

By: Senator(s) Chaney

To: Education; Finance

SENATE BILL NO. 2963

1 AN ACT RELATING TO SURPLUS SCHOOL PROPERTY TO BE KNOWN AS THE  
2 "SCHOOL PROPERTY DEVELOPMENT ACT OF 2005"; TO AMEND SECTION  
3 37-7-301, MISSISSIPPI CODE OF 1972, TO ALLOW SCHOOL BOARDS TO  
4 CONTRACT WITH FINANCIAL INSTITUTIONS TO ALLOW THE WITHHOLDING OF  
5 FUNDS BY STATE AGENCIES WITH RESPECT TO THE ISSUANCE OF BONDS,  
6 NOTES OR OTHER OBLIGATIONS, TO ALLOW THE WITHHOLDING OF FUNDS BY  
7 STATE AGENCIES IN THE EVENT OF DEFAULT BY A LOCAL SCHOOL BOARD; TO  
8 AUTHORIZE A SCHOOL BOARD TO ACCEPT THE SAME TYPE GOOD FAITH  
9 DEPOSIT OR BID BOND OR BID SURETY THAT MAY BE ACCEPTED BY THE  
10 STATE OR OTHER POLITICAL SUBDIVISIONS; TO AUTHORIZE SCHOOL BOARDS  
11 TO CONTRACT WITH UNIVERSITIES, COLLEGES AND OTHERS FOR THE JOINT  
12 OPERATION OF ECONOMIC DEVELOPMENT PROJECTS; TO AUTHORIZE A SCHOOL  
13 BOARD TO PLEDGE REVENUES RECEIVED PURSUANT TO SECTIONS 37-7-471  
14 THROUGH 37-7-483, MISSISSIPPI CODE OF 1972, FOR THE REPAYMENT OF  
15 NOTES AND OTHER OBLIGATIONS; TO AMEND SECTION 37-7-471,  
16 MISSISSIPPI CODE OF 1972, TO ALLOW A SCHOOL DISTRICT TO RETAIN AN  
17 UNDIVIDED INTEREST IN PROPERTY DISPOSED BY THE SCHOOL BOARD IF IT  
18 MAY YIELD A HIGHER LONG-TERM ECONOMIC BENEFIT; TO AMEND SECTION  
19 37-7-473, MISSISSIPPI CODE OF 1972, TO ALLOW SCHOOL PROPERTY TO BE  
20 USED AS PART OF DEVELOPMENT ACTIVITIES; TO AMEND SECTION 37-7-475,  
21 MISSISSIPPI CODE OF 1972, TO ALLOW CONVEYANCES TO INCLUDE A  
22 RETENTION OF A PARTIAL INTEREST BY THE SCHOOL BOARD; TO AMEND  
23 SECTION 37-7-477, MISSISSIPPI CODE OF 1972, TO MAKE REVERSION OF  
24 INTERESTS DISCRETIONARY IF THE SCHOOL BOARD RETAINS A PARTIAL  
25 INTEREST IN THE PROPERTY; TO AMEND SECTION 37-7-479, MISSISSIPPI  
26 CODE OF 1972, TO PROVIDE THAT A REVERTER IS DISCRETIONARY IF THE  
27 SCHOOL BOARD RETAINS A PARTIAL INTEREST IN THE PROPERTY; TO AMEND  
28 SECTION 37-7-481, MISSISSIPPI CODE OF 1972, TO ALLOW SCHOOL BOARDS  
29 TO CONTRACT WITH OTHER GOVERNMENTAL ENTITIES IN CONFORMITY; TO  
30 AMEND SECTION 37-7-483, MISSISSIPPI CODE OF 1972, TO CLARIFY  
31 LEGISLATIVE INTENT WITH RESPECT TO DEVELOPMENT OF SCHOOL PROPERTY;  
32 AND FOR RELATED PURPOSES.

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

34 **SECTION 1.** This act shall be referred to as the "School  
35 Property Development Act of 2005."

