By: Representatives Roberson, McCarty, Owen To: Education

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 4130

AN ACT TO CREATE THE "MISSISSIPPI STUDENT FUNDING FORMULA" FOR THE PURPOSE OF FUNDING OF PUBLIC EDUCATION IN THE STATE OF MISSISSIPPI; TO CREATE NEW SECTION 37-151-201, MISSISSIPPI CODE OF 1972, TO DEFINE CERTAIN TERMS, INCLUDING "NET ENROLLMENT," "TOTAL FUNDING FORMULA" AND "WEIGHT"; TO CREATE NEW SECTION 37-151-203, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT EFFECTIVE FISCAL YEAR 2026 AND EVERY YEAR THEREAFTER, THE STATE BOARD OF EDUCATION SHALL PROVIDE A PROPOSED BASE-STUDENT COST ADEQUATE TO PROVIDE CERTAIN COST COMPONENTS OF EDUCATING PUPILS IN SCHOOL DISTRICTS; TO PROVIDE THAT THE INSTRUCTIONAL COST SHALL BE CALCULATED BY DIVIDING THE AVERAGE TEACHER SALARY BY THE STUDENT-TO-TEACHER RATIO; TO PROVIDE THE FORMULA FOR ADMINISTRATIVE COST, ANCILLARY PERSONNEL AND EXPENSES, AND OPERATION AND MAINTENANCE OF PLANT; TO CREATE NEW SECTION 37-151-205, MISSISSIPPI CODE OF 1972, TO ESTABLISH VARIOUS WEIGHTS TO BE APPLIED TO THE BASE AMOUNT FOR STUDENTS WHO ARE LOW-INCOME STUDENTS, ENGLISH LANGUAGE LEARNERS, ELIGIBLE FOR SPECIAL EDUCATION SERVICES, GIFTED, ENROLLED IN CAREER AND TECHNICAL EDUCATION, AND RESIDING IN SPARSELY POPULATED SCHOOL DISTRICTS; TO CREATE NEW SECTION 37-151-207, MISSISSIPPI CODE OF 1972, TO REQUIRE STUDENT ENROLLMENT AND ATTENDANCE FIGURES TO BE DETERMINED ON THE BASIS OF NET ENROLLMENT; TO CREATE NEW SECTION 37-151-209, MISSISSIPPI CODE OF 1972, TO CLARIFY THAT A SCHOOL DISTRICT OR CHARTER SCHOOL HAS AUTONOMY, SUBJECT TO REGULATORY AND STATUTORY RESTRICTIONS, IN THE SPENDING OF ALL FUNDS ALLOCATED TO THAT SCHOOL DISTRICT OR CHARTER SCHOOL; TO CREATE NEW SECTION 37-151-211, MISSISSIPPI CODE OF 1972, TO REQUIRE TAX ASSESSORS TO FILE CERTAIN REPORTS WITH THE STATE DEPARTMENT OF EDUCATION AND TO REQUIRE THE DEPARTMENT TO CALCULATE THE DISTRICT'S REQUIRED MINIMUM MILLAGE AND THE CONTRIBUTION TO THE COST OF THE TOTAL FUNDING FORMULA REQUIRED OF EACH SCHOOL DISTRICT AND CHARTER SCHOOL; TO CREATE NEW SECTION 37-151-213, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE STATE'S SHARE IN SUPPORT OF THE FUNDING FORMULA FOR A SCHOOL DISTRICT OR CHARTER SCHOOL FOR FISCAL YEARS 2025, 2026, AND 2027 MAY NOT BE LESS THAN

AN AMOUNT EQUAL TO THE SUM OF ALL STATE FUNDS RECEIVED BY THAT SCHOOL DISTRICT OR CHARTER SCHOOL FOR FISCAL YEAR 2024; TO AMEND SECTIONS 37-57-1, 37-57-104, 37-57-105 AND 37-57-107, MISSISSIPPI CODE OF 1972, WHICH RELATE TO SCHOOL DISTRICT TAXATION, IN CONFORMITY TO THE PROVISIONS OF THIS ACT; TO AMEND SECTION 37-61-33, MISSISSIPPI CODE OF 1972, TO DELETE THE REQUIREMENT THAT A PORTION OF EDUCATION ENHANCEMENT FUNDS BE DISTRIBUTED TO SCHOOL DISTRICTS TO FUND CAPITAL IMPROVEMENTS PROJECTS; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972, TO DELETE THE REQUIRED DEPOSIT OF SALES TAX REVENUE INTO THE EDUCATIONAL FACILITIES REVOLVING LOAN FUND; TO AMEND SECTIONS 1-3-26, 7-7-211, 19-9-157, 19-9-171, 25-4-29, 27-25-706, 27-33-3, 27-39-317, 29-3-47, 29-3-49, 29-3-113, 29-3-137, 31-7-9, 31-7-10, 37-1-3, 37-3-11, 37-3-83, 37-7-208, 37-7-301, 37-7-302, 37-7-303, 37-7-307, 37-7-319, 37-7-333, 37-7-339, 37-7-419, 37-9-17, 37-9-23, 37-9-25, 37-9-33, 37-9-35, 37-9-37, 37-9-77, 37-11-11, 37-13-63, 37-13-64, 37-13-69, 37-15-38, 37-16-3, 37-19-7, 37-21-6, 37-21-7, 37-22-5, 37-23-1, 37-23-15, 37-23-69, 37-23-109, 37-23-179, 37-27-55, 37-27-57, 37-28-5, 37-28-53, 37-28-55, 37-29-1, 37-29-272, 37-29-303, 37-31-13, 37-31-75, 37-35-3, 37-37-3, 37-41-7, 37-45-49, 37-47-9, 37-47-25, 37-47-33, 37-61-3, 37-61-5, 37-61-7, 37-61-19, 37-61-29, 37-61-35, 37-61-37, 37-68-7, 37-131-7, 37-131-9, 37-131-11, 37-151-9, 37-151-81, 37-151-85, 37-151-87, 37-151-89, 37-151-91, 37-151-93, 37-151-95, 37-151-97, 37-151-99, 37-151-101, 37-151-103, 37-151-105, 37-151-107, 37-173-9, 37-173-13, 37-175-13, 37-179-3, 37-181-7, 41-79-5, 43-17-5, 65-26-9 AND 27-104-351, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS OF THIS ACT; TO AMEND SECTION 37-17-6, MISSISSIPPI CODE OF 1972, AS AMENDED BY SENATE BILL NO. 2689, 2024 REGULAR SESSION, AND HOUSE BILL NO. 1696, 2024 REGULAR SESSION, TO CONFORM AND TO REVISE CERTAIN PROVISIONS RELATED TO THE STATE'S PERMANENT PERFORMANCE-BASED ACCREDITATION SYSTEMS; TO PROVIDE THE PROCEDURE BY WHICH THE STATE BOARD OF EDUCATION MAY PLACE A FAILING SCHOOL OR SCHOOL DISTRICT INTO A DISTRICT OF TRANSFORMATION; TO ESTABLISH RELEVANT CRITERIA FOR SCHOOLS OR SCHOOL DISTRICTS TO BE PLACED INTO SUCH DISTRICTS; TO DELETE CERTAIN PROVISIONS RELATED TO MISSISSIPPI RECOVERY SCHOOL DISTRICTS, SCHOOL BOARDS OF FAILING SCHOOLS AND ELECTIONS OF MEMBERS OF FAILING SCHOOL BOARDS; TO PROVIDE THAT DISTRICTS THAT ARE PLACED INTO DISTRICT TRANSFORMATION SHALL BE ELIGIBLE TO RETURN TO LOCAL CONTROL WHEN THE DISTRICT HAS ATTAINED A "C" RATING OR HIGHER FOR THREE CONSECUTIVE YEARS; TO REPEAL SECTIONS 37-13-153, MISSISSIPPI CODE OF 1972, WHICH REQUIRED STATE FUNDING FOR HOME ECONOMICS TEACHERS TO BE INCLUDED AS A LINE ITEM IN THE EDUCATION APPROPRIATIONS BILLS FOR CERTAIN PRIOR FISCAL YEARS; TO REPEAL SECTIONS 37-151-1, 37-151-5, 37-151-6, 37-151-7, 37-151-7.1, 37-151-8, 37-151-10, 37-151-77, 37-151-79 AND 37-151-83, MISSISSIPPI CODE OF 1972, WHICH DEFINE CERTAIN TERMS AND PRESCRIBE THE FORMULA AND CERTAIN REQUIREMENTS UNDER THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM (MAEP); TO REPEAL SECTION 37-152-1, MISSISSIPPI CODE OF 1972, WHICH CREATES THE COMMISSION ON RESTRUCTURING THE MISSISSIPPI

ADEQUATE EDUCATION PROGRAM (MAEP); TO REPEAL SECTIONS 27-65-75(5), 37-47-7 AND 37-47-24, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE EDUCATIONAL FACILITIES REVOLVING LOAN FUND AND ITS FUNDING MECHANISM; AND FOR RELATED PURPOSES.

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

SECTION 1. The following shall be codified as Section 37-151-200, Mississippi Code of 1972:

37-151-200. (1) This act shall be known, and may be cited as the "Mississippi Student Funding Formula."

(2) Wherever the phrase "total funding formula," "funding formula" or "total funding formula program" shall appear in the laws of this state, it shall be construed to mean the "Mississippi Student Funding Formula" created under Chapter 151, Title 37, Mississippi Code of 1972.

SECTION 2. The following shall be codified as Section 37-151-201, Mississippi Code of 1972:

37-151-201. The following words and phrases have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Base amount" or "student base amount" means the student base funding level that is established in the funding formula as the estimated cost of educating a student with no additional measured needs or special factors.

(b) "Career and technical education course" or "CTE course" means a credit-bearing course that has been approved and classified by the department as a career and technical education, or CTE, course.

(c) "Charter school" means a public school that is established and operating under the terms of a charter contract pursuant to Chapter 28, Title 37, Mississippi Code of 1972.

(d) "Department" means the State Department of Education.

(e) "English Language Learner" or "ELL" means a student identified in accordance with federal law as entitled to English as a second language or bilingual services on the basis of the student's English language proficiency.

(f) "Final weighted enrollment" means the final product of applying weights to the net enrollment of a school district or charter school after accounting for the sparsity of a school district or charter school, as determined in Section 37-151-205.

(g) "Gifted student" means a student identified as eligible to participate in a gifted education program for the instruction of intellectually or academically gifted children, as defined and provided for in Sections 37-23-171 through 37-23-181.

(h) "Local contribution" means the amount of local tax money that school districts or charter schools must contribute to the cost of the funding formula for their district or charter school in a given fiscal year, as determined under Section 37-151-211.

(i) "Local minimum tax effort" means the amount in taxes that the local levying authority for each school district must raise on behalf of the school districts and charter schools

138 in its geographic boundaries, as determined under Section
139 37-151-211.
140 (j) "Low income student" means a student who has been
141 identified by the department, through inclusion in the identified
142 student percentage, as having been approved for free meals based
143 on documentation of:
144 (i) Receipt of benefits from the following
145 federally funded programs:
146 1. Supplemental Nutrition Assistance Program
147 (SNAP);
148 2. Temporary Assistance for Needy Families
149 (TANF);
150 3. Food Distribution Program on Indian
151 Reservations (FDPIR); or
152 4. Medicaid, where applicable, as approved by
153 United States Department of Agriculture (USDA) to conduct matching
154 with Medicaid data to identify children eligible for free meals;
155 or
156 (ii) The inclusion of students who are identified
157 as homeless children, migrant children, runaway children or Head
158 Start children, who are approved for free school meals without
159 application and not subject to verification, which includes foster
160 children certified for free meals through means other than an
161 application for free and reduced price school meals.
162 (k) "Net enrollment" means the average of the total

aggregate student enrollment of a school district or charter school on the last day of months two (2) and three (3) of the previous school year. The total aggregate student enrollment for each day may be determined by calculating the total number of students enrolled plus or minus the total number of new student enrollments or withdrawals, respectively, with the resulting amount being considered the total aggregate student enrollment on a given day. However, if a local school board or the governing board of a charter school adopts a class schedule that operates throughout the year for any or all schools in the district or the charter school, net enrollment must be computed by the State Department of Education so that the resulting net enrollment will not be higher or lower than if the local school board or the governing board had not adopted a year-round schedule.

(l) "Preliminary weighted enrollment" means the initial product of applying weights to the net enrollment of a school district or charter school, as determined in Section 37-151-205.

(m) "School board" means a governmental board exercising management and control over a school district and the schools of that district pursuant to the Mississippi Constitution of 1890 and state statutes.

(n) "School district" or "district" means a governmental entity that establishes and supervises one or more public schools within its geographical limits pursuant to state statutes.

(o) "Sparsely populated district or charter school" means a school district or charter school with a density of less than eight (8) students per square mile, as determined by dividing the net enrollment of a district or charter school by the square mileage within its geographic boundaries. For the purpose of determining the sparsity of a charter school, the square mileage of a charter school is equivalent to the square mileage within the geographic boundaries of the school district in which the charter school is located.

(p) "Special education program" means a program that provides services for exceptional children, as defined and authorized by Chapter 23, Title 37, Mississippi Code of 1972.

(q) "State share" means the amount the state contributes to the funding formula for the annual operating funding of each school district or charter school.

(r) "Superintendent" means the administrative head of a school district.

(s) "Total funding formula" means the formula used to determine annual operating funding for public schools, as prescribed in this act.

(t) "Weight" or "weighting" means a multiplier used to adjust the preliminary weighted enrollment and final weighted enrollment to support the additional costs of educating students in defined student populations or in a defined geographic context.

SECTION 3. The following shall be codified as Section

37-151-203, Mississippi Code of 1972:

37-151-203. (1) In fiscal year 2025, the student base amount shall be Six Thousand Six Hundred Ninety-five Dollars and Thirty-four Cents ($6,695.34) per student. In fiscal years 2026, 2027 and 2028, the inflationary adjustment described in this section shall be applied to derive the total funding formula. In fiscal year 2029, and every fourth fiscal year thereafter, the State Board of Education, on or before August 1, with an adjusted estimate no later than January 2, shall submit to the Legislative Budget Office, the Chairmen of the Senate and House of Representatives Appropriations and Education Committees, respectively, the Lieutenant Governor and the Speaker of the House a new proposed student base amount calculation using the following formula:

(a) Instructional cost. To determine the instructional cost, the department shall first calculate the state's student to teacher ratio. Such ratio shall be determined by dividing the net enrollment for public schools and charter schools in the state by the total number of teachers in such schools, as determined by the department, in months two (2) and three (3) of the school year preceding the year funds are to be appropriated. The student to teacher ratio shall be rounded up to the nearest whole number. After determining the student to teacher ratio, the average teacher salary shall be divided by the student-teacher ratio, and the resulting amount shall be considered the instructional cost.

The average teacher salary shall be calculated by the department and include district local supplements as provided in Section 37-151-87, but shall not include the highest five percent (5%) and lowest five percent (5%) of district local supplements.

(b) Administrative cost; which shall be twenty percent (20%) of the instructional cost.

(c) Ancillary personnel and expenses; which shall be thirty percent (30%) of the instructional cost.

(d) Operation and maintenance of plant. For the plant and maintenance cost component, the State Department of Education shall select districts that have a ratio of plant and maintenance expenditures per one hundred thousand (100,000) square feet of building space and a ratio of maintenance workers per one hundred thousand (100,000) square feet of building space that are both between one (1) standard deviation above the mean and two (2) standard deviations below the mean of the statewide average. The plant and maintenance cost component shall be calculated by dividing the latest available months one (1) through nine (9) average daily attendance of the selected districts into the plant and maintenance expenditures of these selected districts. For the purpose of this calculation, the Department of Education shall use the following funds, functions and objects: Fund 1120 Functions 2600-2699, Objects 100-699 and Objects 800-999; Fund 2711 Functions 2600-2699, Objects 100-699 and Objects 800-999; Fund 2430 Functions 2600-2699, Objects 100-699 and Objects 800-999.

Net enrollment means the percentage change from the prior year of each year of each school district's months two (2) and three (3) average of net enrollment for the three (3) immediately preceding school years of the year for which funds are being appropriated.

(2) For purposes of these calculations, the State Department of Education shall utilize financial data from the second preceding year of the year for which funds are being appropriated.

(3) For each of the fiscal years between the recalculation of the base student cost, the base student cost shall be increased by an amount equal to twenty-five percent (25%) of the base student cost for the previous fiscal year, multiplied by the twenty year average annual change in the rate of inflation rounded up to the nearest tenth of a percent for the State of Mississippi as determined by the State Economist, plus any adjustments for additional state requirements including, but not limited to, teacher pay raises and health insurance premium increases. The calculation shall be performed annually by the Department of Education, and the resulting amount shall replace base student cost from the previous year.

(4) In years when the total revenue of the state does not increase, the Legislature may retain the base student cost from the previous year. If the total revenue increases the following year, the formula shall be recalculated or increased according to inflation as provided in this act.

(5) Base student cost shall not be lower than the previous year; provided, however, the base student cost may be lowered when the State Fiscal Officer provides notice to the Legislative Budget Office of a revenue shortfall in accordance with Section 27-104-13.

(6) By November 1, 2024, the department shall submit to the Legislative Budget Office, the Chairmen of the Senate and House of Representatives Appropriations and Education Committees, respectively, the Lieutenant Governor and the Speaker of the House, a report on the department's plan for implementation of the funding formula as specified under the provisions of this act, and to recommend any technical amendments necessary for its effective administration before the commencement of the 2025 Regular Session of the Legislature.

(7) The annual amount of funding for the operation of each school district and charter school under the total funding formula as provided under this act is determined by multiplying the student base amount, as determined under Section 37-151-203, by the final weighted enrollment of the school district or charter school, as determined under Section 37-151-205.

SECTION 4. The following shall be codified as Section 37-151-205, Mississippi Code of 1972:

37-151-205. (1) The preliminary weighted enrollment of each school district and charter school under this act is determined by applying the weights prescribed in this section, none of which are

312 mutually exclusive of another, to each applicable school district
313 or charter school's net enrollment, as determined by Section
314 37-151-207. To determine additional funding authorized under this
315 section, the number of students in a school district that are
316 identified as the applicable weight shall be calculated as a
317 percentage of the students in the school district. Such amount
318 shall be referred to as the "percentage of applicable students."
319 (2) For students identified as low-income, as defined in
320 Section 37-151-201, the percentage of applicable students in the
321 school district is multiplied by thirty one-hundredths (30/100),
322 and then multiplied by net enrollment.
323 (3) For students identified as English Language Learners, as
324 defined in Section 37-151-201, the percentage of applicable
325 students in the school district is multiplied by fifteen
326 one-hundredths (15/100), and then multiplied by net enrollment.
327 (4) The following weights are applied to students who are
328 identified as entitled to and receiving services in a special
329 education program:
330 (a) Tier I: For students diagnosed with a specific
331 learning disability, speech and language impairment, or
332 developmental delay, the percentage of applicable students in the
333 school district is multiplied by sixty one-hundredths (60/100),
334 and then multiplied by net enrollment.
335 (b) Tier II: For students diagnosed with autism,
336 hearing impairment, emotional disability, orthopedic impairment,

intellectual disability, or other health impairment, the percentage of applicable students in the school district is multiplied by one hundred ten one-hundredths (110/100), and then multiplied by net enrollment.

(c) Tier III: For students diagnosed with visual impairment, deaf-blindness, multiple disabilities, or traumatic brain injury, the percentage of applicable students in the school district is multiplied by one hundred thirty one-hundredths (130/100), and then multiplied by net enrollment.

For the purpose of student counts, a student entitled to and receiving special education services may not be included under more than one (1) tier prescribed in paragraphs (a), (b) and (c) of this subsection. A student having multiple diagnoses must be counted under the highest tier applicable to that student.

(5) A weight of five percent (5%) is applied to five percent (5%) of a school district or charter school's net enrollment for the purpose of providing gifted education, regardless of the number of students in a school district or charter school that have been identified as gifted students: the total number of students in net enrollment in a school district or charter school, as determined by Section 37-151-207, is multiplied by five one-hundredths (5/100), which is again multiplied by five one-hundredths (5/100).

(6) For Ninth, Tenth, Eleventh and Twelfth Grade students enrolled in a career and technical education course, as defined in

Section 37-151-201, the percentage of applicable students in the school district is multiplied by ten one-hundredths (10/100), and then multiplied by net enrollment. Students enrolled in multiple career and technical education courses are counted once.

(7) In each school district or charter school where the number of students identified as low income, as defined in Section 37-151-201, exceeds thirty-five percent (35%) of the school district or charter school's net enrollment, a weight of ten percent (10%) is applied only to the number of low income students in excess of the number of low income students which constitute thirty-five percent (35%) of net enrollment. The number of students eligible for this weight is calculated by subtracting the number of students equivalent to thirty-five percent (35%) of the net enrollment of that school district or charter school from the total number of students in that school district or charter school identified as low income: if the total percentage of applicable students identified in subsection (2) exceeds thirty-five percent (35%) of the school district or charter school's total net enrollment, as determined in Section 37-151-207, the difference between the total percentage of applicable students identified in subsection (2) and thirty-five percent (35%) of the school district or charter school's total net enrollment is multiplied by ten one-hundredths (10/100), and then multiplied by net enrollment.

