minimum school
999 district ad valorem tax levy. The clerk of the board of
1000 supervisors shall list in his report of tax losses for homestead
1001 exemption as defined in Section 27-33-35, Mississippi Code of
1002 1972, the total assessed value in each school district. The
1003 homestead exemption tax losses used in this formula shall be
1004 losses for exemptions granted from taxes due and payable in the
1005 preceding year. Reimbursements used in this formula shall be
1006 amounts reimbursed to the school districts for said losses.

1007 (d) "Individual student entitlement" means that amount
1008 of funds which results from dividing the aggregate amount of funds
1009 which would be generated by the levy of the uniform minimum school
1010 district ad valorem tax by the aggregate average daily attendance
1011 in all school districts and agricultural high schools located
1012 within the state.

1013 (e) "District entitlement" means the total amount of
1014 funds which a school district or agricultural high school may be
1015 entitled to receive under the provisions of this section. Such
1016 amount shall be calculated by multiplying the individual student
1017 entitlement by the average daily attendance for the respective
1018 school district or agricultural high school.

1019 (f) "Deficit funding allocation" means the amount of
1020 money needed by each school district or agricultural high school
1021 to insure the individual student entitlement for each pupil
1022 enrolled in such district or agricultural high school. The
1023 deficit funds for each school district or agricultural high school
1024 shall be calculated by subtracting the maximum yield of the
1025 uniform minimum school district ad valorem tax levy in such school
1026 district or agricultural high school from its district
1027 entitlement. In the event the millage levy of any school district
1028 or agricultural high school shall be less than the uniform minimum
1029 school district ad valorem tax levy or its equivalent, as the case
1030 may be, as certified by the State Board of Education for any



1031 fiscal year, yet generate funds in an amount equal to or greater
1032 than such school district's or agricultural high school's district
1033 entitlement, no deficit funding allocation shall be available to
1034 that respective school district or agricultural high school.

1035 (g) "Other local revenue sources" shall mean the sum of
1036 the following local revenues which are or may be available from
1037 the preceding fiscal year for expenditure by the school district:

1038 (i) interest on short- or long-term investments of surplus funds
1039 as prescribed in Section 37-59-23; (ii) sixteenth section school
1040 land expendable income as prescribed in Chapter 3, Title 29,
1041 Mississippi Code of 1972, excluding revenue generated from
1042 sixteenth section timber sales; (iii) Chickasaw School Fund
1043 appropriations by the Legislature as prescribed in Sections
1044 29-3-137 and 29-3-139; (iv) TVA in lieu revenues as prescribed in
1045 Section 27-39-303; (v) national forest revenues as prescribed in
1046 16 USCS Section 500; (vi) Grand Gulf income as prescribed in
1047 Section 27-35-309. However, no funds held in escrow to the
1048 benefit of any school district due to federal litigation
1049 concerning the distribution of Grand Gulf revenues shall be
1050 considered as "other local revenue sources" under the provisions
1051 of this paragraph; and (vii) the amount of any Emergency Fund Loss
1052 Assistance Program funds received annually under the provisions of
1053 Section 37-22-5.

1054 (3) A state uniform millage assistance grant award shall be
1055 provided to each school district and agricultural high school
1056 requiring additional funds in order to provide their pupils the
1057 individual student entitlement. The amount of the grant provided
1058 each school district shall be calculated by subtracting other
1059 local revenue sources from its deficit funding allocation.

1060 (4) The total state funds needed for the School District
1061 Uniform Millage Assistance Grant Program annually shall be the
1062 total of the amounts needed to award grants to school districts
1063 and agricultural high schools in the state as provided in



1064 subsection (3) of this section. If the total amount of funds
1065 annually appropriated for the School District Uniform Millage
1066 Assistance Grant Program exceeds the total amount determined by
1067 the basic formula, the excess funds shall be distributed
1068 proportionately to those school districts so entitled under the
1069 provisions of this section. The State Uniform Millage Assistance
1070 Grant Fund is hereby established in the State Treasury which shall
1071 be used to distribute the funds to school districts so entitled
1072 under the provisions of this section. Any such grant funds shall
1073 be transferred to the school district maintenance fund of such
1074 district or agricultural high school in the manner prescribed in
1075 Section 37-19-47, Mississippi Code of 1972, and shall be expended
1076 in the manner provided by law exclusively for classroom
1077 instructional purposes.