36 **SECTION 2.** Section 37-7-301, Mississippi Code of 1972, is  
37 amended as follows:

38 37-7-301. The school boards of all school districts shall  
39 have the following powers, authority and duties in addition to all  
40 others imposed or granted by law, to wit:

41 (a) To organize and operate the schools of the district  
42 and to make such division between the high school grades and

43 elementary grades as, in their judgment, will serve the best  
44 interests of the school;

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

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

51 (d) To have responsibility for the erection, repairing  
52 and equipping of school facilities and the making of necessary  
53 school improvements;

54 (e) To suspend or to expel a pupil or to change the  
55 placement of a pupil to the school district's alternative school  
56 or home-bound program for misconduct in the school or on school  
57 property, as defined in Section 37-11-29, on the road to and from  
58 school, or at any school-related activity or event, or for conduct  
59 occurring on property other than school property or other than at  
60 a school-related activity or event when such conduct by a pupil,  
61 in the determination of the school superintendent or principal,  
62 renders that pupil's presence in the classroom a disruption to the  
63 educational environment of the school or a detriment to the best  
64 interest and welfare of the pupils and teacher of such class as a  
65 whole, and to delegate such authority to the appropriate officials  
66 of the school district;

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

70 (g) To support, within reasonable limits, the  
71 superintendent, principal and teachers where necessary for the  
72 proper discipline of the school;

73 (h) To exclude from the schools students with what  
74 appears to be infectious or contagious diseases; provided,  
75 however, such student may be allowed to return to school upon

76 presenting a certificate from a public health officer, duly  
77 licensed physician or nurse practitioner that the student is free  
78 from such disease;

79 (i) To require those vaccinations specified by the  
80 State Health Officer as provided in Section 41-23-37, Mississippi  
81 Code of 1972;

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

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

87 (l) To prescribe and enforce rules and regulations not  
88 inconsistent with law or with the regulations of the State Board  
89 of Education for their own government and for the government of  
90 the schools, and to transact their business at regular and special  
91 meetings called and held in the manner provided by law;

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

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

97 (o) To make orders directed to the superintendent of  
98 schools for the issuance of pay certificates for lawful purposes  
99 on any available funds of the district and to have full control of  
100 the receipt, distribution, allotment and disbursement of all funds  
101 provided for the support and operation of the schools of such  
102 school district whether such funds be derived from state  
103 appropriations, local ad valorem tax collections, or otherwise;

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

108           (q) To provide athletic programs and other school  
109 activities and to regulate the establishment and operation of such  
110 programs and activities;

111           (r) To join, in their discretion, any association of  
112 school boards and other public school-related organizations, and  
113 to pay from local funds other than minimum foundation funds, any  
114 membership dues;

115           (s) To expend local school activity funds, or other  
116 available school district funds, other than minimum education  
117 program funds, for the purposes prescribed under this paragraph.  
118 "Activity funds" shall mean all funds received by school officials  
119 in all school districts paid or collected to participate in any  
120 school activity, such activity being part of the school program  
121 and partially financed with public funds or supplemented by public  
122 funds. The term "activity funds" shall not include any funds  
123 raised and/or expended by any organization unless commingled in a  
124 bank account with existing activity funds, regardless of whether  
125 the funds were raised by school employees or received by school  
126 employees during school hours or using school facilities, and  
127 regardless of whether a school employee exercises influence over  
128 the expenditure or disposition of such funds. Organizations shall  
129 not be required to make any payment to any school for the use of  
130 any school facility if, in the discretion of the local school  
131 governing board, the organization's function shall be deemed to be  
132 beneficial to the official or extracurricular programs of the  
133 school. For the purposes of this provision, the term  
134 "organization" shall not include any organization subject to the  
135 control of the local school governing board. Activity funds may  
136 only be expended for any necessary expenses or travel costs,  
137 including advances, incurred by students and their chaperons in  
138 attending any in-state or out-of-state school-related programs,  
139 conventions or seminars and/or any commodities, equipment, travel  
140 expenses, purchased services or school supplies which the local

141 school governing board, in its discretion, shall deem beneficial  
142 to the official or extracurricular programs of the district,  
143 including items which may subsequently become the personal  
144 property of individuals, including yearbooks, athletic apparel,  
145 book covers and trophies. Activity funds may be used to pay  
146 travel expenses of school district personnel. The local school  
147 governing board shall be authorized and empowered to promulgate  
148 rules and regulations specifically designating for what purposes  
149 school activity funds may be expended. The local school governing  
150 board shall provide (i) that such school activity funds shall be  
151 maintained and expended by the principal of the school generating  
152 the funds in individual bank accounts, or (ii) that such school  
153 activity funds shall be maintained and expended by the  
154 superintendent of schools in a central depository approved by the  
155 board. The local school governing board shall provide that such  
156 school activity funds be audited as part of the annual audit  
157 required in Section 37-9-18. The State Auditor shall prescribe a  
158 uniform system of accounting and financial reporting for all  
159 school activity fund transactions;