(8) The final weighted enrollment of each school district and charter school under the total funding formula as provided for in this act is determined as follows:

(a) The final weighted enrollment for each school district or charter school that is not classified as a sparsely populated district or charter school, as defined in Section 37-151-201, is equivalent to the preliminary weighted enrollment of that school district or charter school, as determined in subsections (1) through (7) of this section: the State Department of Education shall add to the school district or charter school's net enrollment, as determined under Section 37-151-207, each of the additional figures calculated in accordance with subsections (2) through (7), and this total is the final weighted enrollment.

(b) The final weighted enrollment for each sparsely populated district or charter school, as defined in Section 37-151-201, is determined by multiplying the sparsity weight by the preliminary weighted enrollment, as determined in subsections (1) through (7) of this section, and then adding that figure to the preliminary weighted enrollment. To calculate the final weighted enrollment, the State Department of Education shall add to the school district or charter school's net enrollment, each of the additional figures calculated in accordance with subsections (2) through (7) to determine the preliminary weighted enrollment, multiply this figure by the sparsity weight as determined below, and add this resulting number to the preliminary weighted

enrollment to find the final weighted enrollment. To calculate the sparsity weight, the State Department of Education shall find the difference between the number of students per square mile in that district or charter school and a sparsity threshold of eight (8) students per square mile, and then shall divide the resulting figure by one hundred (100) to create a percentage: for example, if the number of students per square mile in a district is three (3), the difference is five (5) (eight (8) minus three (3)), and the sparsity weight is five percent (5%), or five one-hundredths (5/100).

SECTION 5. The following shall be codified as Section 37-151-207, Mississippi Code of 1972:

37-151-207. (1) The net enrollment of a school district or charter school for use in the funding formula must be computed and currently maintained by the State Board of Education in accordance with the following:

(a) Determination of school district net enrollment for use in the funding formula. Effective with fiscal year 2026, the State Department of Education shall determine the percentage change from the prior year of each school district's months two (2) and three (3) for the three (3) immediately preceding school years of the year for which funds are being appropriated.

(b) Determination of charter school net enrollment for use in the funding formula. Effective with fiscal year 2026, the department shall base a charter school's net enrollment on the

enrollment projections for the relevant year set forth over the term of the charter contract.

(c) The net enrollment of a school district used for funding formula calculations, as determined in paragraph (a) of this subsection, must be reconciled with the school district's net enrollment using months two (2) and three (3) for the year for which total funding formula funds are being appropriated, and any necessary adjustments must be made to payments during the school district's following year of operation. Any necessary adjustment for a school district must be based on the state share of the per pupil amount in effect for the year for which actual net enrollment did not meet expectations and not any new amount appropriated for the year in which the adjustment will be made. Reconciliation of net enrollment for charter schools must be based on requirements set forth in Section 37-28-55.

(2) The net enrollment of a school district or charter school must include any student enrolled in a dual enrollment-dual credit program as defined and provided for in Section 37-15-38. The State Department of Education shall make payments for dual enrollment-dual credit programs to the home school district or charter school in which the student is enrolled, in accordance with regulations promulgated by the State Board of Education. All state funding under the formula must cease upon completion of high school graduation requirements.

(3) The State Board of Education shall promulgate such rules and regulations as may be necessary for the counting and reporting of student enrollment by school districts and charter schools to the department in a manner that enables the provisions of this act to be carried out. The rules and regulations must require school districts and charter schools to submit data that includes, at a minimum, numbers for the specific student populations that are subject to weighting under this act as well as the aggregate amount of students in enrollment when each calculation is made. For the first year of operation of a charter school, the State Board of Education shall use imputed student demographic data based on the traditional district in which the charter school is located to estimate student populations that are subject to weighting under this act.

(4) The superintendent of each school district and the head of school of each charter school, as applicable, shall submit the data required by subsection (3) of this section with a signed affidavit attesting that the data submitted to the department is accurate to the best of the superintendent's knowledge, and any inaccuracies later discovered will be reported to the department. The State Board of Education shall be specifically authorized and empowered to withhold allocations from the total funding formula funds as provided in this act, to any school district or charter school for improperly or inaccurately reporting the student data required by this act.

SECTION 6. The following shall be codified as Section 37-151-209, Mississippi Code of 1972:

37-151-209. Allocations to school districts or charter schools made by the State Department of Education on the basis of the count of students in student categories established for the purpose of applying various weights under this act are intended only to generate total appropriation amounts for school funding. Except as otherwise required by applicable state or federal law or by applicable rules, regulations, policies, or order of the State Board of Education and the State Department of Education, a school district or charter school may exercise full autonomy in the spending of all funds allocated under the formula to the district or charter school so long as funds are expended in the manner determined by the school board or governing board to best meet the needs of the student population of the school district or charter school.

SECTION 7. The following shall be codified as Section 37-151-211, Mississippi Code of 1972:

37-151-211. (1) (a) Before February 1 of each year, the tax assessor of each county shall file reports with the State Department of Education which provide information essential to the department in determining the local contribution that each school district or charter school is required to provide toward the cost of local school funding. A separate report must be filed for each

school district or part of a school district situated in the county and must include the following information:

(i) The total assessed valuation of nonexempt property for school purposes in each school district;

(ii) Assessed value of exempt property owned by homeowners aged sixty-five (65) or older or disabled, as defined in Section 27-33-67(2);

(iii) The school district's tax loss from exemptions provided to applicants under the age of sixty-five (65) and not disabled, as defined in Section 27-33-67(1); and

(iv) The school district's homestead reimbursement revenues.

(b) The State Department of Education shall prepare and make available to the tax assessor of each county a form for the reports required under paragraph (a) of this subsection (1)(a).

(2) (a) The department shall use the information submitted pursuant to subsection (1) to calculate and certify to each school district the millage required to raise its minimum local tax effort, which must be the value of not less than twenty-eight (28) mills for the then current fiscal year or a millage rate equivalent to twenty-seven percent (27%) of the total funding formula funds for the school district, any charter schools, and any Mississippi Achievement School District Schools located in its boundaries, whichever is a lesser amount as certified to the

school district by the department, upon all of the taxable property of the school district, including the following sources:

(i) One hundred percent (100%) of Grand Gulf income, as prescribed in Section 27-35-309; and

(ii) One hundred percent (100%) of any fees in lieu of taxes, as prescribed in Section 27-31-104, in accordance with Section 37-57-1.

(b) The department shall determine the local contribution of each school district or charter school based on the minimum local tax effort, as determined under paragraph (a), and shall certify this required local contribution to each school district or charter school, as follows:

(i) For school districts in which there are no charter schools, the minimum local tax effort is the required local contribution for the school district.

(ii) For school districts in which there is located one or more charter schools, the local contribution of the school district is the product of multiplying the local pro rata amount by the net enrollment of the school district. The department will calculate the local pro rata amount by dividing the school district's minimum local tax effort by the sum of the net enrollment of the school district, as determined by Section 37-151-207, and the projected enrollment of charter school students, as specified in Section 37-151-207, who reside or are estimated to reside in the district, but excluding from this

projected enrollment any resident students who are projected to transfer from the district to a charter school after the calculation of the district's net enrollment, so as not to double-count those students.

(iii) For each charter school, the local contribution is the sum of the local pro rata amount for each charter school student, as determined by Section 37-151-207, based on each student's district of residence. The department will calculate a local pro rata amount for each school district in which a student projected to attend the charter school resides or is estimated to reside using the methodology in subparagraph (ii) of this paragraph (b).

(iv) In the case of an agricultural high school, the local contribution is based on an equitable amount per pupil, as determined by the State Board of Education. The State Board of Education shall set the millage requirement to generate such an amount and will certify this amount and millage requirement to agricultural high schools in the same manner as for all other school districts under this subsection.

(3) Except as otherwise provided in Section 37-151-213(1), the required state share in support of each school district and charter school is determined by subtracting the required local contribution, which total amount may not exceed twenty-seven percent (27%) of the total projected funding formula cost, from

582 the total projected funding formula cost, as determined under this
583 act, for the school district or charter school.
584 (4) If the school board of any school district or charter
585 school governing board determines that it is not economically
586 feasible or practicable to operate any school within the district
587 or charter school for the full one hundred eighty (180) days
588 required for the school term of a scholastic year under Section
589 37-13-63, due to an enemy attack, man-made, technological, or
590 natural disaster in which the Governor has declared a disaster
591 emergency under the laws of this state or the President of the
592 United States has declared an emergency or major disaster to exist
593 in this state, the school board or charter school governing board
594 may notify the State Department of Education of the disaster and
595 submit a plan for altering the school term. If the State Board of
596 Education finds the disaster to be the cause of the school not
597 operating for the contemplated school term and that the school is
598 located in a school district covered by the Governor's or
599 President's disaster declaration, the board may permit the schools
600 located in that district to be operated for less than one hundred
601 eighty (180) days and, in such case, the State Department of
602 Education may not reduce the state share in support of the funding
603 formula for that district or charter school because of the failure
604 to operate those schools for one hundred eighty (180) days.
605 **SECTION 8.** The following shall be codified as Section
606 37-151-213, Mississippi Code of 1972:

607 37-151-213. (1) To qualify for state funds under this
608 chapter, a school district may not exceed a student-teacher ratio
609 determined in accordance with appropriate accreditation standards
610 developed by the Mississippi Commission on School Accreditation.
611 However, a local district may apply to the State Board of
612 Education for approval of a waiver to this section by submitting
613 and justifying an alternative educational program to serve the
614 needs of enrollment. The State Board of Education must approve or
615 disapprove of the waiver no later than forty-five (45) days after
616 the receipt of the application.
617 (2) If a school district violates a required student-teacher
618 ratio, the state share in support of the funding formula for the
619 next succeeding fiscal year to that school district must be
620 reduced by the percentage variance that the actual student-teacher
621 ratios in the school district is to the required student-teacher
622 ratios established under accreditation standards.
623 (3) Notwithstanding the provisions of this section, the
624 State Board of Education may waive the student-teacher
625 requirements upon a finding that a good faith effort is being made
626 by a school district to comply with the ratio provision but, due
627 to a lack of classroom space which is beyond the district's
628 control, it is physically impossible for the district to comply,
629 and the cost of temporary classroom space cannot be justified.
630 (4) If a school district meets the highest levels of
631 performance classification, as determined by the State Board of

632 Education in the state's accountability standards, the State Board
633 of Education, in its discretion, may exempt the school district
634 from the maximum student-teacher ratio required under this
635 section.
636 (5) This section is not applicable to charter schools.
637 **SECTION 9.** The following shall be codified as Section
638 37-151-215, Mississippi Code of 1972:
639 37-151-215. (1) Notwithstanding the provisions of Section
640 37-151-211(3), the state share in support of the funding formula
641 for a school district or charter school for fiscal year 2025,
642 fiscal year 2026 and fiscal year 2027 may not be less than an
643 amount equal to the sum of all state funds received by that
644 school district or charter school for fiscal year 2024, as
645 follows:
646 (a) Funds distributed under the Mississippi Adequate
647 Education Program;
648 (b) Funds distributed by the State Department of
649 Education for the purpose of paying teachers' salaries according
650 to the teacher salary schedule prescribed in Section 37-19-7 and
651 assistant teachers, as prescribed in Section 37-21-7 for the
652 2023-2024 school year; and
653 (c) Funds distributed by and based on net enrollment or
654 the total number of students enrolled for each day in each public
655 school district or charter school, divided by the total number of
656 school days, and allowable to be spent on any expenditures

necessary to operate a public school district or charter school, excluding salary increases for superintendents, assistant superintendents or principals.

(2) This section shall stand repealed on July 1, 2027.

SECTION 10. Section 37-57-1, Mississippi Code of 1972, is amended as follows:

37-57-1. (1) (a) The boards of supervisors of the counties shall levy and collect all taxes for and on behalf of all school districts which were within the county school system or designated as special municipal separate school districts prior to July 1, 1986. Such taxes shall be collected by the county tax collector at the same time and in the same manner as county taxes are collected by him, and the same penalties for delinquency shall be applicable.

The governing authorities of the municipalities shall levy and collect all taxes for and on behalf of all school districts which were designated as municipal separate school districts prior to July 1, 1986. Such taxes shall be collected by the municipal tax collector at the same time and in the same manner as municipal taxes are collected by him, and the same penalties for delinquency shall be applicable.

Except as otherwise provided in Section 19-9-171, the county or municipal tax collector, as the case may be, shall pay such tax collections, except for taxes collected for the payment of the principal of and interest on school bonds or notes and except for

taxes collected to defray collection costs, into the school depository and report to the school board of the appropriate school district at the same time and in the same manner as the tax collector makes his payments and reports of other taxes collected by him.

*** * *** However, the State Board of Education shall determine the appropriate levying authority for any school district created or reorganized after July 1, 1987.

(b) For the purposes of this chapter and any other laws pertaining to taxes levied or bonds or notes issued for and on behalf of school districts, the term "levying authority" means the board of supervisors of the county or the governing authorities of the municipality, whichever levies taxes for and on behalf of the particular school district as provided in paragraphs (a) and (b) of this subsection.

(2) The levying authority for the school district shall, at the same time and in the same manner as other taxes are levied by the levying authority, levy a tax of not less than twenty-eight (28) mills for the then current fiscal year *** * *** or <u>a millage rate equivalent to</u> twenty-seven percent (27%) of the *** * *** <u>total funding formula under this act</u>, whichever is a lesser amount<u>, as certified to the school district by the State Department of Education</u>, upon all of the taxable property of the school district *** * ***. However, in no case shall the minimum local ad valorem tax effort for any school district be equal to an amount

that would require a millage rate exceeding fifty-five (55) mills in that school district. *** * *** However, *** * *** if a levying authority is levying in excess of fifty-five (55) mills on July 1, 1997, the levying authority may levy an additional amount not exceeding three (3) mills in the aggregate for the period beginning July 1, 1997, and ending June 30, 2003, subject to the limitation on increased receipts from ad valorem taxes prescribed in Sections 37-57-105 and 37-57-107. Nothing in this subsection shall be construed to require any school district that is levying more than fifty-five (55) mills pursuant to Sections 37-57-1 and 37-57-105 to decrease its millage rate to fifty-five (55) mills or less. In making such levy, the levying authority shall levy an additional amount sufficient to cover anticipated delinquencies and costs of collection so that the net amount of money to be produced by such levy shall be equal to the amount which the school district is required to contribute as its *** * *** minimum local ad valorem tax effort. The tax so levied shall be collected by the tax collector at the same time and in the same manner as other ad valorem taxes are collected by him. The amount of taxes so collected as a result of such levy shall be paid into the district maintenance fund of the school district by the tax collector at the same time and in the same manner as reports and payments of other ad valorem taxes are made by *** * *** <u>the</u> tax collector, except that the amount collected to defray costs of collection may be paid into the county general fund. The levying

authority shall have the power and authority to direct and cause warrants to be issued against such fund for the purpose of refunding any amount of taxes erroneously or illegally paid into such fund where such refund has been approved in the manner provided by law.

SECTION 11. Section 37-57-104, Mississippi Code of 1972, is amended as follows:

37-57-104. (1) Each school board shall submit to the levying authority for the school district a certified copy of an order adopted by the school board requesting an ad valorem tax effort in dollars for the support of the school district. The copy of the order shall be submitted by the school board when the copies of the school district's budget are filed with the levying authority pursuant to Section 37-61-9. Upon receipt of the school board's order requesting the ad valorem tax effort in dollars, the levying authority shall determine the millage rate necessary to generate funds equal to the dollar amount requested by the school board. For the purpose of calculating this millage rate, any additional amount that is levied pursuant to Section 37-57-105(1) to cover anticipated delinquencies and costs of collection or any amount that may be levied for the payment of the principal and interest on school bonds or notes shall be excluded from the limitation of fifty-five (55) mills provided for in subsection (2) of this section.

(2) (a) Except as otherwise provided under paragraph (b) or (c) of this subsection, if the millage rate necessary to generate funds equal to the dollar amount requested by the school board is greater than fifty-five (55) mills, and if this millage rate is higher than the millage then being levied pursuant to the school board's order requesting the ad valorem tax effort for the currently existing fiscal year, then the levying authority shall call a referendum on the question of exceeding, during the next fiscal year, the then existing millage rate being levied for school district purposes. The referendum shall be scheduled for not more than six (6) weeks after the date on which the levying authority receives the school board's order requesting the ad valorem tax effort.

When a referendum has been called, notice of the referendum shall be published at least five (5) days per week, unless the only newspaper published in the school district is published less than five (5) days per week, for at least three (3) consecutive weeks, in at least one (1) newspaper published in the school district. The notice shall be no less than one-fourth (1/4) page in size, and the type used shall be no smaller than eighteen (18) point and surrounded by a one-fourth-inch solid black border. The notice may not be placed in that portion of the newspaper where legal notices and classified advertisements appear. The first publication of the notice shall be made not less than twenty-one (21) days before the date fixed for the referendum, and the last

publication shall be made not more than seven (7) days before that date. If no newspaper is published in the school district, then the notice shall be published in a newspaper having a general circulation in the school district. The referendum shall be held, as far as is practicable, in the same manner as other referendums and elections are held in the county or municipality. At the referendum, all registered, qualified electors of the school district may vote. The ballots used at the referendum shall have printed thereon a brief statement of the amount and purpose of the increased tax levy and the words "FOR INCREASING THE MILLAGE LEVIED FOR SCHOOL DISTRICT PURPOSES FROM (MILLAGE RATE CURRENTLY LEVIED) MILLS TO (MILLAGE RATE REQUIRED UNDER SCHOOL BOARD'S ORDER) MILLS," and "AGAINST INCREASING THE MILLAGE LEVIED FOR SCHOOL DISTRICT PURPOSES FROM (MILLAGE RATE CURRENTLY LEVIED) MILLS TO (MILLAGE RATE REQUIRED UNDER SCHOOL BOARD'S ORDER) MILLS." The voter shall vote by placing a cross (X) or checkmark (√) opposite his choice on the proposition.

If a majority of the registered, qualified electors of the school district who vote in the referendum vote in favor of the question, then the ad valorem tax effort in dollars requested by the school board shall be approved. However, if a majority of the registered, qualified electors who vote in the referendum vote against the question, the millage rate levied by the levying authority shall not exceed the millage then being levied pursuant

805 to the school board's order requesting the ad valorem tax effort
806 for the then currently existing fiscal year.
807 Nothing in this subsection shall be construed to require any
808 school district that is levying more than fifty-five (55) mills
809 pursuant to Sections 37-57-1 and 37-57-105 to decrease its millage
810 rate to fifty-five (55) mills or less. Further, nothing in this
811 subsection shall be construed to require a referendum in a school
812 district where the requested ad valorem tax effort in dollars
813 requires a millage rate of greater than fifty-five (55) mills but
814 the requested dollar amount does not require any increase in the
815 then existing millage rate. Further, nothing in this subsection
816 shall be construed to require a referendum in a school district
817 where, because of a decrease in the assessed valuation of the
818 district, a millage rate of greater than fifty-five (55) mills is
819 necessary to generate funds equal to the dollar amount generated
820 by the ad valorem tax effort for the currently existing fiscal
821 year.
822 (b) *** * *** However, *** * *** if a levying authority is
823 levying in excess of fifty-five (55) mills on July 1, 1997, the
824 levying authority may levy an additional amount not exceeding
825 three (3) mills in the aggregate for the period beginning July 1,
826 1997, and ending June 30, 2003, subject to the limitation on
827 increased receipts from ad valorem taxes prescribed in Sections
828 37-57-105 and 37-57-107.

(c) If the levying authority for any school district lawfully has decreased the millage levied for school district purposes, but subsequently determines that there is a need to increase the millage rate due to a disaster in which the Governor has declared a disaster emergency or the President of the United States has declared an emergency or major disaster, then the levying authority may increase the millage levied for school district purposes up to an amount that does not exceed the millage rate in any one (1) of the immediately preceding ten (10) fiscal years without any referendum that otherwise would be required under this subsection.

(3) If the millage rate necessary to generate funds equal to the dollar amount requested by the school board is equal to fifty-five (55) mills or less, but the dollar amount requested by the school board exceeds the next preceding fiscal year's ad valorem tax effort in dollars by more than four percent (4%), but not more than seven percent (7%) (as provided for under subsection (4) of this section), then the school board shall publish notice thereof at least five (5) days per week, unless the only newspaper published in the school district is published less than five (5) days per week, for at least three (3) consecutive weeks in a newspaper published in the school district. The notice shall be no less than one-fourth (1/4) page in size, and the type used shall be no smaller than eighteen (18) point and surrounded by a one-fourth-inch solid black border. The notice may not be placed

in that portion of the newspaper where legal notices and classified advertisements appear. The first publication shall be made not less than fifteen (15) days before the final adoption of the budget by the school board. If no newspaper is published in the school district, then the notice shall be published in a newspaper having a general circulation in the school district. If at any time before the adoption of the budget a petition signed by not less than twenty percent (20%) or fifteen hundred (1500), whichever is less, of the registered, qualified electors of the school district is filed with the school board requesting that a referendum be called on the question of exceeding the next preceding fiscal year's ad valorem tax effort in dollars by more than four percent (4%), then the school board shall adopt, not later than the next regular meeting, a resolution calling a referendum to be held within the school district upon the question. The referendum shall be called and held, and notice thereof shall be given, in the same manner provided for in subsection (2) of this section. The ballot shall contain the language "FOR THE SCHOOL TAX INCREASE OVER FOUR PERCENT (4%)" and "AGAINST THE SCHOOL TAX INCREASE OVER FOUR PERCENT (4%)." If a majority of the registered, qualified electors of the school district who vote in the referendum vote in favor of the question, then the increase requested by the school board shall be approved. For the purposes of this subsection, the revenue sources excluded from the increase limitation under Section 37-57-107 also shall be

excluded from the limitation described in this subsection in the same manner as they are excluded under Section 37-57-107. Provided, however, that any increases requested by the school board as a result of the required local contribution to *** * *** the total funding formula as required by this act, as certified to the local school district by the State Board of Education under Section *** * *** 37-151-211, shall not be subject to the four percent (4%) and/or seven percent (7%) tax increase limitations provided in this section.