1078 **SECTION 29.** Section 37-22-3, Mississippi Code of 1972, is
1079 reenacted as follows:

1080 37-22-3. There is herein provided a Second Level Funding
1081 Program which shall qualify any school district within a county
1082 wherein there is only one (1) school district located for
1083 additional state funding on an annual basis. The nonparticipation
1084 of any line consolidated school district to conform their district
1085 administration to receive second level funding under the
1086 provisions of this section shall not prohibit the participation of
1087 any other school districts located within any of the affected
1088 counties in such funding program. In the event the board of
1089 trustees of a line consolidated school district elects to
1090 participate in second level funding, it shall merge its
1091 administration with the county in which the majority of its
1092 facilities are located. The State Board of Education shall
1093 designate the county in which the majority of such line
1094 consolidated district facilities are located in accordance with
1095 its established inventory of school district facilities. The
1096 school boards in any such county having only one (1) school



1097 district on July 1, 1989, and the school boards in any county
1098 having more than one (1) school district which hereafter adopts a
1099 plan for the transition of all administrative functions into one
1100 (1) school district for such county, shall qualify for this Second
1101 Level Funding Program. Any uniform millage assistance grant
1102 received by an agricultural high school shall not affect the
1103 granting of second level funding grants to any school district
1104 under the provisions of this section; and any agricultural high
1105 school located in such school district shall also be eligible for
1106 such second level funding grants. The state funds available to
1107 such school district for the Second Level Funding Program shall be
1108 Thirty-six Dollars (\$36.00) per pupil in average daily attendance.
1109 The total state funds needed for the Second Level Funding Program
1110 annually shall be the total of the amounts needed by all of the
1111 school districts in the state having one (1) school district
1112 within the county. The State Second Level Funding Program Fund is
1113 hereby established in the State Treasury which shall be used to
1114 distribute the funds to school districts entitled under the
1115 provisions of this section. Any such funds shall be transferred
1116 to the school district maintenance fund of such district in the
1117 manner prescribed in Section 37-19-47, Mississippi Code of 1972,
1118 and shall be expended in the manner provided by law for classroom
1119 instructional purposes.

1120 **SECTION 30.** Section 37-151-3, Mississippi Code of 1972, is
1121 reenacted and amended:

1122 37-151-3. The State Department of Education shall, on or
1123 before July 1, 1994, calculate the state funds which would be
1124 allocated to each school district of the state under the base
1125 student cost funding formula defined in Sections 37-151-5 and
1126 37-151-7, and shall develop a district by district projection
1127 which compares the state education funds to be allocated to each
1128 district in fiscal year 1995 with the projected funds which would
1129 be allocated to each district under the said base student cost



1130 funding formula in fiscal year 1995. Said funding projections and
1131 comparisons shall be prepared in report form and shall be
1132 distributed to each school district, the State Board of Education
1133 and the Chairmen of the Education Committees of the Senate and
1134 House of Representatives on or before July 1, 1994, and shall be
1135 updated on an annual basis. Said report shall include a
1136 comparison of the total state funds required to fund the base
1137 student cost funding formula in fiscal year 1995 compared to the
1138 total state funds appropriated to fund education programs.

1139 This section shall be repealed on July 1, 2003.

1140 **SECTION 31.** Section 30 of Chapter 612, Laws of 1997, which
1141 provides for the July 1, 2002, repeal of the Minimum Education
1142 Program, the Mississippi School District Uniform Millage
1143 Assistance Grant Program and Second Level Funding Program, and the
1144 statute requiring the State Department of Education to annually
1145 conduct state funding projections and comparisons for school
1146 districts, is repealed.

1147 **SECTION 32.** The following shall be codified as Section
1148 37-19-55, Mississippi Code of 1972:

1149 37-19-55. Sections 37-19-1 through 37-19-5 and 37-19-9
1150 through 37-19-55 shall be repealed on July 1, 2003.

1151 **SECTION 33.** The following shall be codified as Section
1152 37-22-4, Mississippi Code of 1972:

1153 37-22-4. Sections 37-22-1 through 37-22-4 shall be repealed
1154 on July 1, 2003.

1155 **SECTION 34.** This act shall take effect and be in force from
1156 and after July 1, 2002.