160 (t) To contract, on a shared savings, lease or  
161 lease-purchase basis, for energy efficiency services and/or  
162 equipment as provided for in Section 31-7-14, not to exceed ten  
163 (10) years;

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

166 (v) (i) To lease a school building from an individual,  
167 partnership, nonprofit corporation or a private for-profit  
168 corporation for the use of such school district, and to expend  
169 funds therefor as may be available from any nonminimum program  
170 sources. The school board of the school district desiring to  
171 lease a school building shall declare by resolution that a need  
172 exists for a school building and that the school district cannot  
173 provide the necessary funds to pay the cost or its proportionate

174 share of the cost of a school building required to meet the  
175 present needs. The resolution so adopted by the school board  
176 shall be published once each week for three (3) consecutive weeks  
177 in a newspaper having a general circulation in the school district  
178 involved, with the first publication thereof to be made not less  
179 than thirty (30) days prior to the date upon which the school  
180 board is to act on the question of leasing a school building. If  
181 no petition requesting an election is filed prior to such meeting  
182 as hereinafter provided, then the school board may, by resolution  
183 spread upon its minutes, proceed to lease a school building. If  
184 at any time prior to said meeting a petition signed by not less  
185 than twenty percent (20%) or fifteen hundred (1500), whichever is  
186 less, of the qualified electors of the school district involved  
187 shall be filed with the school board requesting that an election  
188 be called on the question, then the school board shall, not later  
189 than the next regular meeting, adopt a resolution calling an  
190 election to be held within such school district upon the question  
191 of authorizing the school board to lease a school building. Such  
192 election shall be called and held, and notice thereof shall be  
193 given, in the same manner for elections upon the questions of the  
194 issuance of the bonds of school districts, and the results thereof  
195 shall be certified to the school board. If at least three-fifths  
196 (3/5) of the qualified electors of the school district who voted  
197 in such election shall vote in favor of the leasing of a school  
198 building, then the school board shall proceed to lease a school  
199 building. The term of the lease contract shall not exceed twenty  
200 (20) years, and the total cost of such lease shall be either the  
201 amount of the lowest and best bid accepted by the school board  
202 after advertisement for bids or an amount not to exceed the  
203 current fair market value of the lease as determined by the  
204 averaging of at least two (2) appraisals by certified general  
205 appraisers licensed by the State of Mississippi. The term "school  
206 building" as used in this item (v) shall be construed to mean any

207 building or buildings used for classroom purposes in connection  
208 with the operation of schools and shall include the site therefor,  
209 necessary support facilities, and the equipment thereof and  
210 appurtenances thereto such as heating facilities, water supply,  
211 sewage disposal, landscaping, walks, drives and playgrounds. The  
212 term "lease" as used in this item (v)(i) may include a  
213 lease/purchase contract;

214 (ii) If two (2) or more school districts propose  
215 to enter into a lease contract jointly, then joint meetings of the  
216 school boards having control may be held but no action taken shall  
217 be binding on any such school district unless the question of  
218 leasing a school building is approved in each participating school  
219 district under the procedure hereinabove set forth in item (v)(i).  
220 All of the provisions of item (v)(i) regarding the term and amount  
221 of the lease contract shall apply to the school boards of school  
222 districts acting jointly. Any lease contract executed by two (2)  
223 or more school districts as joint lessees shall set out the amount  
224 of the aggregate lease rental to be paid by each, which may be  
225 agreed upon, but there shall be no right of occupancy by any  
226 lessee unless the aggregate rental is paid as stipulated in the  
227 lease contract. All rights of joint lessees under the lease  
228 contract shall be in proportion to the amount of lease rental paid  
229 by each;

230 (w) To employ all noninstructional and noncertificated  
231 employees and fix the duties and compensation of such personnel  
232 deemed necessary pursuant to the recommendation of the  
233 superintendent of schools;

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

236 (y) Subject to rules and regulations of the State Board  
237 of Education, to purchase, own and operate trucks, vans and other  
238 motor vehicles, which shall bear the proper identification  
239 required by law;

240           (z) To expend funds for the payment of substitute  
241 teachers and to adopt reasonable regulations for the employment  
242 and compensation of such substitute teachers;