(4) If the millage rate necessary to generate funds equal to the dollar amount requested by the school board is equal to fifty-five (55) mills or less, but the dollar amount requested by the school board exceeds the seven percent (7%) increase limitation provided for in Section 37-57-107, the school board may exceed the seven percent (7%) increase limitation only after the school board has determined the need for additional revenues and three-fifths (3/5) of the registered, qualified electors voting in a referendum called by the levying authority have voted in favor of the increase. The notice and manner of holding the referendum shall be as prescribed in subsection (2) of this section for a referendum on the question of increasing the millage rate in school districts levying more than fifty-five (55) mills for school district purposes.

(5) The aggregate receipts from ad valorem taxes levied for school district purposes pursuant to Sections 37-57-1 and

37-57-105, excluding collection fees, additional revenue from the ad valorem tax on any newly constructed properties or any existing properties added to the tax rolls or any properties previously exempt which were not assessed in the next preceding year, and amounts received by school districts from the School Ad Valorem Tax Reduction Fund pursuant to Section 37-61-35, shall be subject to the increase limitation under this section and Section 37-57-107.

(6) The school board shall pay to the levying authority all costs that are incurred by the levying authority in the calling and holding of any election under this section.

(7) The provisions of this section shall not be construed to affect in any manner the authority of school boards to levy millage for the following purposes:

(a) The issuance of bonds, notes and certificates of indebtedness, as authorized in Sections 37-59-1 through 37-59-45 and Sections 37-59-101 through 37-59-115;

(b) The lease of property for school purposes, as authorized under the Emergency School Leasing Authority Act of 1986 (Sections 37-7-351 through 37-7-359);

(c) The lease or lease-purchase of school buildings, as authorized under Section 37-7-301;

(d) The issuance of promissory notes in the event of a shortfall of ad valorem taxes and/or revenue from local sources, as authorized under Section 27-39-333; and

(e) The construction of school buildings outside the school district, as authorized under Section 37-7-401.

Any millage levied for the purposes specified in this subsection shall be excluded from the millage limitations established under this section.

SECTION 12. Section 37-57-105, Mississippi Code of 1972, is amended as follows:

37-57-105. (1) *** * *** In addition to the taxes levied under Section 37-57-1, the levying authority for the school district, as defined in Section 37-57-1, upon receipt of a certified copy of an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars for the support of the school district <u>and any charter schools located in the district</u>, shall, at the same time and in the same manner as other ad valorem taxes are levied, levy an annual ad valorem tax in the amount fixed in such order upon all of the taxable property of such school district, which shall not be less than the millage rate certified by the State Board of Education as the uniform minimum school district ad valorem tax levy <u>required</u> for the support of *** * *** <u>the total funding formula as required by this act</u> in such school district under Section<u>s</u> 37-57-1 <u>and 37-151-211</u>. *** * *** However, *** * *** any school district levying less than the uniform minimum school district ad valorem tax levy on July 1, 1997, shall only be required to increase its local district maintenance levy in four (4) mill annual increments in order to

attain such millage requirements. In making such levy, the levying authority shall levy an additional amount sufficient to cover anticipated delinquencies and costs of collection so that the net amount of money to be produced by such levy shall be equal to the amount which is requested by *** * *** the school board. The proceeds of such tax levy, excluding levies for the payment of the principal of and interest on school bonds or notes and excluding levies for costs of collection, shall be placed in the school depository to the credit of the school district and shall be expended in the manner provided by law for the purpose of supplementing teachers' salaries, extending school terms, purchasing furniture, supplies and materials, and for all other lawful operating and incidental expenses of such school district *** * ***.

The monies authorized to be received by school districts from the School Ad Valorem Tax Reduction Fund pursuant to Section 37-61-35 shall be included as ad valorem tax receipts. The levying authority for the school district, as defined in Section 37-57-1, shall reduce the ad valorem tax levy for such school district in an amount equal to the amount distributed to such school district from the School Ad Valorem Tax Reduction Fund each calendar year pursuant to *** * *** Section 37-61-35. Such reduction shall not be less than the millage rate necessary to generate a reduction in ad valorem tax receipts equal to the funds distributed to such school district from the School Ad Valorem Tax

979 Reduction Fund pursuant to Section 37-61-35. *** * *** The millage
980 levy certified by the State Board of Education as the *** * ***
981 minimum *** * *** tax levy *** * *** shall be subject to the provisions of
982 this paragraph.

983 In any county where there is located a nuclear generating
984 power plant on which a tax is assessed under Section 27-35-309(3),
985 such required levy and revenue produced thereby may be reduced by
986 the levying authority in an amount in proportion to a reduction in
987 the base revenue of any such county from the previous year. Such
988 reduction shall be allowed only if the reduction in base revenue
989 equals or exceeds five percent (5%). "Base revenue" shall mean
990 the revenue received by the county from the ad valorem tax levy
991 plus the revenue received by the county from the tax assessed
992 under Section 27-35-309(3) and authorized to be used for any
993 purposes for which a county is authorized by law to levy an ad
994 valorem tax. For purposes of determining if the reduction equals
995 or exceeds five percent (5%), a levy of millage equal to the prior
996 year's millage shall be hypothetically applied to the current
997 year's ad valorem tax base to determine the amount of revenue to
998 be generated from the ad valorem tax levy. For the purposes of
999 this section and Section 37-57-107, the portion of the base
1000 revenue used for the support of any school district shall be
1001 deemed to be the aggregate receipts from ad valorem taxes for the
1002 support of any school district. This paragraph shall apply to
1003 taxes levied for the 1987 fiscal year and for each fiscal year

1004 thereafter. If the Mississippi Supreme Court or another court
1005 finally adjudicates that the tax levied under Section 27-35-309(3)
1006 is unconstitutional, then this paragraph shall stand repealed.
1007 The State Department of Education shall calculate a local pro
1008 rata amount for the aggregate receipts of the tax levied in this
1009 section by dividing the aggregate receipts by the sum of the
1010 school district's net enrollment, as determined under Section
1011 37-151-211, and the net enrollment of any charter school students
1012 who reside in the district.
1013 (2) When the tax is levied upon the territory of any school
1014 district located in two (2) or more counties, the order of the
1015 school board requesting the levying of such tax shall be certified
1016 to the levying authority of each of the counties involved, and
1017 each of the levying authorities shall levy the tax in the manner
1018 specified herein. The taxes so levied shall be collected by the
1019 tax collector of the levying authority involved and remitted by
1020 the tax collector to the school depository of the home county to
1021 the credit of the school district involved as provided above,
1022 except that taxes for collection fees may be retained by the
1023 levying authority for deposit into its general fund.
1024 (3) The aggregate receipts from ad valorem taxes levied for
1025 school district purposes, excluding collection fees, pursuant to
1026 this section and Section 37-57-1 shall be subject to the increased
1027 limitation under Section 37-57-107; however, if the ad valorem tax
1028 effort in dollars requested by the school district for the fiscal

year exceeds the next preceding fiscal year's ad valorem tax effort in dollars by more than four percent (4%) but not more than seven percent (7%), then the school board shall publish notice thereof once each week for at least three (3) consecutive weeks in a newspaper having general circulation in the school district involved, with the first publication thereof to be made not less than fifteen (15) days prior to the final adoption of the budget by the school board. If at any time prior to *** * *** the adoption a petition signed by not less than twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors of the school district involved shall be filed with the school board requesting that an election be called on the question of exceeding the next preceding fiscal year's ad valorem tax effort in dollars by more than four percent (4%) but not more than seven percent (7%), then the school board shall, not later than the next regular meeting, adopt a resolution calling an election to be held within such school district upon such question. The election shall be called and held, and notice thereof shall be given, in the same manner for elections upon the questions of the issuance of the bonds of school districts, and the results thereof shall be certified to the school board. The ballot shall contain the language "For the School Tax Increase Over Four Percent (4%)" and "Against the School Tax Increase Over Four Percent (4%)." If a majority of the qualified electors of the school district who voted in such election shall vote in favor of the question, then

the stated increase requested by the school board shall be approved. For the purposes of this paragraph, the revenue sources excluded from the increased limitation under Section 37-57-107 shall also be excluded from the limitation described herein in the same manner as they are excluded under Section 37-57-107.

SECTION 13. Section 37-57-107, Mississippi Code of 1972, is amended as follows:

37-57-107. (1) Beginning with the tax levy for the 1997 fiscal year and for each fiscal year thereafter, the aggregate receipts from taxes levied for school district purposes pursuant to Sections 37-57-105 and 37-57-1 shall not exceed the aggregate receipts from those sources during any one (1) of the immediately preceding three (3) fiscal years, as determined by the school board, plus an increase not to exceed seven percent (7%). For the purpose of this limitation, the term "aggregate receipts" when used in connection with the amount of funds generated in a preceding fiscal year shall not include excess receipts required by law to be deposited into a special account. However, the term "aggregate receipts" includes any receipts required by law to be paid to a charter school. The additional revenue from the ad valorem tax on any newly constructed properties or any existing properties added to the tax rolls or any properties previously exempt which were not assessed in the next preceding year may be excluded from the seven percent (7%) increase limitation set forth herein. Taxes levied for payment of principal of and interest on

general obligation school bonds issued heretofore or hereafter shall be excluded from the seven percent (7%) increase limitation set forth herein. Any additional millage levied to fund any new program mandated by the Legislature shall be excluded from the limitation for the first year of the levy and included within such limitation in any year thereafter. For the purposes of this section, the term "new program" shall include, but shall not be limited to, (a) the Early Childhood Education Program *** * ***, as provided by Section 37-21-7, and any additional millage levied and the revenue generated therefrom, which is excluded from the limitation for the first year of the levy, to support the mandated Early Childhood Education Program shall be specified on the minutes of the school board and of the governing body making such tax levy; (b) any additional millage levied and the revenue generated therefrom, which shall be excluded from the limitation for the first year of the levy, for the purpose of generating additional local contribution funds required for *** * *** the total funding formula as required by this act; and (c) any additional millage levied and the revenue generated therefrom which shall be excluded from the limitation for the first year of the levy, for the purpose of support and maintenance of any agricultural high school which has been transferred to the control, operation and maintenance of the school board by the board of trustees of the community college district under provisions of Section 37-29-272.

1103 (2) The seven percent (7%) increase limitation prescribed in
1104 this section may be increased an additional amount only when the
1105 school board has determined the need for additional revenues and
1106 has held an election on the question of raising the limitation
1107 prescribed in this section. The limitation may be increased only
1108 if three-fifths (3/5) of those voting in the election shall vote
1109 for the proposed increase. The resolution, notice and manner of
1110 holding the election shall be as prescribed by law for the holding
1111 of elections for the issuance of bonds by the respective school
1112 boards. Revenues collected for the fiscal year in excess of the
1113 seven percent (7%) increase limitation pursuant to an election
1114 shall be included in the tax base for the purpose of determining
1115 aggregate receipts for which the seven percent (7%) increase
1116 limitation applies for subsequent fiscal years.
1117 (3) Except as otherwise provided for excess revenues
1118 generated pursuant to an election, if revenues collected as the
1119 result of the taxes levied for the fiscal year pursuant to this
1120 section and Section 37-57-1 exceed the increase limitation, then
1121 it shall be the mandatory duty of the school board of the school
1122 district to deposit such excess receipts over and above the
1123 increase limitation into a special account and credit it to the
1124 fund for which the levy was made. It will be the further duty of
1125 such board to hold *** * *** <u>the</u> funds and invest the same as
1126 authorized by law. Such excess funds shall be calculated in the
1127 budgets for the school districts for the purpose for which such

levies were made, for the succeeding fiscal year. Taxes imposed for the succeeding year shall be reduced by the amount of excess funds available. Under no circumstances shall such excess funds be expended during the fiscal year in which such excess funds are collected.

(4) For the purposes of determining ad valorem tax receipts for a preceding fiscal year under this section, the term "fiscal year" means the fiscal year beginning October 1 and ending September 30.

(5) Beginning with the 2013-2014 school year, each school district in which a charter school is located shall pay to the charter school an amount for each student enrolled in the charter school equal to the ad valorem taxes levied per pupil for the support of the school district in which the charter school is located. The pro rata ad valorem taxes to be transferred to the charter school must include all levies for the support of the school district under Sections 37-57-1 (local contribution to the *** * *** <u>total funding formula as required by this act</u>) and 37-57-105 (school district operational levy) but may not include any taxes levied for the retirement of school district bonded indebtedness or short-term notes or any taxes levied for the support of vocational-technical education programs. Payments made pursuant to this subsection by a school district to a charter school must be made before the expiration of three (3) business days after the funds are distributed to the school district.

SECTION 14. Section 37-61-33, Mississippi Code of 1972, is amended as follows:

37-61-33. (1) There is created within the State Treasury a special fund to be designated the "Education Enhancement Fund" into which shall be deposited all the revenues collected pursuant to Sections 27-65-75 (5), (7) and (8) and 27-67-31(a) and (b).

(2) Of the amount deposited into the Education Enhancement Fund, Sixteen Million Dollars ($16,000,000.00) shall be appropriated each fiscal year to the State Department of Education to be distributed to all school districts. Such money shall be distributed to all school districts in the proportion that the *** * *** net enrollment of each school district bears to the *** * *** net enrollment of all school districts within the state for the following purposes:

(a) Purchasing, erecting, repairing, equipping, remodeling and enlarging school buildings and related facilities, including gymnasiums, auditoriums, lunchrooms, vocational training buildings, libraries, teachers' homes, school barns, transportation vehicles (which shall include new and used transportation vehicles) and garages for transportation vehicles, and purchasing land therefor;

(b) Establishing and equipping school athletic fields and necessary facilities connected therewith, and purchasing land therefor;

(c) Providing necessary water, light, heating, air-conditioning and sewerage facilities for school buildings, and purchasing land therefor;

(d) As a pledge to pay all or a portion of the debt service on debt issued by the school district under Sections 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302 and 37-41-81, or debt issued by boards of supervisors for agricultural high schools pursuant to Section 37-27-65, if such pledge is accomplished pursuant to a written contract or resolution approved and spread upon the minutes of an official meeting of the district's school board or board of supervisors. The annual grant to such district in any subsequent year during the term of the resolution or contract shall not be reduced below an amount equal to the district's grant amount for the year in which the contract or resolution was adopted. The intent of this provision is to allow school districts to irrevocably pledge a certain, constant stream of revenue as security for long-term obligations issued under the code sections enumerated in this paragraph or as otherwise allowed by law. It is the intent of the Legislature that the provisions of this paragraph shall be cumulative and supplemental to any existing funding programs or other authority conferred upon school districts or school boards. Debt of a district secured by a pledge of sales tax revenue pursuant to this paragraph shall not be subject to any debt

limitation contained in the foregoing enumerated code sections *** * ***; and

(e) Any other purpose for which the total funding formula funds as determined by this act are not sufficient.

(3) The remainder of the money deposited into the Education Enhancement Fund shall be appropriated as follows:

(a) To the State Department of Education as follows:

(i) Sixteen and sixty-one one-hundredths percent (16.61%) to the cost of the *** * *** total funding formula determined under *** * *** this act; of the funds generated by the percentage set forth in this section for the support of the adequate education program, one and one hundred seventy-eight one-thousandths percent (1.178%) of the funds shall be appropriated to be used by the State Department of Education for the purchase of textbooks to be loaned under Sections 37-43-1 through 37-43-59 to approved nonpublic schools, as described in Section 37-43-1. The funds to be distributed to each nonpublic school shall be in the proportion that the average daily attendance of each nonpublic school bears to the total average daily attendance of all nonpublic schools;

(ii) Seven and ninety-seven one-hundredths percent (7.97%) to assist the funding of transportation operations and maintenance pursuant to Section 37-19-23; and

(iii) Nine and sixty-one one-hundredths percent (9.61%) for classroom supplies, instructional materials and equipment, including computers and computer software, to be

distributed to all eligible teachers within the state through the use of procurement cards or a digital solution capable of tracking, paying and reporting purchases. Classroom supply funds shall not be expended for administrative purposes. On a date to be determined by the State Department of Education, but not later than July 1 of each year, local school districts shall determine and submit to the State Department of Education the number of teachers eligible to receive an allocation for the current year. For purposes of this subparagraph, "teacher" means any employee of the school board of a school district, or the Mississippi School for the Arts, the Mississippi School for Math and Science, the Mississippi School for the Blind, the Mississippi School for the Deaf or public charter school, who is required by law to obtain a teacher's license from the State Department of Education and who is assigned to an instructional area of work as defined by the department, and shall include any full- or part-time gifted or special education teacher. It is the intent of the Legislature that all classroom teachers shall utilize these funds in a manner that addresses individual classroom needs and supports the overall goals of the school regarding supplies, instructional materials, equipment, computers or computer software under the provisions of this subparagraph, including the type, quantity and quality of such supplies, materials and equipment. Classroom supply funds allocated under this subparagraph shall supplement, not replace, other local and state funds available for the same purposes. The

State Board of Education shall develop and promulgate rules and regulations for the administration of this subparagraph consistent with the above criteria, with particular emphasis on allowing the individual teachers to expend funds as they deem appropriate. The local school board shall require each school to issue credentials for a digital solution selected by or procurement cards provided by the Department of Finance and Administration under the provisions of Section 31-7-9(1)(c) for the use of teachers and necessary support personnel in making instructional supply fund expenditures under this section, consistent with the regulations of the Mississippi Department of Finance and Administration pursuant to Section 31-7-9. Such credentials or procurement cards shall be provided by the State Department of Education to local school districts on a date determined by the State Department of Education, but not later than August 1 of each year. Local school districts shall issue such credentials or procurement cards to classroom teachers at the beginning of the school year, but no later than August 1 of each year, and shall be issued in equal amounts per teacher determined by the total number of qualifying personnel and the current state appropriation for classroom supplies with the Education Enhancement Fund. After initial cards are issued under the timeline prescribed by this section, the State Department of Education may issue cards to districts for any classroom teacher hired after July 1 under a timeline prescribed by the State Department of Education. Such credentials or cards

will expire on a predetermined date at the end of each school year, but not before April 1 of each year. All unexpended amounts will be carried forward, combined with the following year's allocation of Education Enhancement Fund instructional supplies funds and reallocated for the following year;

(b) Twenty-two and nine one-hundredths percent (22.09%) to the Board of Trustees of State Institutions of Higher Learning for the purpose of supporting institutions of higher learning; and

(c) Fourteen and forty-one one-hundredths percent (14.41%) to the Mississippi Community College Board for the purpose of providing support to community and junior colleges.

(4) The amount remaining in the Education Enhancement Fund after funds are distributed as provided in subsections (2) and (3) of this section shall be appropriated for other educational needs.

(5) None of the funds appropriated pursuant to subsection (3)(a) of this section shall be used to reduce the state's General Fund appropriation for the categories listed in an amount below the following amounts:

(a) For subsection (3)(a)(ii) of this section, Thirty-six Million Seven Hundred Thousand Dollars ($36,700,000.00);

(b) For the aggregate of minimum program allotments in the 1997 fiscal year, formerly provided for in Chapter 19, Title 37, Mississippi Code of 1972, as amended, excluding those funds

for transportation as provided for in paragraph (a) of this subsection.

(6) Any funds appropriated from the Education Enhancement Fund that are unexpended at the end of a fiscal year shall lapse into the Education Enhancement Fund, except as otherwise provided in subsection (3)(a)(iii) of this section.

SECTION 15. Section 27-65-75, Mississippi Code of 1972, is amended as follows:

27-65-75. On or before the fifteenth day of each month, the revenue collected under the provisions of this chapter during the preceding month shall be paid and distributed as follows:

(1) (a) On or before August 15, 1992, and each succeeding month thereafter through July 15, 1993, eighteen percent (18%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation. Except as otherwise provided in this paragraph (a), on or before August 15, 1993, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within a municipal corporation

shall be allocated for distribution to the municipality and paid to the municipal corporation. However, in the event the State Auditor issues a certificate of noncompliance pursuant to Section 21-35-31, the Department of Revenue shall withhold ten percent (10%) of the allocations and payments to the municipality that would otherwise be payable to the municipality under this paragraph (a) until such time that the department receives written notice of the cancellation of a certificate of noncompliance from the State Auditor.

A municipal corporation, for the purpose of distributing the tax under this subsection, shall mean and include all incorporated cities, towns and villages.

Monies allocated for distribution and credited to a municipal corporation under this paragraph may be pledged as security for a loan if the distribution received by the municipal corporation is otherwise authorized or required by law to be pledged as security for such a loan.

In any county having a county seat that is not an incorporated municipality, the distribution provided under this subsection shall be made as though the county seat was an incorporated municipality; however, the distribution to the municipality shall be paid to the county treasury in which the municipality is located, and those funds shall be used for road, bridge and street construction or maintenance in the county.

