

By: Representative Eads

To: Education; Ways and Means

HOUSE BILL NO. 1132

1 AN ACT TO AMEND SECTIONS 37-59-7 AND 37-59-11, MISSISSIPPI
2 CODE OF 1972, TO ALLOW SCHOOL DISTRICTS ANTICIPATING GROWTH IN
3 PUPIL ENROLLMENT AS A RESULT OF A MAJOR DEVELOPMENT PROJECT UNDER
4 "ADVANTAGE MISSISSIPPI INITIATIVE" TO ISSUE CERTAIN BONDS WITHOUT
5 AN ELECTION; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 37-59-7, Mississippi Code of 1972, is
8 amended as follows:

9 37-59-7. (1) Any school district (a) in which the total
10 number of pupils enrolled at any one time during the school
11 year * * * have increased by at least twenty percent (20%) within
12 the preceding five (5) years, or (b) that is anticipating an
13 increase in the total number of pupils enrolled at any time during
14 the next two (2) school years as a result of any major development
15 project under the "Advantage Mississippi Initiative" (Chapter 1,
16 Laws of 2000, 2nd Extraordinary Session) located in the county in
17 which the school district is located, or (c) that is located in a
18 county adjacent to a county described in paragraph (b) of this
19 subsection, may issue bonds for the purposes authorized by law in
20 an amount which, when added to all of its then outstanding bonded
21 indebtedness, * * * results in the imposition on any of the
22 property in the district of an indebtedness for school purposes of
23 not more than twenty-five percent (25%) of the assessed value of
24 the taxable property within the district according to the then
25 last completed assessment for taxation.

26 The pupil increase mentioned in paragraph (a) of this
27 subsection shall apply only to growth in pupil enrollment and



28 shall not apply to pupil increases brought about by consolidation
29 of school districts.

30 (2) Any school district may hereafter issue bonds in an
31 amount exceeding the limit of Section 37-59-5 for the purpose of
32 constructing, reconstructing, repairing, equipping, remodeling or
33 enlarging school buildings and related facilities, as described in
34 subsection (a) of Section 37-59-3, but no such district shall
35 issue bonds in an amount which when added to all of its then
36 outstanding bonded indebtedness, shall result in the imposition on
37 any of the property in such district of an indebtedness for such
38 school purposes of more than twenty percent (20%) of the assessed
39 value of the taxable property in such district, according to the
40 then last completed assessment for taxation, regardless of whether
41 any of such indebtedness shall have been incurred by such district
42 or by another school district or districts:

43 (a) In the event of the damage to or destruction of any
44 school building or school buildings, or related facilities of any
45 such district by fire, windstorm, flood or other providential and
46 unforeseeable cause; or

47 (b) In the event such school district has lost its
48 accreditation and the constructing, reconstructing, repairing,
49 equipping, remodeling or enlarging of such school buildings and
50 related facilities is necessary for the restoration of such
51 accreditation.

52 (3) In any school district wherein more than nine percent
53 (9%) of the total land area of the school district is owned by the
54 federal government and situated in a flood control reservoir or
55 maintained as a part of the national forest system, the said
56 school district may issue bonds in an amount, which when added to
57 all of its then outstanding bonded indebtedness for school
58 purposes, shall result in the imposition on any of the property in
59 such school district of an indebtedness for school purposes of not
60 more than twenty percent (20%) of the assessed value of the



61 taxable property within such district, according to the then last
62 completed assessment for taxation, regardless of whether any of
63 such indebtedness shall have been incurred by such district or by
64 another school district or districts. If bonds in an amount in
65 excess of fifteen percent (15%) of the total assessed value of the
66 property of a school district are issued under the provisions of
67 this subsection, not less than twenty-five percent (25%) of the
68 total funds received by the school district under the provisions
69 of Section 49-19-23, Mississippi Code of 1972, shall be paid into
70 the bond and interest sinking fund of such district and used for
71 the retirement of the bonds so issued.

72 (4) In any district where the assessed valuation per pupil
73 is less than seventy-five percent (75%) of the average of all
74 school districts, such school district may issue bonds for the
75 purposes authorized by Section 37-59-3 in an amount exceeding the
76 fifteen percent (15%) debt limitation set forth in Section
77 37-59-5, but not exceeding an amount which, when added to all of
78 the school district's then outstanding bonded indebtedness, shall
79 result in the imposition on any of the property in such district
80 of an indebtedness for such school purposes of more than
81 twenty-five percent (25%) of the assessed value of the taxable
82 property in such district, according to the then last completed
83 assessment for taxation if:

84 (a) The board of trustees or board of education of the
85 school district adopts a resolution finding that issuing bonds in
86 an amount exceeding the limitation stated in Section 37-59-5 is
87 necessary to provide or maintain adequate educational facilities
88 within the school district; and

89 (b) The notice of the bond election required by Section
90 37-59-13 contains a provision notifying the qualified electors in
91 the school district:



92 (i) Of the fact that the proposed bonds, if
93 issued, will exceed the fifteen percent (15%) debt limit contained
94 in Section 37-59-5; and

95 (ii) Of the reasons why the school district is
96 proposing to exceed said limitation;

97 (c) The election is held and the proposed bond issue
98 receives the requisite voter approval as set forth in Section
99 37-59-17.

100 **SECTION 2.** Section 37-59-11, Mississippi Code of 1972, is
101 amended as follows:

102 37-59-11. (1) Before any money shall be borrowed under the
103 provisions of this chapter, the school board of the school
104 district shall adopt a resolution declaring the necessity for
105 borrowing such money, declaring its intention to borrow such money
106 and to issue the negotiable bonds of the school district as
107 evidence of same, specifying the approximate amount to be so
108 borrowed, and how such indebtedness is to be evidenced. Such
109 resolution shall also set forth the nature and approximate cost of
110 the alterations, additions and repairs to be made, and shall
111 declare in said resolution that no funds are available in the
112 school funds of the district or from any other source with which
113 to make such repairs, alterations, additions, purchases, erections
114 or improvements.

115 (2) Whenever a resolution is adopted by the school board as
116 provided in subsection (1), or a petition signed by not less than
117 ten percent (10%) of the qualified electors of a school district,
118 fixing the maximum amount of such school bonds and the purpose or
119 purposes for which they are to be issued, the school board shall
120 adopt a resolution calling an election to be held within such
121 school district for the purpose of submitting to the qualified
122 electors thereof the question of the issuance of bonds in the
123 amount and for the purpose or purposes as set forth in such
124 resolution or petition. The resolution calling such election



125 shall designate the date upon which the election shall be held and
126 the place or places within such district at which such election
127 shall be held, which place or places may or may not be the school
128 house or school houses in such district.

129 (3) * * * However, anything herein to the contrary
130 notwithstanding, no election shall be required for approval of
131 bonds issued after July 1, 2003, for the purposes described in
132 Section 37-59-7(1)(b) and (c).

133 **SECTION 3.** This act shall take effect and be in force from
134 and after July 1, 2003.