243           (aa) To acquire in its own name by purchase all real  
244 property which shall be necessary and desirable in connection with  
245 the construction, renovation or improvement of any public school  
246 building or structure. Whenever the purchase price for such real  
247 property is greater than Fifty Thousand Dollars (\$50,000.00), the  
248 school board shall not purchase the property for an amount  
249 exceeding the fair market value of such property as determined by  
250 the average of at least two (2) independent appraisals by  
251 certified general appraisers licensed by the State of Mississippi.  
252 If the board shall be unable to agree with the owner of any such  
253 real property in connection with any such project, the board shall  
254 have the power and authority to acquire any such real property by  
255 condemnation proceedings pursuant to Section 11-27-1 et seq.,  
256 Mississippi Code of 1972, and for such purpose, the right of  
257 eminent domain is hereby conferred upon and vested in said board.  
258 Provided further, that the local school board is authorized to  
259 grant an easement for ingress and egress over sixteenth section  
260 land or lieu land in exchange for a similar easement upon  
261 adjoining land where the exchange of easements affords substantial  
262 benefit to the sixteenth section land; provided, however, the  
263 exchange must be based upon values as determined by a competent  
264 appraiser, with any differential in value to be adjusted by cash  
265 payment. Any easement rights granted over sixteenth section land  
266 under such authority shall terminate when the easement ceases to  
267 be used for its stated purpose. No sixteenth section or lieu land  
268 which is subject to an existing lease shall be burdened by any  
269 such easement except by consent of the lessee or unless the school  
270 district shall acquire the unexpired leasehold interest affected  
271 by the easement;



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

275           (cc) Subject to rules and regulations of the State  
276 Board of Education, to purchase relocatable classrooms for the use  
277 of such school district, in the manner prescribed in Section  
278 37-1-13;

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

284           (ee) To provide for in-service training for employees  
285 of the district. Until June 30, 1994, the school boards may  
286 designate two (2) days of the minimum school term, as defined in  
287 Section 37-19-1, for employee in-service training for  
288 implementation of the new statewide testing system as developed by  
289 the State Board of Education. Such designation shall be subject  
290 to approval by the State Board of Education pursuant to uniform  
291 rules and regulations;

292           (ff) As part of their duties to prescribe the use of  
293 textbooks, to provide that parents and legal guardians shall be  
294 responsible for the textbooks and for the compensation to the  
295 school district for any books which are not returned to the proper  
296 schools upon the withdrawal of their dependent child. If a  
297 textbook is lost or not returned by any student who drops out of  
298 the public school district, the parent or legal guardian shall  
299 also compensate the school district for the fair market value of  
300 the textbooks;

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

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

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

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

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

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

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

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

333                   (mm) To expend federal No Child Left Behind Act funds,  
334 or any other available funds that are expressly designated and  
335 authorized for that use, to pay training, educational expenses,  
336 salary incentives and salary supplements to employees of local  
337 school districts; except that incentives shall not be considered

338 part of the local supplement as defined in Section 37-151-5(o),  
339 nor shall incentives be considered part of the local supplement  
340 paid to an individual teacher for the purposes of Section  
341 37-19-7(1). Mississippi Adequate Education Program funds or any  
342 other state funds may not be used for salary incentives or salary  
343 supplements as provided in this paragraph (mm);

344 (nn) To use any available funds, not appropriated or  
345 designated for any other purpose, for reimbursement to the  
346 state-licensed employees from both in-state and out-of-state, who  
347 enter into a contract for employment in a school district, for the  
348 expense of moving when the employment necessitates the relocation  
349 of the licensed employee to a different geographical area than  
350 that in which the licensed employee resides before entering into  
351 the contract. The reimbursement shall not exceed One Thousand  
352 Dollars (\$1,000.00) for the documented actual expenses incurred in  
353 the course of relocating, including the expense of any  
354 professional moving company or persons employed to assist with the  
355 move, rented moving vehicles or equipment, mileage in the amount  
356 authorized for county and municipal employees under Section  
357 25-3-41 if the licensed employee used his personal vehicle or  
358 vehicles for the move, meals and such other expenses associated  
359 with the relocation. No licensed employee may be reimbursed for  
360 moving expenses under this section on more than one (1) occasion  
361 by the same school district. Nothing in this section shall be  
362 construed to require the actual residence to which the licensed  
363 employee relocates to be within the boundaries of the school  
364 district that has executed a contract for employment in order for  
365 the licensed employee to be eligible for reimbursement for the  
366 moving expenses. However, the licensed employee must relocate  
367 within the boundaries of the State of Mississippi. Any individual  
368 receiving relocation assistance through the Critical Teacher  
369 Shortage Act as provided in Section 37-159-5 shall not be eligible