(b) On or before August 15, 2006, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution to the state institution of higher learning or community or junior college and paid to the state institution of higher learning or community or junior college.

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2019, and each succeeding month thereafter until August 14, 2020, four percent (4%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits

of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2020, and each succeeding month thereafter through July 15, 2023, six percent (6%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2023, and each succeeding month thereafter, nine percent (9%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215.

(d) (i) On or before the fifteenth day of the month that the diversion authorized by this section begins, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3)

and 27-65-21, on business activities within a redevelopment project area developed under a redevelopment plan adopted under the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be allocated for distribution to the county in which the project area is located if:

1. The county:

a. Borders on the Mississippi Sound and the State of Alabama, or

b. Is Harrison County, Mississippi, and the project area is within a radius of two (2) miles from the intersection of Interstate 10 and Menge Avenue;

2. The county has issued bonds under Section 21-45-9 to finance all or a portion of a redevelopment project in the redevelopment project area;

3. Any debt service for the indebtedness incurred is outstanding; and

4. A development with a value of Ten Million Dollars ($10,000,000.00) or more is, or will be, located in the redevelopment area.

(ii) Before any sales tax revenue may be allocated for distribution to a county under this paragraph, the county shall certify to the Department of Revenue that the requirements of this paragraph have been met, the amount of bonded indebtedness that has been incurred by the county for the redevelopment project

1424 and the expected date the indebtedness incurred by the county will
1425 be satisfied.
1426 (iii) The diversion of sales tax revenue
1427 authorized by this paragraph shall begin the month following the
1428 month in which the Department of Revenue determines that the
1429 requirements of this paragraph have been met. The diversion shall
1430 end the month the indebtedness incurred by the county is
1431 satisfied. All revenue received by the county under this
1432 paragraph shall be deposited in the fund required to be created in
1433 the tax increment financing plan under Section 21-45-11 and be
1434 utilized solely to satisfy the indebtedness incurred by the
1435 county.
1436 (2) On or before September 15, 1987, and each succeeding
1437 month thereafter, from the revenue collected under this chapter
1438 during the preceding month, One Million One Hundred Twenty-five
1439 Thousand Dollars ($1,125,000.00) shall be allocated for
1440 distribution to municipal corporations as defined under subsection
1441 (1) of this section in the proportion that the number of gallons
1442 of gasoline and diesel fuel sold by distributors to consumers and
1443 retailers in each such municipality during the preceding fiscal
1444 year bears to the total gallons of gasoline and diesel fuel sold
1445 by distributors to consumers and retailers in municipalities
1446 statewide during the preceding fiscal year. The Department of
1447 Revenue shall require all distributors of gasoline and diesel fuel
1448 to report to the department monthly the total number of gallons of

gasoline and diesel fuel sold by them to consumers and retailers in each municipality during the preceding month. The Department of Revenue shall have the authority to promulgate such rules and regulations as is necessary to determine the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each municipality. In determining the percentage allocation of funds under this subsection for the fiscal year beginning July 1, 1987, and ending June 30, 1988, the Department of Revenue may consider gallons of gasoline and diesel fuel sold for a period of less than one (1) fiscal year. For the purposes of this subsection, the term "fiscal year" means the fiscal year beginning July 1 of a year.

(3) On or before September 15, 1987, and on or before the fifteenth day of each succeeding month, until the date specified in Section 65-39-35, the proceeds derived from contractors' taxes levied under Section 27-65-21 on contracts for the construction or reconstruction of highways designated under the highway program created under Section 65-3-97 shall, except as otherwise provided in Section 31-17-127, be deposited into the State Treasury to the credit of the State Highway Fund to be used to fund that highway program. The Mississippi Department of Transportation shall provide to the Department of Revenue such information as is necessary to determine the amount of proceeds to be distributed under this subsection.

(4) On or before August 15, 1994, and on or before the fifteenth day of each succeeding month through July 15, 1999, from the proceeds of gasoline, diesel fuel or kerosene taxes as provided in Section 27-5-101(a)(ii)1, Four Million Dollars ($4,000,000.00) shall be deposited in the State Treasury to the credit of a special fund designated as the "State Aid Road Fund," created by Section 65-9-17. On or before August 15, 1999, and on or before the fifteenth day of each succeeding month, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1, Four Million Dollars ($4,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is the greater amount, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund," created by Section 65-9-17. Those funds shall be pledged to pay the principal of and interest on state aid road bonds heretofore issued under Sections 19-9-51 through 19-9-77, in lieu of and in substitution for the funds previously allocated to counties under this section. Those funds may not be pledged for the payment of any state aid road bonds issued after April 1, 1981; however, this prohibition against the pledging of any such funds for the payment of bonds shall not apply to any bonds for which intent to issue those bonds has been published for the first time, as provided by law before March 29, 1981. From the amount of taxes paid into the special fund under this subsection and subsection (9) of this section, there shall be

first deducted and paid the amount necessary to pay the expenses of the Office of State Aid Road Construction, as authorized by the Legislature for all other general and special fund agencies. The remainder of the fund shall be allocated monthly to the several counties in accordance with the following formula:

(a) One-third (1/3) shall be allocated to all counties in equal shares;

(b) One-third (1/3) shall be allocated to counties based on the proportion that the total number of rural road miles in a county bears to the total number of rural road miles in all counties of the state; and

(c) One-third (1/3) shall be allocated to counties based on the proportion that the rural population of the county bears to the total rural population in all counties of the state, according to the latest federal decennial census.

For the purposes of this subsection, the term "gasoline, diesel fuel or kerosene taxes" means such taxes as defined in paragraph (f) of Section 27-5-101.

The amount of funds allocated to any county under this subsection for any fiscal year after fiscal year 1994 shall not be less than the amount allocated to the county for fiscal year 1994.

Any reference in the general laws of this state or the Mississippi Code of 1972 to Section 27-5-105 shall mean and be construed to refer and apply to subsection (4) of Section 27-65-75.

1523 (5) On or before August 15, 2024, and each succeeding month
1524 thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred
1525 Sixty-six Dollars ($1,666,666.00) * * * shall be paid into the
1526 special fund known as the * * * Education Enhancement Fund created
1527 and existing under the provisions of Section * * * 37-61-33.
1528 (6) An amount each month beginning August 15, 1983, through
1529 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
1530 1983, shall be paid into the special fund known as the
1531 Correctional Facilities Construction Fund created in Section 6,
1532 Chapter 542, Laws of 1983.
1533 (7) On or before August 15, 1992, and each succeeding month
1534 thereafter through July 15, 2000, two and two hundred sixty-six
1535 one-thousandths percent (2.266%) of the total sales tax revenue
1536 collected during the preceding month under the provisions of this
1537 chapter, except that collected under the provisions of Section
1538 27-65-17(2), shall be deposited by the department into the School
1539 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
1540 or before August 15, 2000, and each succeeding month thereafter,
1541 two and two hundred sixty-six one-thousandths percent (2.266%) of
1542 the total sales tax revenue collected during the preceding month
1543 under the provisions of this chapter, except that collected under
1544 the provisions of Section 27-65-17(2), shall be deposited into the
1545 School Ad Valorem Tax Reduction Fund created under Section
1546 37-61-35 until such time that the total amount deposited into the
1547 fund during a fiscal year equals Forty-two Million Dollars

($42,000,000.00). Thereafter, the amounts diverted under this subsection (7) during the fiscal year in excess of Forty-two Million Dollars ($42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

(8) On or before August 15, 1992, and each succeeding month thereafter, nine and seventy-three one-thousandths percent (9.073%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited into the Education Enhancement Fund created under Section 37-61-33.

(9) On or before August 15, 1994, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month, Two Hundred Fifty Thousand Dollars ($250,000.00) shall be paid into the State Aid Road Fund.

(10) On or before August 15, 1994, and each succeeding month thereafter through August 15, 1995, from the revenue collected under this chapter during the preceding month, Two Million Dollars ($2,000,000.00) shall be deposited into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(11) Notwithstanding any other provision of this section to the contrary, on or before February 15, 1995, and each succeeding

month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(2) and the corresponding levy in Section 27-65-23 on the rental or lease of private carriers of passengers and light carriers of property as defined in Section 27-51-101 shall be deposited, without diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(12) Notwithstanding any other provision of this section to the contrary, on or before August 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(1) on retail sales of private carriers of passengers and light carriers of property, as defined in Section 27-51-101 and the corresponding levy in Section 27-65-23 on the rental or lease of these vehicles, shall be deposited, after diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(13) On or before July 15, 1994, and on or before the fifteenth day of each succeeding month thereafter, that portion of the avails of the tax imposed in Section 27-65-22 that is derived from activities held on the Mississippi State Fairgrounds Complex shall be paid into a special fund that is created in the State Treasury and shall be expended upon legislative appropriation solely to defray the costs of repairs and renovation at the Trade Mart and Coliseum.

1597 (14) On or before August 15, 1998, and each succeeding month
1598 thereafter through July 15, 2005, that portion of the avails of
1599 the tax imposed in Section 27-65-23 that is derived from sales by
1600 cotton compresses or cotton warehouses and that would otherwise be
1601 paid into the General Fund shall be deposited in an amount not to
1602 exceed Two Million Dollars ($2,000,000.00) into the special fund
1603 created under Section 69-37-39. On or before August 15, 2007, and
1604 each succeeding month thereafter through July 15, 2010, that
1605 portion of the avails of the tax imposed in Section 27-65-23 that
1606 is derived from sales by cotton compresses or cotton warehouses
1607 and that would otherwise be paid into the General Fund shall be
1608 deposited in an amount not to exceed Two Million Dollars
1609 ($2,000,000.00) into the special fund created under Section
1610 69-37-39 until all debts or other obligations incurred by the
1611 Certified Cotton Growers Organization under the Mississippi Boll
1612 Weevil Management Act before January 1, 2007, are satisfied in
1613 full. On or before August 15, 2010, and each succeeding month
1614 thereafter through July 15, 2011, fifty percent (50%) of that
1615 portion of the avails of the tax imposed in Section 27-65-23 that
1616 is derived from sales by cotton compresses or cotton warehouses
1617 and that would otherwise be paid into the General Fund shall be
1618 deposited into the special fund created under Section 69-37-39
1619 until such time that the total amount deposited into the fund
1620 during a fiscal year equals One Million Dollars ($1,000,000.00).
1621 On or before August 15, 2011, and each succeeding month

thereafter, that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited into the special fund created under Section 69-37-39 until such time that the total amount deposited into the fund during a fiscal year equals One Million Dollars ($1,000,000.00).

(15) Notwithstanding any other provision of this section to the contrary, on or before September 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited, without diversion, into the Telecommunications Ad Valorem Tax Reduction Fund established in Section 27-38-7.

(16) (a) On or before August 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of this chapter on the gross proceeds of sales of a project as defined in Section 57-30-1 shall be deposited, after all diversions except the diversion provided for in subsection (1) of this section, into the Sales Tax Incentive Fund created in Section 57-30-3.

(b) On or before August 15, 2007, and each succeeding month thereafter, eighty percent (80%) of the sales tax revenue collected during the preceding month under the provisions of this chapter from the operation of a tourism project under the

provisions of Sections 57-26-1 through 57-26-5, shall be deposited, after the diversions required in subsections (7) and (8) of this section, into the Tourism Project Sales Tax Incentive Fund created in Section 57-26-3.

(17) Notwithstanding any other provision of this section to the contrary, on or before April 15, 2002, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under Section 27-65-23 on sales of parking services of parking garages and lots at airports shall be deposited, without diversion, into the special fund created under Section 27-5-101(d).

(18) [Repealed]

(19) (a) On or before August 15, 2005, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of this chapter on the gross proceeds of sales of a business enterprise located within a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11, and the revenue collected on the gross proceeds of sales from sales made to a business enterprise located in a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11 (provided that such sales made to a business enterprise are made on the premises of the business enterprise), shall, except as otherwise provided in this subsection (19), be deposited, after all diversions, into the

1671 Redevelopment Project Incentive Fund as created in Section
1672 57-91-9.
1673 (b) For a municipality participating in the Economic
1674 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
1675 the diversion provided for in subsection (1) of this section
1676 attributable to the gross proceeds of sales of a business
1677 enterprise located within a redevelopment project area under the
1678 provisions of Sections 57-91-1 through 57-91-11, and attributable
1679 to the gross proceeds of sales from sales made to a business
1680 enterprise located in a redevelopment project area under the
1681 provisions of Sections 57-91-1 through 57-91-11 (provided that
1682 such sales made to a business enterprise are made on the premises
1683 of the business enterprise), shall be deposited into the
1684 Redevelopment Project Incentive Fund as created in Section
1685 57-91-9, as follows:
1686 (i) For the first six (6) years in which payments
1687 are made to a developer from the Redevelopment Project Incentive
1688 Fund, one hundred percent (100%) of the diversion shall be
1689 deposited into the fund;
1690 (ii) For the seventh year in which such payments
1691 are made to a developer from the Redevelopment Project Incentive
1692 Fund, eighty percent (80%) of the diversion shall be deposited
1693 into the fund;
1694 (iii) For the eighth year in which such payments
1695 are made to a developer from the Redevelopment Project Incentive

Fund, seventy percent (70%) of the diversion shall be deposited into the fund;

(iv) For the ninth year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, sixty percent (60%) of the diversion shall be deposited into the fund; and

(v) For the tenth year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, fifty percent (50%) of the funds shall be deposited into the fund.

(20) On or before January 15, 2007, and each succeeding month thereafter, eighty percent (80%) of the sales tax revenue collected during the preceding month under the provisions of this chapter from the operation of a tourism project under the provisions of Sections 57-28-1 through 57-28-5 shall be deposited, after the diversions required in subsections (7) and (8) of this section, into the Tourism Sales Tax Incentive Fund created in Section 57-28-3.

(21) (a) On or before April 15, 2007, and each succeeding month thereafter through June 15, 2013, One Hundred Fifty Thousand Dollars ($150,000.00) of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the MMEIA Tax Incentive Fund created in Section 57-101-3.

(b) On or before July 15, 2013, and each succeeding month thereafter, One Hundred Fifty Thousand Dollars ($150,000.00)

of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the Mississippi Development Authority Job Training Grant Fund created in Section 57-1-451.

(22) On or before June 1, 2024, and each succeeding month thereafter until December 31, 2057, an amount determined annually by the Mississippi Development Authority of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the MMEIA Tax Incentive Fund created in Section 18 of *** * *** Senate Bill No. 2001, 2024 Second Extraordinary Session. This amount shall be based on estimated payments due within the upcoming year to construction contractors pursuant to construction contracts subject to the tax imposed by Section 27-65-21 for construction to be performed on the project site of a project defined under Section 57-75-5(f)(xxxiii) for the coming year.

(23) Notwithstanding any other provision of this section to the contrary, on or before August 15, 2009, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-201 shall be deposited, without diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(24) (a) On or before August 15, 2019, and each month thereafter through July 15, 2020, one percent (1%) of the total sales tax revenue collected during the preceding month from

restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. On or before August 15, 2020, and each month thereafter through July 15, 2021, two percent (2%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. On or before August 15, 2021, and each month thereafter, three percent (3%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, to be used exclusively for the purpose stated therein. The revenue diverted pursuant to this subsection shall not be available for expenditure until February 1, 2020.

(b) The Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER) must provide an annual report to the Legislature indicating the amount of funds deposited into the Mississippi Development Authority Tourism Advertising Fund established under Section 57-1-64, and a detailed record of how the funds are spent.

(25) The remainder of the amounts collected under the provisions of this chapter shall be paid into the State Treasury to the credit of the General Fund.

(26) (a) It shall be the duty of the municipal officials of any municipality that expands its limits, or of any community that incorporates as a municipality, to notify the commissioner of that action thirty (30) days before the effective date. Failure to so notify the commissioner shall cause the municipality to forfeit the revenue that it would have been entitled to receive during this period of time when the commissioner had no knowledge of the action.

(b) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, if any funds have been erroneously disbursed to any municipality or any overpayment of tax is recovered by the taxpayer, the commissioner may make correction and adjust the error or overpayment with the municipality by withholding the necessary funds from any later payment to be made to the municipality.

(ii) Subject to the provisions of Sections 27-65-51 and 27-65-53, if any funds have been erroneously disbursed to a municipality under subsection (1) of this section for a period of three (3) years or more, the maximum amount that may be recovered or withheld from the municipality is the total amount of funds erroneously disbursed for a period of three (3) years beginning with the date of the first erroneous disbursement.

However, if during such period, a municipality provides written notice to the Department of Revenue indicating the erroneous disbursement of funds, then the maximum amount that may be recovered or withheld from the municipality is the total amount of funds erroneously disbursed for a period of one (1) year beginning with the date of the first erroneous disbursement.

SECTION 16. Section 1-3-26, Mississippi Code of 1972, is amended as follows:

1-3-26. Wherever the phrase "minimum education program," "minimum program," *** * *** "minimum foundation program," "Mississippi Adequate Education Program," "adequate education program," or "MAEP" shall appear in the laws of this state, it shall be construed to mean *** * *** the "total funding formula" created under *** * *** Chapter 151, Title 37, Mississippi Code of 1972.

SECTION 17. Section 7-7-211, Mississippi Code of 1972, is amended as follows:

7-7-211. The department shall have the power and it shall be its duty:

(a) To identify and define for all public offices of the state and its subdivisions generally accepted accounting principles or other accounting principles as promulgated by nationally recognized professional organizations and to consult with the State Fiscal Officer in the prescription and implementation of accounting rules and regulations;

1819 (b) To provide best practices, for all public offices
1820 of regional and local subdivisions of the state, systems of
1821 accounting, budgeting and reporting financial facts relating to
1822 said offices in conformity with legal requirements and with
1823 generally accepted accounting principles or other accounting
1824 principles as promulgated by nationally recognized professional
1825 organizations; to assist such subdivisions in need of assistance
1826 in the installation of such systems; to revise such systems when
1827 deemed necessary, and to report to the Legislature at periodic
1828 times the extent to which each office is maintaining such systems,
1829 along with such recommendations to the Legislature for improvement
1830 as seem desirable;
1831 (c) To study and analyze existing managerial policies,
1832 methods, procedures, duties and services of the various state
1833 departments and institutions upon written request of the Governor,
1834 the Legislature or any committee or other body empowered by the
1835 Legislature to make such request to determine whether and where
1836 operations can be eliminated, combined, simplified and improved;
1837 (d) To postaudit each year and, when deemed necessary,
1838 preaudit and investigate the financial affairs of the departments,
1839 institutions, boards, commissions, or other agencies of state
1840 government, as part of the publication of a comprehensive annual
1841 financial report for the State of Mississippi, or as deemed
1842 necessary by the State Auditor. In complying with the
1843 requirements of this paragraph, the department shall have the

authority to conduct all necessary audit procedures on an interim and year-end basis;

(e) To postaudit and, when deemed necessary, preaudit and investigate separately the financial affairs of (i) the offices, boards and commissions of county governments and any departments and institutions thereof and therein; (ii) public school districts, departments of education and junior college districts; and (iii) any other local offices or agencies which share revenues derived from taxes or fees imposed by the State Legislature or receive grants from revenues collected by governmental divisions of the state; the cost of such audits, investigations or other services to be paid as follows: Such part shall be paid by the state from appropriations made by the Legislature for the operation of the State Department of Audit as may exceed the sum of Thirty-five Dollars ($35.00) per man-hour for the services of each staff person engaged in performing the audit or other service plus the actual cost of any independent specialist firm contracted by the State Auditor to assist in the performance of the audit, which sum shall be paid by the county, district, department, institution or other agency audited out of its general fund or any other available funds from which such payment is not prohibited by law. Costs paid for independent specialists or firms contracted by the State Auditor shall be paid by the audited entity through the State Auditor to the specialist or firm conducting the postaudit.