370 to receive additional relocation funds as authorized in this  
371 paragraph;

372 (oo) To use any available funds, not appropriated or  
373 designated for any other purpose, to reimburse persons who  
374 interview for employment as a licensed employee with the district  
375 for the mileage and other actual expenses incurred in the course  
376 of travel to and from the interview at the rate authorized for  
377 county and municipal employees under Section 25-3-41;

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

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

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

390 (iii) An assessment of revenue levels and sources;

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

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

395 (vi) An assessment of instructional and  
396 administrative technology;

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

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

403           (qq) To enter into agreements with other local school  
404 boards for the establishment of an educational service agency  
405 (ESA) to provide for the cooperative needs of the region in which  
406 the school district is located, as provided in Section 37-7-345.  
407 This paragraph shall repeal on July 1, 2007;

408           (rr) To implement a financial literacy program for  
409 students in Grades 10 and 11. The board may review the national  
410 programs and obtain free literature from various nationally  
411 recognized programs. After review of the different programs, the  
412 board may certify a program that is most appropriate for the  
413 school districts' needs. If a district implements a financial  
414 literacy program, then any student in Grade 10 or 11 may  
415 participate in the program. The financial literacy program shall  
416 include, but is not limited to, instruction in the same areas of  
417 personal business and finance as required under Section  
418 37-1-3(2)(b). The school board may coordinate with volunteer  
419 teachers from local community organizations, including, but not  
420 limited to, the following: United States Department of  
421 Agriculture Rural Development, United States Department of Housing  
422 and Urban Development, Junior Achievement, bankers and other  
423 nonprofit organizations. Nothing in this paragraph shall be  
424 construed as to require school boards to implement a financial  
425 literacy program;

426           (ss) To collaborate with the State Board of Education,  
427 Community Action Agencies or the Department of Human Services to  
428 develop and implement a voluntary program to provide services for  
429 a full day prekindergarten program that addresses the cognitive,  
430 social, and emotional needs of four-year-old and three-year-old  
431 children. The school board may utilize nonstate source special  
432 funds, grants, donations or gifts to fund the voluntary program;

433           (tt) With respect to any lawful, written obligation of  
434 a school district, including, but not limited to, leases, bonds,  
435 notes or other agreement, to agree in writing with the obligee

436 that the State Tax Commission or any state agency, department or  
437 commission created pursuant to state law shall (a) withhold all or  
438 any part (as agreed by the school board) of any monies which such  
439 local school board is entitled to receive from time to time  
440 pursuant to any law and which is in the possession of the State  
441 Tax Commission, or any state agency, department or commission  
442 created pursuant to state law, and (b) pay the same over to any  
443 financial institution, trustee or other obligee, as directed in  
444 writing by the school board, to satisfy all or part of such  
445 obligation of the school district. The school board may make such  
446 written agreement to withhold and transfer funds irrevocable for  
447 the term of the written obligation and may include in the written  
448 agreement any other terms and provisions acceptable to the school  
449 board. If the school board files a copy of such written agreement  
450 with the State Tax Commission, or any state agency, department or  
451 commission created pursuant to state law, then the State Tax  
452 Commission or any state agency, department or commission created  
453 pursuant to state law shall immediately make the withholdings  
454 provided in such agreement from the amounts due the local school  
455 board and shall continue to pay the same over to such financial  
456 institution, trustee or obligee for the term of the agreement;

457 (uu) With respect to any matter or transaction that is  
458 competitively bid by a school district, to accept from any bidder  
459 as a good faith deposit or bid bond or bid surety, the same type  
460 of good faith deposit or bid bond or bid surety that may be  
461 accepted by the state or any other political subdivision on  
462 similar competitively bid matters or transactions; and

463 (vv) To contract with any other governmental entity,  
464 university or community college, corporation, person or other  
465 legal entity for the joint construction, financing, ownership or  
466 operation of any project, development or activity that, in the  
467 discretion of the school board, will have the potential for  
468 fostering economic development activities, increasing property

469 values, increasing student development or enhancing public safety.  
470 A school district may pledge any revenues it is to receive from  
471 contracts under this subsection or pursuant to Sections 37-7-471  
472 through 37-7-483 to secure the repayment of any notes, leases,  
473 bonds or other written obligations of the district issued under  
474 any provision of state law. It is the intention of the  
475 Legislature that any such pledge of revenues or other monies shall  
476 be valid and binding from the date the pledge is made; that such  
477 revenues or other monies so pledged and thereafter received by the  
478 school district shall immediately be subject to the lien of such  
479 pledge without any physical delivery thereof or further act, and  
480 that the lien of any such pledge shall be valid and binding as  
481 against all parties having claims of any kind in tort, contract or  
482 otherwise against the school district irrespective of whether such  
483 parties have notice thereof; and neither the resolutions,  
484 contracts or any other instrument by which a pledge is created  
485 need be recorded. Furthermore, any debt secured in whole or in  
486 part by a pledge of such revenues or other monies shall not be  
487 subject to or included in any debt limitation imposed on the  
488 issuance of such debt.

489       **SECTION 3.** Section 37-7-471, Mississippi Code of 1972, is  
490 amended as follows:

491       37-7-471. Whenever the school board of any school district  
492 shall find and determine, by resolution duly and lawfully adopted  
493 and spread upon its minutes (a) that any school building, land,  
494 property or other school facility is no longer needed for school  
495 or related purposes and is not to be used in the operation of the  
496 schools of the district, or that such school building, land,  
497 property or other school facility may yield a higher long-term  
498 economic value to the district, in the discretion of the local  
499 school board, (b) that the sale of the property in the manner  
500 otherwise provided by law is not necessary or desirable for the  
501 financial welfare of the school district, and (c) that the use of

502 the school building, land, property or other school facility for  
503 the purpose for which it is to be sold, conveyed or leased will  
504 promote and foster the development and improvement of the  
505 community in which it is located and the civic, social,  
506 educational, cultural, moral, economic or industrial welfare  
507 thereof, the school board of such school district shall be  
508 authorized and empowered, in its discretion, and upon the terms  
509 and conditions set forth in Section 37-7-477, to sell, convey,  
510 lease or otherwise dispose of same for any of the purposes set  
511 forth herein. Such sale, conveyance, lease or other disposition  
512 shall be made upon such terms and conditions and for such  
513 consideration, nominal or otherwise, as the school board may, in  
514 its discretion, deem proper in consideration of the benefits which  
515 will inure to the school district or the community in which the  
516 school building, property or other facility is located by the use  
517 thereof for the purpose for which it is to be sold, conveyed,  
518 leased or otherwise disposed of. The authority conferred by  
519 Sections 37-7-471 through 37-7-483 may be exercised by a school  
520 board in the sale, conveyance or lease of relocatable classrooms  
521 to the school board of another school district. Said sections  
522 without reference to another statute shall be deemed full and  
523 complete power for the exercise of the authority conferred hereby.

524       **SECTION 4.** Section 37-7-473, Mississippi Code of 1972, is  
525 amended as follows:

526       37-7-473. School buildings, land, property and related  
527 facilities may be sold, conveyed, leased or otherwise disposed of  
528 under Sections 37-7-471 through 37-7-483, to any group of persons,  
529 to any association, club or corporation, or to any county,  
530 municipality or other political subdivision, to be used as a  
531 civic, community, recreational or youth center, or to be used by  
532 any county or district fair association in connection with its  
533 activities, or to be used for church purposes, or to be used as a  
534 library or other public building, or to be used as a factory or



535 otherwise in connection with an industrial enterprise, or to be  
536 used as part of a development activity to stimulate economic  
537 development activities within the district, or to enhance property  
538 values within the district, or to be used for any similar or  
539 related purpose or activity.

540       **SECTION 5.** Section 37-7-475, Mississippi Code of 1972, is  
541 amended as follows:

542       37-7-475. Upon being authorized by a resolution of the  
543 school board as is provided by Section 37-7-471, the president and  
544 secretary shall be authorized and empowered to execute, for and on  
545 behalf of the school district, a conveyance or lease of the  
546 property for the purposes, upon the terms and conditions, and for  
547 the consideration provided and specified by the school board,  
548 including retention of partial ownership in the property, in the  
549 discretion of the school board. It shall not be necessary or  
550 requisite that competitive bids be advertised for or received in  
551 connection with such sale, conveyance, leasing or other  
552 disposition of property.