Each school district in the state shall have its financial records audited annually, at the end of each fiscal year, either by the State Auditor or by a certified public accountant approved by the State Auditor. Beginning with the audits of fiscal year 2010 activity, no certified public accountant shall be selected to perform the annual audit of a school district who has audited that district for three (3) or more consecutive years previously. Certified public accountants shall be selected in a manner determined by the State Auditor. The school district shall have the responsibility to pay for the audit, including the review by the State Auditor of audits performed by certified public accountants;

(f) To postaudit and, when deemed necessary, preaudit and investigate the financial affairs of the levee boards; agencies created by the Legislature or by executive order of the Governor; profit or nonprofit business entities administering programs financed by funds flowing through the State Treasury or through any of the agencies of the state, or its subdivisions; and all other public bodies supported by funds derived in part or wholly from public funds, except municipalities which annually submit an audit prepared by a qualified certified public accountant using methods and procedures prescribed by the department;

(g) To make written demand, when necessary, for the recovery of any amounts representing public funds improperly

withheld, misappropriated and/or otherwise illegally expended by an officer, employee or administrative body of any state, county or other public office, and/or for the recovery of the value of any public property disposed of in an unlawful manner by a public officer, employee or administrative body, such demands to be made (i) upon the person or persons liable for such amounts and upon the surety on official bond thereof, and/or (ii) upon any individual, partnership, corporation or association to whom the illegal expenditure was made or with whom the unlawful disposition of public property was made, if such individual, partnership, corporation or association knew or had reason to know through the exercising of reasonable diligence that the expenditure was illegal or the disposition unlawful. Such demand shall be premised on competent evidence, which shall include at least one (1) of the following: (i) sworn statements, (ii) written documentation, (iii) physical evidence, or (iv) reports and findings of government or other law enforcement agencies. Other provisions notwithstanding, a demand letter issued pursuant to this paragraph shall remain confidential by the State Auditor until the individual against whom the demand letter is being filed has been served with a copy of such demand letter. If, however, such individual cannot be notified within fifteen (15) days using reasonable means and due diligence, such notification shall be made to the individual's bonding company, if he or she is bonded. Each such demand shall be paid into the proper treasury of the

state, county or other public body through the office of the department in the amount demanded within thirty (30) days from the date thereof, together with interest thereon in the sum of one percent (1%) per month from the date such amount or amounts were improperly withheld, misappropriated and/or otherwise illegally expended. In the event, however, such person or persons or such surety shall refuse, neglect or otherwise fail to pay the amount demanded and the interest due thereon within the allotted thirty (30) days, the State Auditor shall have the authority and it shall be his duty to institute suit, and the Attorney General shall prosecute the same in any court of the state to the end that there shall be recovered the total of such amounts from the person or persons and surety on official bond named therein; and the amounts so recovered shall be paid into the proper treasury of the state, county or other public body through the State Auditor. In any case where written demand is issued to a surety on the official bond of such person or persons and the surety refuses, neglects or otherwise fails within one hundred twenty (120) days to either pay the amount demanded and the interest due thereon or to give the State Auditor a written response with specific reasons for nonpayment, then the surety shall be subject to a civil penalty in an amount of twelve percent (12%) of the bond, not to exceed Ten Thousand Dollars ($10,000.00), to be deposited into the State General Fund;

1943 (h) To investigate any alleged or suspected violation
1944 of the laws of the state by any officer or employee of the state,
1945 county or other public office in the purchase, sale or the use of
1946 any supplies, services, equipment or other property belonging
1947 thereto; and in such investigation to do any and all things
1948 necessary to procure evidence sufficient either to prove or
1949 disprove the existence of such alleged or suspected violations.
1950 The *** * *** Division of Investigation of the State Department of
1951 Audit may investigate, for the purpose of prosecution, any
1952 suspected criminal violation of the provisions of this chapter.
1953 For the purpose of administration and enforcement of this chapter,
1954 the enforcement employees of the *** * *** Division of Investigation
1955 of the State Department of Audit have the powers of a law
1956 enforcement officer of this state, and shall be empowered to make
1957 arrests and to serve and execute search warrants and other valid
1958 legal process anywhere within the State of Mississippi. All
1959 enforcement employees of the *** * *** Division of Investigation of
1960 the State Department of Audit hired on or after July 1, 1993,
1961 shall be required to complete the Law Enforcement Officers
1962 Training Program and shall meet the standards of the program;
1963 (i) To issue subpoenas, with the approval of, and
1964 returnable to, a judge of a chancery or circuit court, in termtime
1965 or in vacation, to examine the records, documents or other
1966 evidence of persons, firms, corporations or any other entities
1967 insofar as such records, documents or other evidence relate to

dealings with any state, county or other public entity. The circuit or chancery judge must serve the county in which the records, documents or other evidence is located; or where all or part of the transaction or transactions occurred which are the subject of the subpoena;

(j) In any instances in which the State Auditor is or shall be authorized or required to examine or audit, whether preaudit or postaudit, any books, ledgers, accounts or other records of the affairs of any public hospital owned or owned and operated by one or more political subdivisions or parts thereof or any combination thereof, or any school district, including activity funds thereof, it shall be sufficient compliance therewith, in the discretion of the State Auditor, that such examination or audit be made from the report of any audit or other examination certified by a certified public accountant and prepared by or under the supervision of such certified public accountant. Such audits shall be made in accordance with generally accepted standards of auditing, with the use of an audit program prepared by the State Auditor, and final reports of such audits shall conform to the format prescribed by the State Auditor. All files, working papers, notes, correspondence and all other data compiled during the course of the audit shall be available, without cost, to the State Auditor for examination and abstracting during the normal business hours of any business day. The expense of such certified reports shall be borne by the

respective hospital, or any available school district funds *** * ***, subject to examination or audit. The State Auditor shall not be bound by such certified reports and may, in his or their discretion, conduct such examination or audit from the books, ledgers, accounts or other records involved as may be appropriate and authorized by law;

(k) The State Auditor shall have the authority to contract with qualified public accounting firms to perform selected audits required in paragraphs (d), (e), (f) and (j) of this section, if funds are made available for such contracts by the Legislature, or if funds are available from the governmental entity covered by paragraphs (d), (e), (f) and (j). Such audits shall be made in accordance with generally accepted standards of auditing. All files, working papers, notes, correspondence and all other data compiled during the course of the audit shall be available, without cost, to the State Auditor for examination and abstracting during the normal business hours of any business day;

(l) The State Auditor shall have the authority to establish training courses and programs for the personnel of the various state and local governmental entities under the jurisdiction of the Office of the State Auditor. The training courses and programs shall include, but not be limited to, topics on internal control of funds, property and equipment control and inventory, governmental accounting and financial reporting, and internal auditing. The State Auditor is authorized to charge a

fee from the participants of these courses and programs, which fee shall be deposited into the Department of Audit Special Fund. State and local governmental entities are authorized to pay such fee and any travel expenses out of their general funds or any other available funds from which such payment is not prohibited by law;

(m) Upon written request by the Governor or any member of the State Legislature, the State Auditor may audit any state funds and/or state and federal funds received by any nonprofit corporation incorporated under the laws of this state;

(n) To conduct performance audits of personal or professional service contracts by state agencies on a random sampling basis, or upon request of the State Personal Service Contract Review Board under Section 25-9-120(3);

(o) At the discretion of the State Auditor, the Auditor may conduct risk assessments, as well as performance and compliance audits based on Generally Accepted Government Auditing Standards (GAGAS) of any state-funded economic development program authorized under Title 57, Mississippi Code of 1972. After risk assessments or program audits, the State Auditor may conduct audits of those projects deemed high-risk, specifically as they identify any potential wrongdoing or noncompliance based on objectives of the economic development program. The Auditor is granted authority to gather, audit and review data and information from the Mississippi Development Authority or any of its agents,

the Department of Revenue, and when necessary under this paragraph, the recipient business or businesses or any other private, public or nonprofit entity with information relevant to the audit project. The maximum amount the State Auditor may bill the oversight agency under this paragraph in any fiscal year is One Hundred Thousand Dollars ($100,000.00), based on reasonable and necessary expenses;

(p) To review and approve any independent auditor selected by the Mississippi Lottery Corporation in accordance with Section 27-115-89, to conduct an annual audit of the corporation; and

(q) To conduct audits or investigations of the Mississippi Lottery Corporation if, in the opinion of the State Auditor, conditions justify such audits or investigations.

SECTION 18. Section 19-9-157, Mississippi Code of 1972, is amended as follows:

19-9-157. The board of supervisors of the situs county, upon receipt of the payments pursuant to Section 19-9-151 less the payment made according to Section 19-9-153, shall pay all such funds in excess of Five Million Five Hundred Thousand Dollars ($5,500,000.00) to the governing authorities of the public school districts in such county in the proportion that the *** * *** net enrollment for the preceding scholastic year of each school district bears to the total *** * *** net enrollment of the county for the preceding scholastic year. Such funds may be expended only

for the purposes of capital improvements to school facilities and only after plans therefor have been submitted to and approved by the * * * State Board of Education. The governing authorities of such school districts may borrow money in anticipation of receipt of payments pursuant to this section and the levying authority for the school district may issue negotiable notes therefor, for the purposes set forth herein. Such loan shall be repaid from the payments received under this section by the governing authorities of the public school district. However, no public school districts within the situs county shall be entitled to any payments after January 1, 1990.

SECTION 19. Section 19-9-171, Mississippi Code of 1972, is amended as follows:

19-9-171. The revenue from ad valorem taxes for school district purposes that are levied upon liquefied natural gas terminals or improvements thereto constructed after July 1, 2007, crude oil refineries constructed after July 1, 2007, and expansions or improvements to existing crude oil refineries constructed after July 1, 2007, shall be distributed to all public school districts in the county in which the facilities are located in the proportion that the * * * net enrollment of each school district bears to the total * * * net enrollment of all school districts in the county. The county or municipal tax collector, as the case may be, shall pay such tax collections, except for taxes collected for the payment of the principal of and interest

on school bonds or notes and except for taxes collected to defray collection costs, into the appropriate school depository and report to the school board of the appropriate school district at the same time and in the same manner as the tax collector makes his or her payments and reports of other taxes collected by him or her.

SECTION 20. Section 25-4-29, Mississippi Code of 1972, is amended as follows:

25-4-29. (1) Required statements hereunder shall be filed as follows:

(a) Every incumbent public official required by paragraphs (a), (b), (d) and (e) of Section 25-4-25 to file a statement of economic interest shall file such statement with the commission on or before May 1 of each year that such official holds office, regardless of duration;

(b) Candidates for office required to file a statement hereunder shall file such statement within fifteen (15) days after the deadline for qualification for that public office;

(c) Persons who are required to file a statement because of appointment to fill a vacancy in an office or required to file under Section 25-4-25(d) and (e) shall file such statement within thirty (30) days of their appointment;

(d) No person by reason of successful candidacy or assuming additional offices shall be required to file more than one (1) statement of economic interest in any calendar year,

except such official shall notify the commission as soon as practicable of additional offices not previously reported; and

(e) The commission may, on an individual case basis, provide for additional time to file a statement upon a showing that compliance with a filing date set out under paragraph (a), (b), (c) or (d) above would work an unreasonable hardship.

(2) Any person who fails to file a statement of economic interest within thirty (30) days of the date the statement is due shall be deemed delinquent by the commission. The commission shall give written notice of the delinquency to the person by United States mail or by personal service of process. If within fifteen (15) days of receiving written notice of delinquency the delinquent filer has not filed the statement of economic interest, a fine of Fifty Dollars ($50.00) per day, not to exceed a total fine of One Thousand Dollars ($1,000.00), shall be assessed against the delinquent filer for each day thereafter in which the statement of economic interest is not properly filed. The commission shall enroll such assessment as a civil judgment with the circuit clerk in the delinquent filer's county of residence. The commission may enforce the judgment for the benefit of the State General Fund for the support of *** * *** <u>the total funding formula fund provided for in this act</u> in the same manner as is prescribed for other civil judgments.

SECTION 21. Section 27-25-706, Mississippi Code of 1972, is amended as follows:

27-25-706. The board of supervisors of any county in the State of Mississippi bordering on the Pearl River and having a population according to the 1970 census of not less than forty thousand (40,000) and not more than fifty thousand (50,000), and through which Interstate Highway 20 runs, and wherein there is being constructed or has been constructed a plant for the extracting of sulphur from natural gas, and the board of supervisors of any county in the State of Mississippi bordering on the Pearl River and having a population according to the 1970 census of not less than nineteen thousand (19,000) and not more than twenty-one thousand (21,000) and wherein U.S. Highway 49 and Mississippi Highway 28 intersect and wherein there is being constructed or has been constructed a plant for the extracting of sulphur from natural gas, are hereby authorized and empowered, in their discretion, to pledge all or any part of the county's share of the severance tax on gas extracted, handled or processed through such extraction plant, as additional security for the payment of bonds issued for the purpose of constructing, reconstructing, overlaying and/or repairing, an access road or roads or publicly owned railroads to and from such sulphur extraction plant. The amount so pledged for the payment of the principal of and the interest on such bonds shall be deducted and set aside by such board of supervisors prior to the distribution of such severance taxes in the manner provided by law, and only the amount of such severance taxes remaining after such deduction

shall be subject to such distribution. The board of supervisors in such counties may pledge only up to fifty percent (50%) of such severance taxes as their respective county may receive to retire the bonds and interest pursuant to the authority of this section. The required local contribution of said counties to the cost of *** * *** the total funding formula provided for in this act shall not be reduced nor shall the obligation of the state under *** * *** the total funding formula to said counties be increased because *** * *** of this section.

Such bonds shall be issued under the provisions of Sections 19-9-1 through *** * *** 19-9-19.

SECTION 22. Section 27-33-3, Mississippi Code of 1972, is amended as follows:

27-33-3. In order to recognize and give effect to the principle of tax-free homes as a public policy in Mississippi, to encourage home building and ownership, and to give additional security to family groups, it is hereby declared that homes legally assessed on the land roll, owned and actually occupied as a home by bona fide residents of this state, who are heads of families, shall be exempt from the ad valorem taxes herein enumerated, on not in excess of Seven Thousand Five Hundred Dollars ($7,500.00) of the assessed value including an area of land not in excess of that specified hereinafter in this article. The exemption from taxes shall be limited to the following:

(a) All homeowners who are heads of families and who qualify under the provisions of this article shall be exempt from taxes levied in 1983 and payable in 1984 and from taxes levied in 1984 and payable in 1985 as follows:

(i) The ad valorem taxes levied by counties pursuant to Section 27-39-329. Amounts so exempted shall not be reimbursed by the state.

(ii) Ad valorem taxes levied for maintenance and current expenses by or for a county as authorized by Section 27-39-303, but the levy for such purpose in any year for which reimbursement is to be made shall not exceed the millage levied for such purpose for the 1984 fiscal year; or a levy for county roads or a road district as authorized by Section 27-39-305; or a levy for constructing and maintaining all bridges and culverts as authorized by Section 65-15-7, but the levy for either or both of such purposes for which reimbursement is to be made shall not in any event exceed seven (7) mills in any year; the *** * *** levy for the support of *** * *** <u>the total funding formula fund</u> to produce the minimum local ad valorem tax effort required *** * *** <u>of a school district</u> by Section 37-57-1, and the supplementary school district tax levy for the support and maintenance of *** * *** schools as authorized by Section 37-57-105; provided, however, that the total of the levies made under said Sections 37-57-1 and 37-57-105, which shall be exempt under this article, shall be limited to twenty (20) mills for any affected property area, and in the event

the total of such levies should exceed twenty (20) mills for any affected property area, the excess shall not be exempt under this article, and in such case, the levy for the support of the *** * *** total funding formula shall have priority as an exempt levy;

(iii) Ad valorem taxes levied for the support and maintenance of agricultural high schools within the limits and as authorized by Section 37-27-3, and ad valorem taxes levied for the support of community or junior colleges within the limits and as authorized by subsection (2) of Section 37-29-141; provided, however, that the exemption from taxation and reimbursement for tax loss for agricultural high schools and community or junior colleges, or any combination of same, shall not exceed three (3) mills in any one (1) year for any one (1) county;

(iv) Ad valorem taxes levied for the support of *** * *** the total funding formula provided for in this act in a municipal separate school district to produce the minimum local ad valorem tax effort required of such municipal separate school district as authorized by Section *** * *** 37-57-1, and the supplementary tax levy for the support and maintenance of the schools of a municipal separate school district as authorized by Section 37-57-105; provided, however, the total of the levies made under said Sections *** * *** 37-57-1 and 37-57-105 which shall be exempt under this article shall be limited to fifteen (15) mills for any affected property area, except in those special municipal separate school districts as provided by Sections 37-7-701 through

37-7-743, the total of the levies made under Sections 37-7-739 and 37-57-105 for such special municipal separate school district which shall be exempt under this article shall not exceed twenty (20) mills, and in the event the total of such levies should exceed fifteen (15) mills for any affected property area, or twenty (20) mills in the case of a special municipal separate school district, the excess shall not be exempt under this article, and, in such case, the levy for the support of the *** * *** total funding formula in the municipal separate school district shall have priority as an exempt levy;

(v) In the event any law referred to in this section is amended so as to authorize an increase in the tax levy for any purposes, such increase in the levy shall be applied to and taxes collected from the property owners on the entire assessed value of exempted homes; and the tax loss resulting from such increase shall not be reimbursed under the provisions of the Homestead Exemption Law, unless such law clearly specifies that the exempted assessed value of homes is exempt from such increase;

(vi) Ad valorem taxes levied under Sections 65-15-7 and 65-15-21 shall be used solely for purposes levied.

(b) Those homeowners who qualify for the exemptions provided for in subsection (a) of this section and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed; and service-connected, totally disabled American veterans who were

honorably discharged from military service, upon presentation of proper proof of eligibility shall be exempt from any and all ad valorem taxes, including the forest acreage tax authorized by Section 49-19-115, on homesteads not in excess of Seven Thousand Five Hundred Dollars ($7,500.00) of assessed value thereof; provided, however, that property owned jointly by husband and wife and property owned in fee simple by either spouse shall be eligible for this exemption in full if either spouse fulfills the age or disability requirement. On all other jointly owned property the amount of the allowable exemption shall be determined on the basis of each individual joint owner's qualifications and pro rata share of the property.

(c) Those homeowners who qualify for the exemptions provided for in subsection (a) of this section and who would be classified as disabled under the Federal Social Security Act (42 USCS Section 416(i)), upon presentation of proper proof of eligibility shall be exempt from any and all ad valorem taxes, including the forest acreage tax authorized by Section 49-19-115, on homesteads not in excess of Seven Thousand Five Hundred Dollars ($7,500.00) of assessed value thereof; provided, however, that property owned jointly by husband and wife and property owned in fee simple by either spouse shall be eligible for this exemption in full if either spouse fulfills the disability requirement. On all other jointly owned property, the amount of the allowable

exemption shall be determined on the basis of each individual joint owner's qualifications and pro rata share of the property.

(d) Homeowners who qualify for exemption under subsection (c) of this section will not be included in the limitations of Section 27-33-59(e).

Reimbursement by the State of Mississippi to the various taxing units for the tax losses incurred because of the additional exemptions provided for under these subsections shall be made in accordance with the procedures outlined in Section 27-33-41.

This section shall not apply to claims for homestead exemptions filed in any calendar year subsequent to the 1984 calendar year.

SECTION 23. Section 27-39-317, Mississippi Code of 1972, is amended as follows:

27-39-317. The board of supervisors of each county shall, at its regular meeting in September of each year, levy the county ad valorem taxes for the fiscal year, and shall, by order, fix the tax rate, or levy, for the county, for the road districts, if any, and for the school districts, if any, and for any other taxing districts; and the rates, or levies, for the county and for any district shall be expressed in mills or a decimal fraction of a mill. Said tax rates, or levies, shall determine the ad valorem taxes to be collected upon each dollar of valuation, upon the assessment rolls of the county, including the assessment of motor vehicles as provided by the Motor Vehicle Ad Valorem Tax Law of

1958, Section 27-51-1 et seq., for county taxes; and upon each dollar of valuation for the respective districts, as shown upon the assessment rolls of the county, including the assessment of motor vehicles as provided by the Motor Vehicle Ad Valorem Tax Law of 1958, Section 27-51-1 et seq.; except as to such values as shall be exempt, in whole or in part, from certain tax rates or levies. If the rate or levy for the county is an increase from the previous fiscal year, then the proposed rate or levy shall be advertised in accordance with Section 27-39-203. If the board of supervisors of any county shall not levy the county taxes and the district taxes at its regular September meeting, the board shall levy the same on or before September 15 at an adjourned or special meeting, or thereafter, provided, however, that if such levy be not made on or before the fifteenth day of September then the tax collector or Department of Revenue may issue road and bridge privilege tax license plates for motor vehicles as defined in the Motor Vehicle Ad Valorem Tax Law of 1958, Section 27-51-1 et seq., without collecting or requiring proof of payment of county ad valorem taxes, and may continue to so issue such plates until such levy is duly certified to him, and for twenty-four (24) hours thereafter.

Notwithstanding the requirements of this section, in the event the Department of Revenue orders the county to make an adjustment to the tax roll pursuant to Section 27-35-113, the county shall have a period of thirty (30) days from the date of

the commission's final determination to adjust the millage in order to collect the same dollar amount of taxes as originally levied by the board.

In making the levy of taxes, the board of supervisors shall specify, in its order, the levy for each purpose, as follows:

(a) For general county purposes (current expense and maintenance taxes), as authorized by Section 27-39-303.

(b) For roads and bridges, as authorized by Section 27-39-305.

(c) For schools, including the *** * *** total funding formula levy and the levy for each school district including special municipal separate school districts, but not including other municipal separate school districts, and for an agricultural high school, county high school or community or junior college (current expense and maintenance taxes), as authorized by Chapter 57, Title 37, Mississippi Code of 1972, and any other applicable statute. The levy for schools shall apply to the assessed value of property in the respective school districts, including special municipal separate school districts, but not including other municipal separate school districts, and a distinct and separate levy shall be made for each school district, and the purpose for each levy shall be stated.

(d) For road bonds and the interest thereon, separately for countywide bonds and for the bonds of each road district.

(e) For school bonds and the interest thereon, separately for countywide bonds and for the bonds of each school district.

(f) For countywide bonds, and the interest thereon, other than for road bonds and school bonds.

(g) For loans, notes or any other obligation, and the interest thereon, if permitted by the law.

(h) For any other purpose for which a levy is lawfully made.

The order shall state all of the purposes for which the general county levy is made, using the administrative items suggested by the State Department of Audit *** * *** under the county budget law in its uniform system of accounts for counties, but the rate or levy for any item or purpose need not be shown; and if a countywide levy is made for any general or special purpose under the provisions of any law other than Section 27-39-303, each such levy shall be separately stated.