553       **SECTION 6.** Section 37-7-477, Mississippi Code of 1972, is  
554 amended as follows:

555       37-7-477. Unless a school board retains partial ownership in  
556 the school property being conveyed, any instrument conveying or  
557 leasing any school property under the provisions of Sections  
558 37-7-471 through 37-7-483, shall provide that the title to such  
559 property shall automatically revert to the school district, if  
560 such property shall cease to be used for the purpose for which it  
561 is conveyed or leased. Said instrument shall also contain the  
562 condition that the grantee or lessee shall keep and maintain said  
563 property in a good state of repair and shall keep said property  
564 insured in a reasonable amount against loss by fire, windstorm and  
565 other hazards. Upon breach of any of said conditions, the school  
566 board shall have the right of reentry upon said property as for  
567 condition broken and shall have the power and authority to bring

568 and maintain such actions as shall be necessary and appropriate  
569 for such purpose in its own name. However, the provisions of this  
570 section shall not be mandatory in the event that the school board  
571 retains partial ownership in the school property being conveyed.

572 **SECTION 7.** Section 37-7-479, Mississippi Code of 1972, is  
573 amended as follows:

574 37-7-479. Any group of persons, any association, club or  
575 corporation, or any county, municipality or other political  
576 subdivision having acquired school buildings, land, property or  
577 related facilities under the provisions of Sections 37-7-471  
578 through 37-7-483, may, by resolution duly adopted at a regular or  
579 special meeting called and convened for such purpose, determine  
580 that such school buildings, land, property or related facilities,  
581 or any portion thereof, are no longer needed or used for the  
582 purpose for which such was acquired, and may by such resolution  
583 provide for the sale of such school buildings, land, property or  
584 related facilities, or any portion thereof. Said resolution shall  
585 be forwarded to the school board of the school district involved,  
586 and if the said board shall adopt a resolution determining that  
587 such school buildings, land, property or related facilities, or  
588 such portion thereof as is sought to be sold, is no longer needed  
589 or used by the school district involved, then such school  
590 buildings, land, property or related facilities, or any portion  
591 thereof, may be sold in accordance with the procedure set forth in  
592 Section 37-7-455.

593 The school board of such district shall by order entered on  
594 its minutes, provide for the distribution of the proceeds received  
595 from the sale of such property in such proportions as the said  
596 school board may, in its discretion, determine reasonable as the  
597 interests may appear between the district and the group of  
598 persons, association, club, corporation, county, municipality or  
599 other political subdivision having an interest in such property at  
600 the time of such sale. However, the provisions of this section

601 shall not be mandatory in the event that the school board retains  
602 partial ownership in the school property being conveyed.

603         **SECTION 8.** Section 37-7-481, Mississippi Code of 1972, is  
604 amended as follows:

605         37-7-481. The authority conferred by Sections 37-7-471  
606 through 37-7-483, may be exercised by the existing school board of  
607 any school district in which any such school building, land,  
608 property or other school facility is located or situated. Such  
609 school board may contract with any other school board, or any  
610 other governmental entity, to assign and transfer its right and  
611 duties under this chapter, under such terms and conditions as the  
612 school board may determine, in its discretion, to further the  
613 public interest. Said sections, without reference to any other  
614 statute, shall be deemed full, complete and exclusive power for  
615 the exercise of the authority conferred hereby.

616         **SECTION 9.** Section 37-7-483, Mississippi Code of 1972, is  
617 amended as follows:

618         37-7-483. The Legislature hereby declares that it is its  
619 intention and purpose to authorize and permit each and every type  
620 of disposition of property permitted in Sections 37-7-471 through  
621 37-7-481 and by each and every type of transfer mentioned, and by  
622 every combination possible thereunder.

623         Said sections shall be construed to be supplemental to  
624 Sections 37-7-451 through 37-7-457 and Sections 37-7-501 through  
625 37-7-511, and to all other statutes dealing with the subject  
626 matter thereof, and shall be deemed to provide a supplemental,  
627 additional and alternate method for the disposition of school  
628 buildings, land, property and other school facilities which are no  
629 longer to be used for school purposes and are not needed in the  
630 operation of the schools of the district or for the partial  
631 conveyance of school buildings, land, property or other school  
632 facilities that may yield a long-term economic value to the  
633 district, in the discretion of the local school board.

634           **SECTION 10.** This act shall take effect and be in force from  
635 and after its passage.