During the month of February of each year, if the order or resolution of the board of trustees of any school district of said county or partly in said county, is filed with it requesting the levying of ad valorem taxes for the support and maintenance of such school district for the following fiscal year, then the board of supervisors of every such county in the state shall notify, in writing, within thirty (30) days, the county superintendent of education of such county, the levy or levies it intends to make

for the support and maintenance of such school districts of such county at its regular meeting in September following, and the county superintendent of education and the trustees of all such school districts shall be authorized to use such expressed intention of the board of supervisors in computing the support and maintenance budget or budgets of such school district or districts for the ensuing fiscal school year.

SECTION 24. Section 29-3-47, Mississippi Code of 1972, is amended as follows:

29-3-47. For its services the State Forestry Commission shall be entitled to receive its actual expenses incurred in the discharge of the duties herein imposed. In order to provide funds with which to pay for the general supervision and sale of forest products, fifteen percent (15%) of all receipts from the sales of forest products shall be placed by the board in a Forestry Escrow Fund and reserved to pay for work performed by the State Forestry Commission. Such payments shall be equal to the actual expenses incurred by the commission as substantiated by itemized bills presented to the board.

Money in the Forestry Escrow Fund may be used to pay for any forestry work authorized during the period of the agreement and shall not be subject to lapse by reason of county budget limitations.

In each school district having need of tree planting and timber stand improvement, the board of education is authorized to

place additional amounts in the Forestry Escrow Fund to reimburse the State Forestry Commission for actual expenses incurred in performing this work, or to pay for any work done under private contract under the supervision of said commission. Such additional amounts may be made available from forest products sales receipts, funds borrowed from the sixteenth section principal fund as is provided for in Section 29-3-113, or any other funds available to the board of education excluding *** * *** total funding formula funds. Expenditures from the Forestry Escrow Fund for tree planting, timber stand improvement, and other forestry work will be limited to payment for work recommended by the Forestry Commission and agreed to by the board of education.

When it becomes evident that the amount of money in the Forestry Escrow Fund is in excess of the amount necessary to accomplish the work needed to achieve the goals set by the board of education and the Forestry Commission, the State Forestry Commission shall advise said board to release any part of such funds as will not be needed, which may then be spent for any purpose authorized by law.

SECTION 25. Section 29-3-49, Mississippi Code of 1972, is amended as follows:

29-3-49. It shall be the duty of the State Forestry Commission, in the manner provided in Section 29-3-45, to enter into agreements for timber improvement purposes with the board of education upon the request of the board. The contract shall

provide for the carrying out of a long-term program of timber improvement, including any or all of the following: The deadening of undesirable hardwoods, the planting of trees, the cutting and maintaining of fire lanes, and the establishment of marked boundaries on all lands classified as forest lands in the agreements, which provide for the reimbursement of all current costs incurred by the State Forestry Commission and the carrying out of the duties required by such agreements. In the alternative, the commission, in its discretion, may have the option to contract with a private contractor, subject to the approval of the board, to perform this work under the supervision of the commission. Payment of the reimbursements as hereinabove set forth to the Forestry Commission, or of compensation due under any such contract with private contractors shall be made upon presentation of itemized bills by the commission or the private contractors, as the case may be, and may be made out of any sixteenth section funds to the credit of, or accruing to, any school district in which such work shall be done, or out of any other funds available to such district, excluding *** * *** <u>total funding formula</u> funds.

SECTION 26. Section 29-3-113, Mississippi Code of 1972, is amended as follows:

29-3-113. The principal fund shall be a permanent township fund which shall consist of funds heretofore or hereafter derived from certain uses or for certain resources of school trust lands

which shall be invested and, except as otherwise provided in this section, only the interest and income derived from such funds shall be expendable by the school district.

The principal fund shall consist of:

(a) Funds received for easements and rights-of-way pursuant to Section 29-3-91;

(b) Funds received for sales of lieu land pursuant to Sections 29-3-15 through 29-3-25;

(c) Funds received from any permanent damage to the school trust land;

(d) Funds received from the sale of nonrenewable resources, including, but not limited to, the sale of sand, gravel, dirt, clays and royalties received from the sale of mineral ores, coal, oil and gas;

(e) Funds received from the sale of buildings pursuant to Section 29-3-77;

(f) Funds received from the sale of timber; and

(g) Funds received pursuant to Section 29-3-23(2).

It shall be the duty of the Board of Education to keep the principal fund invested in any direct obligation issued by or guaranteed in full as to principal and interest by the United States of America or in certificates of deposit issued by a qualified depository of the State of Mississippi as approved by the State Treasurer. The certificates of deposit may bear interest at any rate per annum which may be mutually agreed upon

but in no case shall said rate be less than that paid on passbook savings.

The Board of Education is authorized to invest the funds in interest bearing deposits or other obligations of the types described in Section 27-105-33 or in any other type investment in which any other political subdivision of the State of Mississippi may invest, except that one hundred percent (100%) of the funds are authorized to be invested. For the purposes of investment, the principal fund of each township may be combined into one or more district accounts; however, the docket book of the county superintendent shall at all times reflect the proper source of such funds. Provided that funds received from the sale of timber shall be placed in a separate principal fund account, and may be expended for any of the purposes authorized by law.

The Board of Education shall have authority to borrow such funds at a rate of interest not less than four percent (4%) per annum and for a term not exceeding twenty (20) years, for the erection, equipment or repair of said district schools, to provide local funds for any building project approved by the State Board of Education or to provide additional funds for forest stand improvement as set forth in Section 29-3-47. In addition, the board may borrow the funds under the same interest restrictions for a term not exceeding ten (10) years to provide funds for the purchase of school buses. The Board of Education of any school district in any county that has an aggregate amount of assets in

its principal fund in excess of Five Million Dollars ($5,000,000.00) may deduct an amount not to exceed Five Hundred Thousand Dollars ($500,000.00) for the purpose of covering the cost of asbestos removal from school district buildings. Such asbestos removal shall be construed to constitute the repair of school district facilities as prescribed in Section 29-3-115.

No school land trust funds may be expended after the annual payment date until the payment is made on such loan. Once a district is current on its loan payments, the district may spend expendable trust funds earned or accumulated in previous years for any purpose for which expendable trust funds may be spent. The annual payment can be made from any funds available to the school district except *** * *** total funding formula funds.

It shall be unlawful for the Board of Education to borrow any sixteenth section school funds in any other manner than that prescribed herein, and if any such funds shall be borrowed or invested in any other manner, any officer concerned in making such loan and investment or suffering the same to be made in violation of the provisions of this section shall be liable personally and on his official bond for the safety of the funds so loaned.

SECTION 27. Section 29-3-137, Mississippi Code of 1972, is amended as follows:

29-3-137. (1) Beginning with the 1985-1986 fiscal year the Legislature of the State of Mississippi shall appropriate to the State Department of Education a sum of One Million Dollars

($1,000,000.00) to be disbursed to the Chickasaw counties, and an additional One Million Dollars ($1,000,000.00) each succeeding fiscal year thereafter until a maximum appropriation of Five Million Dollars ($5,000,000.00) is made for the fiscal year 1989-1990. Beginning with the appropriation for the 1990-1991 fiscal year, the amount appropriated under the provisions of this section shall not exceed the total average annual expendable revenue *** * *** received by the Choctaw counties from school lands, or Five Million Dollars ($5,000,000.00), whichever is the lesser.

(2) The State Department of Education is hereby authorized, empowered and directed to allocate for distribution such funds appropriated each year under subsection (1) of this section in proportion to the *** * *** <u>amount of funding</u> allotted under *** * *** <u>the total funding formula provided for in this act,</u> to such school districts affected by the sale of Chickasaw cession school lands. School districts not wholly situated in Chickasaw cession affected territory shall receive a prorated amount of such allocation based on the percentage of such lands located within the district. Provided further, that the State Department of Education shall<u>,</u> in addition<u>,</u> deduct from each affected school district's allocation the amount such district shall receive from interest payments from the Chickasaw School Fund under Section 212, Mississippi Constitution of 1890 for each fiscal year. *** * *** The department shall document the foregoing computation in its annual budget request for the appropriation to the Chickasaw School Fund, and

shall revise its budget request under such formula as the average annual revenues from sixteenth section school lands fluctuate.

(3) [Repealed]

SECTION 28. Section 31-7-9, Mississippi Code of 1972, is amended as follows:

31-7-9. (1) (a) The Office of Purchasing, Travel and Fleet Management shall adopt purchasing regulations governing the purchase by any agency of any commodity or commodities and establishing standards and specifications for a commodity or commodities and the maximum fair prices of a commodity or commodities, subject to the approval of the Public Procurement Review Board. It shall have the power to amend, add to or eliminate purchasing regulations. The adoption of, amendment, addition to or elimination of purchasing regulations shall be based upon a determination by the Office of Purchasing, Travel and Fleet Management with the approval of the Public Procurement Review Board, that such action is reasonable and practicable and advantageous to promote efficiency and economy in the purchase of commodities by the agencies of the state. Upon the adoption of any purchasing regulation, or an amendment, addition or elimination therein, copies of same shall be furnished to the State Auditor and to all agencies affected thereby. Thereafter, and except as otherwise may be provided in subsection (2) of this section, no agency of the state shall purchase any commodities covered by existing purchasing regulations unless such commodities

be in conformity with the standards and specifications set forth in the purchasing regulations and unless the price thereof does not exceed the maximum fair price established by such purchasing regulations. The Office of Purchasing, Travel and Fleet Management shall furnish to any county or municipality or other local public agency of the state requesting same, copies of purchasing regulations adopted by the Office of Purchasing, Travel and Fleet Management and any amendments, changes or eliminations of same that may be made from time to time.

(b) The Office of Purchasing, Travel and Fleet Management may adopt purchasing regulations governing the use of credit cards, procurement cards and purchasing club membership cards to be used by state agencies, governing authorities of counties and municipalities, school districts and the Chickasawhay Natural Gas District. Use of the cards shall be in strict compliance with the regulations promulgated by the office. Any amounts due on the cards shall incur interest charges as set forth in Section 31-7-305 and shall not be considered debt.

(c) Pursuant to the provision of Section 37-61-33(*** * ***2), the Office of Purchasing, Travel and Fleet Management of the Department of Finance and Administration is authorized to issue procurement cards or credentials for a digital solution to all public school district classroom teachers, charter school teachers, full- or part-time gifted or special education teachers and other necessary direct support personnel at the

beginning of the school year, but no later than August 1 of each year, for the purchase of instructional supplies using Educational Enhancement Funds. The cards will be issued in equal amounts per teacher determined by the total number of qualifying personnel and the then current state appropriation for classroom instructional supplies under the Education Enhancement Fund. All purchases shall be in accordance with state law and teachers are responsible for verification of capital asset requirements when pooling monies to purchase equipment. The cards will expire on a predetermined date at the end of each school year, but not before April 1 of each year. All unexpended amounts will be carried forward, to be combined with the following year's instructional supply fund allocation, and reallocated for the following year. The Department of Finance and Administration is authorized to loan any start-up funds at the beginning of the school year to fund this procurement system for instructional supplies with loan repayment being made from sales tax receipts earmarked for the Education Enhancement Fund.

(d) In a sale of goods or services, the seller shall not impose a surcharge on a buyer who uses a state-issued credit card, procurement card, travel card, or fuel card. The Department of Finance and Administration shall have exclusive jurisdiction to enforce and adopt rules relating to this paragraph. Any rules adopted under this paragraph shall be consistent with federal laws and regulations governing credit card transactions described by

this paragraph. This paragraph does not create a cause of action against an individual for a violation of this paragraph.

(2) The Office of Purchasing, Travel and Fleet Management shall adopt, subject to the approval of the Public Procurement Review Board, purchasing regulations governing the purchase of unmarked vehicles to be used by the Bureau of Narcotics and Department of Public Safety in official investigations pursuant to Section 25-1-87. Such regulations shall ensure that purchases of such vehicles shall be at a fair price and shall take into consideration the peculiar needs of the Bureau of Narcotics and Department of Public Safety in undercover operations.

(3) The Office of Purchasing, Travel and Fleet Management shall adopt, subject to the approval of the Public Procurement Review Board, regulations governing the certification process for certified purchasing offices, including the Mississippi Purchasing Certification Program, which shall be required of all purchasing agents at state agencies. Such regulations shall require entities desiring to be classified as certified purchasing offices to submit applications and applicable documents on an annual basis, and in the case of a state agency purchasing office, to have one hundred percent (100%) participation and completion by purchasing agents in the Mississippi Purchasing Certification Program, at which time the Office of Purchasing, Travel and Fleet Management may provide the governing entity with a certification valid for one (1) year from the date of issuance. The Office of Purchasing,

Travel and Fleet Management shall set a fee in an amount that recovers its costs to administer the Mississippi Purchasing Certification Program, which shall be assessed to the participating state agencies.

(4) The Office of Purchasing, Travel and Fleet Management shall adopt purchasing regulations authorizing rural water associations to purchase at the state contract price afforded to agencies and governing authorities under this chapter.

SECTION 29. Section 31-7-10, Mississippi Code of 1972, is amended as follows:

31-7-10. (1) For the purposes of this section, the term "equipment" shall mean equipment, furniture, and if applicable, associated software and other applicable direct costs associated with the acquisition. In addition to its other powers and duties, the Department of Finance and Administration shall have the authority to develop a master lease-purchase program and, pursuant to that program, shall have the authority to execute on behalf of the state master lease-purchase agreements for equipment to be used by an agency, as provided in this section. Each agency electing to acquire equipment by a lease-purchase agreement shall participate in the Department of Finance and Administration's master lease-purchase program, unless the Department of Finance and Administration makes a determination that such equipment cannot be obtained under the program or unless the equipment can be obtained elsewhere at an overall cost lower than that for which

the equipment can be obtained under the program. Such lease-purchase agreements may include the refinancing or consolidation, or both, of any state agency lease-purchase agreements entered into after June 30, 1990.

(2) All funds designated by agencies for procurement of equipment and financing thereof under the master lease-purchase program shall be paid into a special fund created in the State Treasury known as the "Master Lease-Purchase Program Fund," which shall be used by the Department of Finance and Administration for payment to the lessors for equipment acquired under master lease-purchase agreements.

(3) Upon final approval of an appropriation bill, each agency shall submit to the Public Procurement Review Board a schedule of proposed equipment acquisitions for the master lease-purchase program. Upon approval of an equipment schedule by the Public Procurement Review Board with the advice of the Department of Information Technology Services, the Office of Purchasing, Travel and Fleet Management, and the Division of Energy and Transportation of the Mississippi Development Authority as it pertains to energy efficient climate control systems, the Public Procurement Review Board shall forward a copy of the equipment schedule to the Department of Finance and Administration.

(4) The level of lease-purchase debt recommended by the Department of Finance and Administration shall be subject to

approval by the State Bond Commission. After such approval, the Department of Finance and Administration shall be authorized to advertise and solicit written competitive proposals for a lessor, who will purchase the equipment pursuant to bid awards made by the using agency under a given category and then transfer the equipment to the Department of Finance and Administration as lessee, pursuant to a master lease-purchase agreement.

The Department of Finance and Administration shall select the successful proposer for the financing of equipment under the master lease-purchase program with the approval of the State Bond Commission.

(5) Each master lease-purchase agreement, and any subsequent amendments, shall include such terms and conditions as the State Bond Commission shall determine to be appropriate and in the public interest, and may include any covenants deemed necessary or desirable to protect the interests of the lessor, including, but not limited to, provisions setting forth the interest rate (or method for computing interest rates) for financing pursuant to such agreement, covenants concerning application of payments and funds held in the Master Lease-Purchase Program Fund, covenants to maintain casualty insurance with respect to equipment subject to the master lease-purchase agreement (and all state agencies are specifically authorized to purchase any insurance required by a master lease-purchase agreement) and covenants precluding or limiting the right of the lessee or user to acquire equipment

within a specified time (not to exceed five (5) years) after cancellation on the basis of a failure to appropriate funds for payment of amounts due under a lease-purchase agreement covering comparable equipment. The State Bond Commission shall transmit copies of each such master lease-purchase agreement and each such amendment to the Joint Legislative Budget Committee. To the extent provided in any master lease-purchase agreement, title to equipment leased pursuant thereto shall be deemed to be vested in the state or the user of the equipment (as specified in such master lease-purchase agreement), subject to default under or termination of such master lease-purchase agreement.

A master lease-purchase agreement may provide for payment by the lessor to the lessee of the purchase price of the equipment to be acquired pursuant thereto prior to the date on which payment is due to the vendor for such equipment and that the lease payments by the lessee shall commence as though the equipment had been provided on the date of payment. If the lessee, or lessee's escrow agent, has sufficient funds for payment of equipment purchases prior to payment due date to vendor of equipment, such funds shall be held or utilized on an as-needed basis for payment of equipment purchases either by the State Treasurer (in which event the master lease-purchase agreement may include provisions concerning the holding of such funds, the creation of a security interest for the benefit of the lessor in such funds until disbursed and other appropriate provisions approved by the Bond

Commission) or by a corporate trustee selected by the Department of Finance and Administration (in which event the Department of Finance and Administration shall have the authority to enter into an agreement with such a corporate trustee containing terms and conditions approved by the Bond Commission). Earnings on any amount paid by the lessor prior to the acquisition of the equipment may be used to make lease payments under the master lease-purchase agreement or applied to pay costs and expenses incurred in connection with such lease-purchase agreement. In such event, the equipment-use agreements with the user agency may provide for lease payments to commence upon the date of payment by the lessor and may also provide for a credit against such payments to the extent that investment receipts from investment of the purchase price are to be used to make lease-purchase payments.

(6) The annual rate of interest paid under any lease-purchase agreement authorized under this section shall not exceed the maximum interest rate to maturity on general obligation indebtedness permitted under Section 75-17-101.

(7) The Department of Finance and Administration shall furnish the equipment to the various agencies, also known as the user, pursuant to an equipment-use agreement developed by the Department of Finance and Administration. Such agreements shall require that all monthly payments due from such agency be paid, transferred or allocated into the Master Lease-Purchase Program Fund pursuant to a schedule established by the Department of

Finance and Administration. In the event such sums are not paid by the defined payment period, the Executive Director of the Department of Finance and Administration shall issue a requisition for a warrant to draw such amount as may be due from any funds appropriated for the use of the agency which has failed to make the payment as agreed.

(8) All master lease-purchase agreements executed under the authority of this section shall contain the following annual allocation dependency clause or an annual allocation dependency clause which is substantially equivalent thereto: "The continuation of each equipment schedule to this agreement is contingent in whole or in part upon the appropriation of funds by the Legislature to make the lease-purchase payments required under such equipment schedule. If the Legislature fails to appropriate sufficient funds to provide for the continuation of the lease-purchase payments under any such equipment schedule, then the obligations of the lessee and of the agency to make such lease-purchase payments and the corresponding provisions of any such equipment schedule to this agreement shall terminate on the last day of the fiscal year for which appropriations were made."

(9) The maximum lease term for any equipment acquired under the master lease-purchase program shall not exceed the useful life of such equipment as determined according to the upper limit of the asset depreciation range (ADR) guidelines for the Class Life Asset Depreciation Range System established by the Internal

Revenue Service pursuant to the United States Internal Revenue Code and Regulations thereunder as in effect on December 31, 1980, or comparable depreciation guidelines with respect to any equipment not covered by ADR guidelines. The Department of Finance and Administration shall be deemed to have met the requirements of this subsection if the term of a master lease-purchase agreement does not exceed the weighted average useful life of all equipment covered by such agreement and the schedules thereto as determined by the Department of Finance and Administration. For purposes of this subsection, the "term of a master lease-purchase agreement" shall be the weighted average maturity of all principal payments to be made under such master lease-purchase agreement and all schedules thereto.

(10) Interest paid on any master lease-purchase agreement under this section shall be exempt from State of Mississippi income taxation. All equipment, and the purchase thereof by any lessor, acquired under the master lease-purchase program and all lease-purchase payments with respect thereto shall be exempt from all Mississippi sales, use and ad valorem taxes.

(11) The Governor, in his annual executive budget to the Legislature, shall recommend appropriations sufficient to provide funds to pay all amounts due and payable during the applicable fiscal year under master lease-purchase agreements entered into pursuant to this section.

(12) Any master lease-purchase agreement reciting in substance that such agreement has been entered into pursuant to this section shall be conclusively deemed to have been entered into in accordance with all of the provisions and conditions set forth in this section. Any defect or irregularity arising with respect to procedures applicable to the acquisition of any equipment shall not invalidate or otherwise limit the obligation of the Department of Finance and Administration, or the state or any agency of the state, under any master lease-purchase agreement or any equipment-use agreement.

(13) There shall be maintained by the Department of Finance and Administration, with respect to each master lease-purchase agreement, an itemized statement of the cash price, interest rates, interest costs, commissions, debt service schedules and all other costs and expenses paid by the state incident to the lease-purchase of equipment under such agreement.

(14) Lease-purchase agreements entered into by the Board of Trustees of State Institutions of Higher Learning pursuant to the authority of Section 37-101-413 or by any other agency which has specific statutory authority other than pursuant to Section 31-7-13(e) to acquire equipment by lease-purchase shall not be made pursuant to the master lease-purchase program under this section, unless the Board of Trustees of State Institutions of Higher Learning or such other agency elects to participate as to

part or all of its lease-purchase acquisitions in the master lease-purchase program pursuant to this section.

(15) The Department of Finance and Administration may develop a master lease-purchase program for school districts and, pursuant to that program, may execute on behalf of the school districts master lease-purchase agreements for equipment to be used by the school districts. The form and structure of this program shall be substantially the same as set forth in this section for the master lease-purchase program for state agencies. If sums due from a school district under the master lease-purchase program are not paid by the expiration of the defined payment period, the Executive Director of the Department of Finance and Administration may withhold such amount that is due from the school district's *** * *** allotments <u>of the total funding formula funds as determined by this act</u>.

(16) The Department of Finance and Administration may develop a master lease-purchase program for community and junior college districts and, pursuant to that program, may execute on behalf of the community and junior college districts master lease-purchase agreements for equipment to be used by the community and junior college districts. The form and structure of this program must be substantially the same as set forth in this section for the master lease-purchase program for state agencies. If sums due from a community or junior college district under the master lease-purchase program are not paid by the expiration of

the defined payment period, the Executive Director of the Department of Finance and Administration may withhold an amount equal to the amount due under the program from any funds allocated for that community or junior college district in the state appropriations for the use and support of the community and junior colleges.

(17) From and after July 1, 2016, the expenses of this agency shall be defrayed by appropriation from the State General Fund and all user charges and fees authorized under this section shall be deposited into the State General Fund as authorized by law.

(18) From and after July 1, 2016, no state agency shall charge another state agency a fee, assessment, rent or other charge for services or resources received by authority of this section.

SECTION 30. Section 37-1-3, Mississippi Code of 1972, is amended as follows:

37-1-3. (1) The State Board of Education shall adopt rules and regulations and set standards and policies for the organization, operation, management, planning, budgeting and programs of the State Department of Education.

(a) The board is directed to identify all functions of the department that contribute to or comprise a part of the state system of educational accountability and to establish and maintain within the department the necessary organizational structure,

policies and procedures for effectively coordinating such functions. Such policies and procedures shall clearly fix and delineate responsibilities for various aspects of the system and for overall coordination of the total system and its effective management.

(b) The board shall establish and maintain a system-wide plan of performance, policy and directions of public education not otherwise provided for.

(c) The board shall effectively use the personnel and resources of the department to enhance technical assistance to school districts in instruction and management therein.

(d) The board shall establish and maintain a central budget policy.

(e) The board shall establish and maintain within the State Department of Education a central management capacity under the direction of the State Superintendent of Public Education.

(f) The board, with recommendations from the superintendent, shall design and maintain a five-year plan and program for educational improvement that shall set forth objectives for system performance and development and be the basis for budget requests and legislative initiatives.

(2) (a) The State Board of Education shall adopt and maintain a curriculum and a course of study to be used in the public school districts that is designed to prepare the state's children and youth to be productive, informed, creative citizens,

workers and leaders, and it shall regulate all matters arising in the practical administration of the school system not otherwise provided for.

(b) Before the 1999-2000 school year, the State Board of Education shall develop personal living and finances objectives that focus on money management skills for individuals and families for appropriate, existing courses at the secondary level. The objectives must require the teaching of those skills necessary to handle personal business and finances and must include instruction in the following:

(i) Opening a bank account and assessing the quality of a bank's services;

(ii) Balancing a checkbook;

(iii) Managing debt, including retail and credit card debt;

(iv) Completing a loan application;

(v) The implications of an inheritance;

(vi) The basics of personal insurance policies;

(vii) Consumer rights and responsibilities;

(viii) Dealing with salesmen and merchants;

(ix) Computing state and federal income taxes;

(x) Local tax assessments;

(xi) Computing interest rates by various mechanisms;

(xii) Understanding simple contracts; and

(xiii) Contesting an incorrect billing statement.

(3) The State Board of Education shall have authority to expend any available federal funds, or any other funds expressly designated, to pay training, educational expenses, salary incentives and salary supplements to licensed teachers employed in local school districts or schools administered by the State Board of Education. Such incentive payments shall not be considered part of a school district's local supplement *** * ***, nor shall the incentives be considered part of the local supplement paid to an individual teacher for the purposes of Section 37-19-7(1). *** * ***

(4) The State Board of Education shall through its actions seek to implement the policies set forth in Section 37-1-2.

SECTION 31. Section 37-3-11, Mississippi Code of 1972, is amended as follows:

37-3-11. The State Superintendent of Public Education shall perform the duties assigned to him by the State Board of Education, and he shall have the following duties:

(a) To serve as secretary for the State Board of Education;

(b) To be the chief administrative officer of the State Department of Education;

(c) To recommend to the State Board of Education, for its consideration, rules and regulations for the supervision of the public schools and agricultural high schools of the school

districts throughout the state and for the efficient organization and conduct of the same;

(d) To collect data and make it available to the state board for determining the proper distribution of the *** * *** total funding formula funds;

(e) To keep a complete record of all official acts of the State Superintendent and the acts of the State Board of Education;

(f) To prepare, have printed and furnish all officers charged with the administration of the laws pertaining to the public schools, such blank forms and books as may be necessary to the proper discharge of their duties, which printing is to be paid for out of funds provided by the Legislature;

(g) To have printed in pamphlet form the laws pertaining to the public schools and publish therein forms for conducting school business, the rules and regulations for the government of schools that the State Superintendent or the State Board of Education may recommend, and such other matters as may be deemed worthy of public interest pertaining to the public schools, which printing is to be paid for out of funds provided by the Legislature;

(h) To meet all superintendents annually at such time and place as the State Superintendent shall appoint for the purpose of accumulating facts relative to schools, to review the educational progress made in the various sections of the state, to

compare views, discuss problems, hear discussions and suggestions relative to examinations and qualifications of teachers, methods of instruction, textbooks, summer schools for teachers, visitation of schools, consolidation of schools, health work in the schools, vocational education and other matters pertaining to the public school system;

(i) To advise all superintendents upon all matters involving the welfare of the schools, and at the request of any superintendent, to give an opinion upon a written statement of facts on all questions and controversies arising out of the interpretation and construction of the school laws, in regard to rights, powers and duties of school officers and superintendents, and to keep a record of all such decisions. Before giving any opinion, the superintendent may submit the statement of facts to the Attorney General, and it shall be the duty of the Attorney General forthwith to examine such statement and suggest the proper decision to be made upon such fact;

(j) To require annually, and as often as the State Superintendent may deem proper, of all superintendents, detailed reports on the educational business of the various districts;

(k) On or before January 10 in each year to prepare, under the direction of the State Board of Education, the annual information report of the State Department of Education as described in Section 37-151-97;

(l) To determine the number of educable children in the several school districts under rules and regulations prescribed by the State Board of Education; and

(m) To perform such other duties as may be prescribed by the State Board of Education.

SECTION 32. Section 37-3-83, Mississippi Code of 1972, is amended as follows:

37-3-83. (1) There is established within the State Department of Education, using only existing staff and resources, a School Safety Grant Program, available to all eligible public school districts, to assist in financing programs to provide school safety. However, no monies from the Temporary Assistance for Needy Families grant may be used for the School Safety Grant Program.

(2) The school board of each school district, with the assistance of the State Department of Education School Safety Center, shall adopt a comprehensive local school district school safety plan and shall update the plan on an annual basis.

(3) Subject to the extent of appropriations available, the School Safety Grant Program shall offer any of the following specific preventive services, and other additional services appropriate to the most current school district school safety plan:

(a) Metal detectors;

(b) Video surveillance cameras, communications equipment and monitoring equipment for classrooms, school buildings, school grounds and school buses;

(c) Crisis management/action teams responding to school violence;

(d) Violence prevention training, conflict resolution training, behavioral stress training and other appropriate training designated by the State Department of Education for faculty and staff; and

(e) School safety personnel.

(4) Each local school district of this state may annually apply for school safety grant funds subject to appropriations by the Legislature. School safety grants shall include a base grant amount plus an additional amount per student in *** * *** net enrollment in the school or school district. The base grant amount and amount per student shall be determined by the State Board of Education, subject to specific appropriation therefor by the Legislature. In order to be eligible for such program, each local school board desiring to participate shall apply to the State Department of Education by May 31 before the beginning of the applicable fiscal year on forms provided by the department, and shall be required to establish a local School Safety Task Force to involve members of the community in the school safety effort. The State Department of Education shall determine by July

1 of each succeeding year which local school districts have submitted approved applications for school safety grants.

(5) As part of the School Safety Grant Program, the State Department of Education may conduct a pilot program to research the feasibility of using video camera equipment in the classroom to address the following:

(a) Determine if video cameras in the classroom reduce student disciplinary problems;

(b) Enable teachers to present clear and convincing evidence of a student's disruptive behavior to the student, the principal, the superintendent and the student's parents; and

(c) Enable teachers to review teaching performance and receive diagnostic feedback for developmental purposes.

(6) Any local school district may use audio/visual-monitoring equipment in classrooms, hallways, buildings, grounds and buses for the purpose of monitoring school disciplinary problems.

(7) As a component of the comprehensive local school district school safety plan required under subsection (2) of this section, the school board of a school district may adopt and implement a policy addressing sexual abuse of children, to be known as "Erin's Law Awareness." Any policy adopted under this subsection may include or address, but need not be limited to, the following:

(a) Methods for increasing teacher, student and parental awareness of issues regarding sexual abuse of children, including knowledge of likely warning signs indicating that a child may be a victim of sexual abuse;

(b) Educational information for parents or guardians, which may be included in the school handbook, on the warning signs of a child being abused, along with any needed assistance, referral or resource information;

(c) Training for school personnel on child sexual abuse;

(d) Age-appropriate curriculum for students in prekindergarten through fifth grade;

(e) Actions that a child who is a victim of sexual abuse should take to obtain assistance and intervention;

(f) Counseling and resources available for students affected by sexual abuse; and

(g) Emotional and educational support for a child who has been abused to enable the child to be successful in school.

(8) As part of the school safety grant program, the State Department of Education shall establish three (3) pilot programs in six (6) school districts utilizing an evidence-based curriculum to provide students in Grades K-5 with skills to manage stress and anxiety in order for them to be better equipped to handle challenges in a healthy way and build resiliency. The Mississippi Department of Mental Health shall be responsible for the selection

of the content of the evidence-based curriculum. The results of this pilot program shall be measured and reported, and such results shall be used in consideration of the implementation of this curriculum statewide.

(9) As a component of the comprehensive local school district safety plan required under subsection (2) of this section, beginning in the 2019-2020 school year, the State Department of Education shall require local school districts to conduct, every two (2) years, refresher training on mental health and suicide prevention for all school employees and personnel, including all cafeteria workers, custodians, teachers and administrators. The Mississippi Department of Mental Health shall be responsible for the development and/or selection of the content of the training, which training shall be provided at no cost to school employees. School districts shall report completion of the training to the State Department of Education.

SECTION 33. Section 37-7-208, Mississippi Code of 1972, is amended as follows:

37-7-208. The board of trustees of any consolidated school district may pay from *** * *** funds <u>other than total funding formula funds</u> the cost and expense of litigation involved by or resulting from the creation of or litigation to create single member school board trustee election districts, and pay from *** * *** funds <u>other than the total funding formula funds</u> the cost or expense to implement any plan, decree or reorganization as approved by the

court. Said payments by the board of trustees shall be deemed a "new program" under the provisions of Section 37-57-107, *** * *** and any additional millage levied for such purpose and the revenue generated therefrom shall be excluded from the tax increase limitation prescribed in Sections 37-57-105 and 37-57-107. The board of supervisors of any county in which there is located such consolidated school district may, in its discretion, contribute out of county general funds to the cost and expense of such litigation and/or the cost of implementing such redistricting plan.

SECTION 34. Section 37-7-301, Mississippi Code of 1972, is amended as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(o) To make orders directed to the superintendent of schools for the issuance of pay certificates for lawful purposes on any available funds of the district and to have full control of the receipt, distribution, allotment and disbursement of all funds provided for the support and operation of the schools of such

school district whether such funds be derived from state appropriations, local ad valorem tax collections, or otherwise. The local school board shall be authorized and empowered to promulgate rules and regulations that specify the types of claims and set limits of the dollar amount for payment of claims by the superintendent of schools to be ratified by the board at the next regularly scheduled meeting after payment has been made;

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

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

(r) To join, in their discretion, any association of school boards and other public school-related organizations, and to pay from local funds other than *** * *** <u>total funding formula</u> funds, any membership dues;

(s) To expend local school activity funds, or other available school district funds, other than *** * *** <u>total funding formula</u> funds, for the purposes prescribed under this paragraph. "Activity funds" shall mean all funds received by school officials in all school districts paid or collected to participate in any school activity, such activity being part of the school program and partially financed with public funds or supplemented by public

funds. The term "activity funds" shall not include any funds raised and/or expended by any organization unless commingled in a bank account with existing activity funds, regardless of whether the funds were raised by school employees or received by school employees during school hours or using school facilities, and regardless of whether a school employee exercises influence over the expenditure or disposition of such funds. Organizations shall not be required to make any payment to any school for the use of any school facility if, in the discretion of the local school governing board, the organization's function shall be deemed to be beneficial to the official or extracurricular programs of the school. For the purposes of this provision, the term "organization" shall not include any organization subject to the control of the local school governing board. Activity funds may only be expended for any necessary expenses or travel costs, including advances, incurred by students and their chaperons in attending any in-state or out-of-state school-related programs, conventions or seminars and/or any commodities, equipment, travel expenses, purchased services or school supplies which the local school governing board, in its discretion, shall deem beneficial to the official or extracurricular programs of the district, including items which may subsequently become the personal property of individuals, including yearbooks, athletic apparel, book covers and trophies. Activity funds may be used to pay travel expenses of school district personnel. The local school

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

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

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

(v) (i) To lease a school building from an individual, partnership, nonprofit corporation or a private for-profit corporation for the use of such school district, and to expend funds therefor as may be available from any *** * *** sources other than total funding formula funds as set by this act. The school board of the school district desiring to lease a school building

shall declare by resolution that a need exists for a school building and that the school district cannot provide the necessary funds to pay the cost or its proportionate share of the cost of a school building required to meet the present needs. The resolution so adopted by the school board shall be published once each week for three (3) consecutive weeks in a newspaper having a general circulation in the school district involved, with the first publication thereof to be made not less than thirty (30) days prior to the date upon which the school board is to act on the question of leasing a school building. If no petition requesting an election is filed prior to such meeting as hereinafter provided, then the school board may, by resolution spread upon its minutes, proceed to lease a school building. If at any time prior to said meeting a petition signed by not less than twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors of the school district involved shall be filed with the school board requesting that an election be called on the question, then the school board shall, not later than the next regular meeting, adopt a resolution calling an election to be held within such school district upon the question of authorizing the school board to lease a school building. Such election shall be called and held, and notice thereof shall be given, in the same manner for elections upon the questions of the issuance of the bonds of school districts, and the results thereof shall be certified to the school board. If at least three-fifths

(3/5) of the qualified electors of the school district who voted in such election shall vote in favor of the leasing of a school building, then the school board shall proceed to lease a school building. The term of the lease contract shall not exceed twenty (20) years, and the total cost of such lease shall be either the amount of the lowest and best bid accepted by the school board after advertisement for bids or an amount not to exceed the current fair market value of the lease as determined by the averaging of at least two (2) appraisals by certified general appraisers licensed by the State of Mississippi. The term "school building" as used in this paragraph (v)(i) shall be construed to mean any building or buildings used for classroom purposes in connection with the operation of schools and shall include the site therefor, necessary support facilities, and the equipment thereof and appurtenances thereto such as heating facilities, water supply, sewage disposal, landscaping, walks, drives and playgrounds. The term "lease" as used in this paragraph (v)(i) may include a lease-purchase contract;

(ii) If two (2) or more school districts propose to enter into a lease contract jointly, then joint meetings of the school boards having control may be held but no action taken shall be binding on any such school district unless the question of leasing a school building is approved in each participating school district under the procedure hereinabove set forth in paragraph (v)(i). All of the provisions of paragraph (v)(i) regarding the

term and amount of the lease contract shall apply to the school boards of school districts acting jointly. Any lease contract executed by two (2) or more school districts as joint lessees shall set out the amount of the aggregate lease rental to be paid by each, which may be agreed upon, but there shall be no right of occupancy by any lessee unless the aggregate rental is paid as stipulated in the lease contract. All rights of joint lessees under the lease contract shall be in proportion to the amount of lease rental paid by each;

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

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

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

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

(aa) To acquire in its own name by purchase all real property which shall be necessary and desirable in connection with the construction, renovation or improvement of any public school

building or structure. Whenever the purchase price for such real property is greater than Fifty Thousand Dollars ($50,000.00), the school board shall not purchase the property for an amount exceeding the fair market value of such property as determined by the average of at least two (2) independent appraisals by certified general appraisers licensed by the State of Mississippi. If the board shall be unable to agree with the owner of any such real property in connection with any such project, the board shall have the power and authority to acquire any such real property by condemnation proceedings pursuant to Section 11-27-1 et seq., Mississippi Code of 1972, and for such purpose, the right of eminent domain is hereby conferred upon and vested in said board. Provided further, that the local school board is authorized to grant an easement for ingress and egress over sixteenth section land or lieu land in exchange for a similar easement upon adjoining land where the exchange of easements affords substantial benefit to the sixteenth section land; provided, however, the exchange must be based upon values as determined by a competent appraiser, with any differential in value to be adjusted by cash payment. Any easement rights granted over sixteenth section land under such authority shall terminate when the easement ceases to be used for its stated purpose. No sixteenth section or lieu land which is subject to an existing lease shall be burdened by any such easement except by consent of the lessee or unless the school

district shall acquire the unexpired leasehold interest affected by the easement;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) An assessment of revenue levels and sources;

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

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

(vi) An assessment of instructional and administrative technology;

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

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

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

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

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

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

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

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

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

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

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

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

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

(ww) To delegate, privatize or otherwise enter into a contract with private entities for the operation of any and all functions of nonacademic school process, procedures and operations including, but not limited to, cafeteria workers, janitorial services, transportation, professional development, achievement and instructional consulting services materials and products, purchasing cooperatives, insurance, business manager services, auditing and accounting services, school safety/risk prevention, data processing and student records, and other staff services; however, the authority under this paragraph does not apply to the leasing, management or operation of sixteenth section lands. Local school districts, working through their regional education service agency, are encouraged to enter into buying consortia with other member districts for the purposes of more efficient use of state resources as described in Section 37-7-345;

(xx) To partner with entities, organizations and corporations for the purpose of benefiting the school district;

(yy) To borrow funds from the Rural Economic Development Authority for the maintenance of school buildings;

(zz) To fund and operate voluntary early childhood education programs, defined as programs for children less than five (5) years of age on or before September 1, and to use any source of revenue for such early childhood education programs. Such programs shall not conflict with the Early Learning Collaborative Act of 2013;

(aaa) To issue and provide for the use of procurement cards by school board members, superintendents and licensed school personnel consistent with the rules and regulations of the Mississippi Department of Finance and Administration under Section 31-7-9; and

(bbb) To conduct an annual comprehensive evaluation of the superintendent of schools consistent with the assessment components of paragraph (pp) of this section and the assessment benchmarks established by the Mississippi School Board Association to evaluate the success the superintendent has attained in meeting district goals and objectives, the superintendent's leadership skill and whether or not the superintendent has established appropriate standards for performance, is monitoring success and is using data for improvement.

SECTION 35. Section 37-7-302, Mississippi Code of 1972, is amended as follows:

37-7-302. The board of trustees of any school district shall be authorized to borrow such funds as may be reasonable and necessary from the federal government, the State of Mississippi or any political subdivision or entity thereof, or any other governmental agency, from any individual, partnership, nonprofit corporation or private for-profit corporation, to aid such school districts in asbestos removal, to be repaid out of any *** * *** funds <u>other than the total funding formula funds provided for in this act</u>; provided, however, that the grant of authority shall in no way be construed to require said boards of trustees to remove asbestos material or substances from any facilities under their control, nor shall there be any liability to said school districts or boards for the failure to so remove such asbestos materials. All indebtedness incurred under the provisions of this section shall be evidenced by the negotiable notes or certificates of indebtedness of the school district on whose behalf the money is borrowed. Said notes or certificates of indebtedness of the school district on whose behalf the money is borrowed shall be signed by the president of the school board and superintendent of schools of such school district. Such notes or certificates of indebtedness shall not bear a greater overall maximum interest rate to maturity than the rates now or hereafter authorized under the provisions of Section 19-9-19. No such notes or certificates

of indebtedness shall be issued and sold for less than par and accrued interest. All notes or certificates of indebtedness shall mature in approximately equal installments of principal and interest over a period not to exceed twenty (20) years from the dates of the issuance thereof. Principal and interest shall be payable in such manner as may be determined by the school board. Such notes or certificates of indebtedness shall be issued in such form and in such denominations as may be determined by the school board and same may be made payable at the office of any bank or trust company selected by the school board and, in such case, funds for the payment of principal and interest due thereon shall be provided in the same manner provided by law for the payment of the principal and interest due on bonds issued by the taxing districts of this state.

SECTION 36. Section 37-7-303, Mississippi Code of 1972, is amended as follows:

37-7-303. (1) The school board of any school district may insure motor vehicles for any hazard that the board may choose, and shall insure the school buildings, equipment and other school property of the district against any and all hazards that the board may deem necessary to provide insurance against. In addition, the local school board of any school district shall purchase and maintain business property insurance and business personal property insurance on all school district-owned buildings and/or contents as required by federal law and regulations of the

Federal Emergency Management Agency (FEMA) as is necessary for receiving public assistance or reimbursement for repair, reconstruction, replacement or other damage to those buildings and/or contents caused by the Hurricane Katrina Disaster of 2005 or subsequent disasters. The school district is authorized to expend funds from any available source for the purpose of obtaining and maintaining that property insurance. The school district is authorized to enter into agreements with the Department of Finance and Administration, other local school districts, community or junior college districts, state institutions of higher learning, community hospitals and/or other state agencies to pool their liabilities to participate in a group business property and/or business personal property insurance program, subject to uniform rules and regulations as may be adopted by the Department of Finance and Administration. Such school board shall be authorized to contract for such insurance for a term of not exceeding five (5) years and to obligate the district for the payment of the premiums thereon. When necessary, the school board is authorized and empowered, in its discretion, to borrow money payable in annual installments for a period of not exceeding five (5) years at a rate of interest not exceeding eight percent (8%) per annum to provide funds to pay such insurance premiums. The money so borrowed and the interest thereon shall be payable from any school funds of the district other than *** * *** the total funding formula funds provided for in this act. The school

boards of school districts are further authorized and empowered, in all cases where same may be necessary, to bring and maintain suits and other actions in any court of competent jurisdiction for the purpose of collecting the proceeds of insurance policies issued upon the property of such school district.

(2) Two (2) or more school districts, together with other educational entities or agencies, may agree to pool their liabilities to participate in a group workers' compensation program. The governing authorities of any school board or other educational entity or agency may authorize the organization and operation of, or the participation in such a group self-insurance program with other school boards and educational entities or agencies, subject to the requirements of Section 71-3-5. The Workers' Compensation Commission shall approve such group self-insurance programs subject to uniform rules and regulations as may be adopted by the commission applicable to all groups.

SECTION 37. Section 37-7-307, Mississippi Code of 1972, is amended as follows:

37-7-307. (1) For purposes of this section, the term "licensed employee" means any employee of a public school district required to hold a valid license by the Commission on Teacher and Administrator Education, Certification and Licensure and Development.

(2) The school board of a school district shall establish by rules and regulations a policy of sick leave with pay for licensed

employees and teacher assistants employed in the school district, and such policy shall include the following minimum provisions for sick and emergency leave with pay:

(a) Each licensed employee and teacher assistant, at the beginning of each school year, shall be credited with a minimum sick leave allowance, with pay, of seven (7) days for absences caused by illness or physical disability of the employee during that school year.

(b) Any unused portion of the total sick leave allowance shall be carried over to the next school year and credited to such licensed employee and teacher assistant if the licensed employee or teacher assistant remains employed in the same school district. In the event any public school licensed employee or teacher assistant transfers from one public school district in Mississippi to another, any unused portion of the total sick leave allowance credited to such licensed employee or teacher assistant shall be credited to such licensed employee or teacher assistant in the computation of unused leave for retirement purposes under Section 25-11-109. Accumulation of sick leave allowed under this section shall be unlimited.

(c) No deduction from the pay of such licensed employee or teacher assistant may be made because of absence of such licensed employee or teacher assistant caused by illness or physical disability of the licensed employee or teacher assistant

until after all sick leave allowance credited to such licensed employee or teacher assistant has been used.

(d) For the first ten (10) days of absence of a licensed employee because of illness or physical disability, in any school year, in excess of the sick leave allowance credited to such licensed employee, there shall be deducted from the pay of such licensed employee the established substitute amount of licensed employee compensation paid in that local school district, necessitated because of the absence of the licensed employee as a result of illness or physical disability. In lieu of deducting the established substitute amount from the pay of such licensed employee, the policy may allow the licensed employee to receive full pay for the first ten (10) days of absence because of illness or physical disability, in any school year, in excess of the sick leave allowance credited to such licensed employee. Thereafter, the regular pay of such absent licensed employee shall be suspended and withheld in its entirety for any period of absence because of illness or physical disability during that school year.

(3) (a) Beginning with the school year 1983-1984, each licensed employee at the beginning of each school year shall be credited with a minimum personal leave allowance, with pay, of two (2) days for absences caused by personal reasons during that school year. Effective for the 2010-2011 and 2011-2012 school years, licensed employees shall be credited with an additional one-half (1/2) day of personal leave for every day the licensed

employee is furloughed without pay as provided in Section 37-7-308. Except as otherwise provided in paragraph (b) of this subsection, such personal leave shall not be taken on the first day of the school term, the last day of the school term, on a day previous to a holiday or a day after a holiday. Personal leave may be used for professional purposes, including absences caused by attendance of such licensed employee at a seminar, class, training program, professional association or other functions designed for educators. No deduction from the pay of such licensed employee may be made because of absence of such licensed employee caused by personal reasons until after all personal leave allowance credited to such licensed employee has been used. However, the superintendent of a school district, in his discretion, may allow a licensed employee personal leave in addition to any minimum personal leave allowance, under the condition that there shall be deducted from the salary of such licensed employee the actual amount of any compensation paid to any person as a substitute, necessitated because of the absence of the licensed employee. Any unused portion of the total personal leave allowance up to five (5) days shall be carried over to the next school year and credited to such licensed employee if the licensed employee remains employed in the same school district. Any personal leave allowed for a furlough day shall not be carried over to the next school year.

(b) Notwithstanding the restrictions on the use of personal leave prescribed under paragraph (a) of this subsection, a licensed employee may use personal leave as follows:

(i) Personal leave may be taken on the first day of the school term, the last day of the school term, on a day previous to a holiday or a day after a holiday if, on the applicable day, an immediate family member of the employee is being deployed for military service.

(ii) Personal leave may be taken on a day previous to a holiday or a day after a holiday if an employee of a school district has either a minimum of ten (10) years' experience as an employee of that school district or a minimum of thirty (30) days of unused accumulated leave that has been earned while employed in that school district.

(iii) Personal leave may be taken on the first day of the school term, the last day of the school term, on a day previous to a holiday or a day after a holiday if, on the applicable day, the employee has been summoned to appear for jury duty or as a witness in court.

(iv) Personal leave may be taken on the first day of the school term, the last day of the school term, on a day previous to a holiday or a day after a holiday if, on the applicable day, an immediate family member of the employee dies or funeral services are held. Any day of the three (3) bereavement

days may be used at the discretion of the teacher, and are not required to be taken in consecutive succession.

For the purpose of this subsection (3), the term "immediate family member" means spouse, parent, stepparent, child or stepchild, grandparent or sibling, including a stepbrother or stepsister.

(4) Beginning with the school year 1992-1993, each licensed employee shall be credited with a professional leave allowance, with pay, for each day of absence caused by reason of such employee's statutorily required membership and attendance at a regular or special meeting held within the State of Mississippi of the State Board of Education, the Commission on Teacher and Administrator Education, Certification and Licensure and Development, the Commission on School Accreditation, the Mississippi Authority for Educational Television, the meetings of the state textbook rating committees or other meetings authorized by local school board policy.

(5) Upon retirement from employment, each licensed and nonlicensed employee shall be paid for not more than thirty (30) days of unused accumulated leave earned while employed by the school district in which the employee is last employed. Such payment for licensed employees shall be made by the school district at a rate equal to the amount paid to substitute teachers and for nonlicensed employees, the payment shall be made by the school district at a rate equal to the federal minimum wage. The

payment shall be treated in the same manner for retirement purposes as a lump-sum payment for personal leave as provided in Section 25-11-103(f). Any remaining lawfully credited unused leave, for which payment has not been made, shall be certified to the Public Employees' Retirement System in the same manner and subject to the same limitations as otherwise provided by law for unused leave. No payment for unused accumulated leave may be made to either a licensed or nonlicensed employee at termination or separation from service for any purpose other than for the purpose of retirement.

(6) The school board may adopt rules and regulations which will reasonably aid to implement the policy of sick and personal leave, including, but not limited to, rules and regulations having the following general effect:

(a) Requiring the absent employee to furnish the certificate of a physician or dentist or other medical practitioner as to the illness of the absent licensed employee, where the absence is for four (4) or more consecutive school days, or for two (2) consecutive school days immediately preceding or following a nonschool day;

(b) Providing penalties, by way of full deduction from salary, or entry on the work record of the employee, or other appropriate penalties, for any materially false statement by the employee as to the cause of absence;

(c) Forfeiture of accumulated or future sick leave, if the absence of the employee is caused by optional dental or medical treatment or surgery which could, without medical risk, have been provided, furnished or performed at a time when school was not in session;

(d) Enlarging, increasing or providing greater sick or personal leave allowances than the minimum standards established by this section in the discretion of the school board of each school district.

(7) School boards may include in their budgets provisions for the payment of substitute employees, necessitated because of the absence of regular licensed employees. All such substitute employees shall be paid wholly from district funds *** * ***. Such school boards, in their discretion, also may pay, from district funds other than *** * *** <u>the total funding formula</u> funds <u>provided for in this act</u>, the whole or any part of the salaries of all employees granted leaves for the purpose of special studies or training.

(8) The school board may further adopt rules and regulations which will reasonably implement such leave policies for all other nonlicensed and hourly paid school employees as the board deems appropriate. Effective for the 2010-2011 and 2011-2012 school years, nonlicensed employees shall be credited with an additional one-half (1/2) day of personal leave for every day the nonlicensed

employee is furloughed without pay as provided in Section 37-7-308.

(9) Vacation leave granted to either licensed or nonlicensed employees shall be synonymous with personal leave. Unused vacation or personal leave accumulated by licensed employees in excess of the maximum five (5) days which may be carried over from one year to the next may be converted to sick leave. The annual conversion of unused vacation or personal leave to sick days for licensed or unlicensed employees shall not exceed the allowable number of personal leave days as provided in Section 25-3-93. The annual total number of converted unused vacation and/or personal days added to the annual unused sick days for any employee shall not exceed the combined allowable number of days per year provided in Sections 25-3-93 and 25-3-95. Local school board policies that provide for vacation, personal and sick leave for employees shall not exceed the provisions for leave as provided in Sections 25-3-93 and 25-3-95. Any personal or vacation leave previously converted to sick leave under a lawfully adopted policy before May 1, 2004, or such personal or vacation leave accumulated and available for use prior to May 1, 2004, under a lawfully adopted policy but converted to sick leave after May 1, 2004, shall be recognized as accrued leave by the local school district and available for use by the employee. The leave converted under a lawfully adopted policy prior to May 1, 2004, or such personal and vacation leave accumulated and available for use as of May 1,

2004, which was subsequently converted to sick leave may be certified to the Public Employees' Retirement System upon termination of employment and any such leave previously converted and certified to the Public Employees' Retirement System shall be recognized.

(10) (a) For the purposes of this subsection, the following words and phrases shall have the meaning ascribed in this paragraph unless the context requires otherwise:

(i) "Catastrophic injury or illness" means a life-threatening injury or illness of an employee or a member of an employee's immediate family that totally incapacitates the employee from work, as verified by a licensed physician, and forces the employee to exhaust all leave time earned by that employee, resulting in the loss of compensation from the local school district for the employee. Conditions that are short-term in nature, including, but not limited to, common illnesses such as influenza and the measles, and common injuries, are not catastrophic. Chronic illnesses or injuries, such as cancer or major surgery, that result in intermittent absences from work and that are long-term in nature and require long recuperation periods may be considered catastrophic.

(ii) "Immediate family" means spouse, parent, stepparent, sibling, child or stepchild, grandparent, stepbrother or stepsister.

(b) Any school district employee may donate a portion of his or her unused accumulated personal leave or sick leave to another employee of the same school district who is suffering from a catastrophic injury or illness or who has a member of his or her immediate family suffering from a catastrophic injury or illness, in accordance with the following:

(i) The employee donating the leave (the "donor employee") shall designate the employee who is to receive the leave (the "recipient employee") and the amount of unused accumulated personal leave and sick leave that is to be donated, and shall notify the school district superintendent or his designee of his or her designation.

(ii) The maximum amount of unused accumulated personal leave that an employee may donate to any other employee may not exceed a number of days that would leave the donor employee with fewer than seven (7) days of personal leave remaining, and the maximum amount of unused accumulated sick leave that an employee may donate to any other employee may not exceed fifty percent (50%) of the unused accumulated sick leave of the donor employee.

(iii) An employee must have exhausted all of his or her available leave before he or she will be eligible to receive any leave donated by another employee. Eligibility for donated leave shall be based upon review and approval by the donor employee's supervisor.

(iv) Before an employee may receive donated leave, he or she must provide the school district superintendent or his designee with a physician's statement that states that the illness meets the catastrophic criteria established under this section, the beginning date of the catastrophic injury or illness, a description of the injury or illness, and a prognosis for recovery and the anticipated date that the recipient employee will be able to return to work.

(v) Before an employee may receive donated leave, the superintendent of education of the school district shall appoint a review committee to approve or disapprove the said donations of leave, including the determination that the illness is catastrophic within the meaning of this section.

(vi) If the total amount of leave that is donated to any employee is not used by the recipient employee, the whole days of donated leave shall be returned to the donor employees on a pro rata basis, based on the ratio of the number of days of leave donated by each donor employee to the total number of days of leave donated by all donor employees.

(vii) Donated leave shall not be used in lieu of disability retirement.

(11) Effective January 1, 2020, the provisions of this section shall be fully applicable to any licensed employee of the Mississippi School of the Arts (MSA).

SECTION 38. Section 37-7-319, Mississippi Code of 1972, is amended as follows:

37-7-319. All public school boards may purchase group insurance coverage for the liability of all of its active full-time instructional and noninstructional personnel. Such policy shall be paid for with any funds available other than *** * *** the total funding formula funds provided for in this act.

SECTION 39. Section 37-7-333, Mississippi Code of 1972, is amended as follows:

37-7-333. The school boards of all school districts shall have full control of the receipt, distribution, allotment and disbursement of all funds which may be provided for the support and maintenance of the schools of such district whether such funds be *** * *** allotments from the total funding formula as provided for in this act, funds derived from supplementary tax levies as authorized by law, or funds derived from any other source whatsoever except as may otherwise be provided by law for control of the proceeds from school bonds or notes and the taxes levied to pay the principal of and interest on such bonds or notes. The tax collector of each county shall make reports, in writing, verified by his affidavit, on or before the twentieth day of each month to the superintendent of schools of each school district within such county reflecting all school district taxes collected by him for the support of said school district during the preceding month. He shall at the same time pay over all such school district taxes

collected by him for the support of said school district directly to said superintendent of schools.

All such allotments or funds shall be placed in the depository or depositories selected by the school board in the same manner as provided in Section 27-105-305 for the selection of county depositories. Provided, however, the annual notice to be given by the school board to financial institutions may be given by the school board at any regular meeting subsequent to the board's regular December meeting but prior to the regular May meeting. The bids of financial institutions for the privilege of keeping school funds may be received by the school board at some subsequent meeting, but no later than the regular June meeting; and the selection by the school board of the depository or depositories shall be effective on July 1 of each year. School boards shall advertise and accept bids for depositories, no less than once every three (3) years, when such board determines that it can obtain a more favorable rate of interest and less administrative processing. Such depository shall place on deposit with the superintendent of schools the same securities as required in Section 27-105-315.

In the event a bank submits a bid or offer to a school district to act as a depository for the district and such bid or offer, if accepted, would result in a contract in which a member of the school board would have a direct or indirect interest, the school board should not open or consider any bids received. The

superintendent of schools shall submit the matter to the State Treasurer, who shall have the authority to solicit bids, select a depository or depositories, make all decisions and take any action within the authority of the school board under this section relating to the selection of a depository or depositories.

SECTION 40. Section 37-7-339, Mississippi Code of 1972, is amended as follows:

37-7-339. (1) The school board of any local school district, in its discretion, may provide extended day and extended school year programs for kindergarten or compulsory-school-age students, or both, and may expend any funds for these purposes which are available from sources other than *** * *** <u>the total funding formula funds as provided for in this act</u>. It is not the intent of the Legislature, in enacting this section, to interfere with the Headstart program. School boards, in their discretion, may charge participants a reasonable fee for such programs.

(2) The school board of any school district may adopt any orders, policies, rules or regulations with respect to instruction within that school district for which no specific provision has been made by general law and which are not inconsistent with the Mississippi Constitution of 1890, the Mississippi Code of 1972, or any order, policy, rule or regulation of the State Board of Education; those school boards also may alter, modify and repeal any orders, policies, rules or regulations enacted under this subsection. Any such program pertaining to reading must further

the goal that Mississippi students will demonstrate a growing proficiency in reading and will reach or exceed the national average within the next decade.

SECTION 41. Section 37-7-419, Mississippi Code of 1972, is amended as follows:

37-7-419. The various school districts which may become parties to any such agreement are authorized to appropriate and expend for the purposes thereof any and all funds which may be required to carry out the terms of any such agreement from any funds available to any such party to such an agreement not otherwise appropriated without limitation as to the source of such funds, including *** * *** total funding formula funds as provided for in this act, sixteenth section funds, funds received from the federal government or other sources by way of grant, donation or otherwise, and funds which may be available to any such party through the State Department of Education or any other agency of the state, regardless of the party to such agreement designated thereby to be primarily responsible for the construction or operation of any such regional high school center and regardless of the limitation on the expenditure of any such funds imposed by any other statute. However, no such funds whose use was originally limited to the construction of capital improvements shall be utilized for the purpose of defraying the administrative or operating costs of any such center. Any one or more of the parties to such an agreement may be designated as the fiscal agent

or contracting party in carrying out any of the purposes of such agreement, and any and all funds authorized to be spent therefor by any of the said parties may be paid over to the fiscal agent or contracting party for disbursement by such fiscal agent or contracting party. Such disbursements shall be made and contracted for under the laws and regulations applicable to such fiscal or disbursing agent. All of the school district parties to any such agreement may issue bonds, negotiable notes or other evidences of indebtedness for the purpose of providing funds for the acquisition of land and for the construction of buildings and permanent improvements under the terms of any such agreement under any existing laws authorizing the issuance or sale thereof to provide funds for any capital improvement.

SECTION 42. Section 37-9-17, Mississippi Code of 1972, is amended as follows:

37-9-17. (1) On or before April 1 of each year, the principal of each school shall recommend to the superintendent of the local school district the licensed employees or noninstructional employees to be employed for the school involved except those licensed employees or noninstructional employees who have been previously employed and who have a contract valid for the ensuing scholastic year. If such recommendations meet with the approval of the superintendent, the superintendent shall recommend the employment of such licensed employees or noninstructional employees to the local school board, and, unless

good reason to the contrary exists, the board shall elect the employees so recommended. If, for any reason, the local school board shall decline to elect any employee so recommended, additional recommendations for the places to be filled shall be made by the principal to the superintendent and then by the superintendent to the local school board as provided above. The school board of any local school district shall be authorized to designate a personnel supervisor or another principal employed by the school district to recommend to the superintendent licensed employees or noninstructional employees; however, this authorization shall be restricted to no more than two (2) positions for each employment period for each school in the local school district. Any noninstructional employee employed upon the recommendation of a personnel supervisor or another principal employed by the local school district must have been employed by the local school district at the time the superintendent was elected or appointed to office; a noninstructional employee employed under this authorization may not be paid compensation in excess of the statewide average compensation for such noninstructional position with comparable experience, as established by the State Department of Education. The school board of any local school district shall be authorized to designate a personnel supervisor or another principal employed by the school district to accept the recommendations of principals or their designees for licensed employees or noninstructional

employees and to transmit approved recommendations to the local school board; however, this authorization shall be restricted to no more than two (2) positions for each employment period for each school in the local school district.

When the licensed employees have been elected as provided in the preceding paragraph, the superintendent of the district shall enter into a contract with such persons in the manner provided in this chapter.

If, at the commencement of the scholastic year, any licensed employee shall present to the superintendent a license of a higher grade than that specified in such individual's contract, such individual may, if funds are available from *** * *** <u>the total funding formula</u> funds of the district <u>as provided for in this act</u>, or from district funds, be paid from such funds the amount to which such higher grade license would have entitled the individual, had the license been held at the time the contract was executed.

(2) Superintendents/directors of schools under the purview of the State Board of Education, the superintendent of the local school district and any private firm under contract with the local public school district to provide substitute teachers to teach during the absence of a regularly employed schoolteacher shall require, through the appropriate governmental authority, that current criminal records background checks and current child abuse registry checks are obtained, and that such criminal record

information and registry checks are on file for any new hires applying for employment as a licensed or nonlicensed employee at a school and not previously employed in such school under the purview of the State Board of Education or at such local school district prior to July 1, 2000. In order to determine the applicant's suitability for employment, the applicant shall be fingerprinted. If no disqualifying record is identified at the state level, the fingerprints shall be forwarded by the Department of Public Safety to the Federal Bureau of Investigation for a national criminal history record check. The fee for such fingerprinting and criminal history record check shall be paid by the applicant, not to exceed Fifty Dollars ($50.00); however, the State Board of Education, the school board of the local school district or a private firm under contract with a local school district to provide substitute teachers to teach during the temporary absence of the regularly employed schoolteacher, in its discretion, may elect to pay the fee for the fingerprinting and criminal history record check on behalf of any applicant. Under no circumstances shall a member of the State Board of Education, superintendent/director of schools under the purview of the State Board of Education, local school district superintendent, local school board member or any individual other than the subject of the criminal history record checks disseminate information received through any such checks except insofar as required to fulfill the purposes of this section. Any nonpublic school which

is accredited or approved by the State Board of Education may avail itself of the procedures provided for herein and shall be responsible for the same fee charged in the case of local public schools of this state. The determination whether the applicant has a disqualifying crime, as set forth in subsection (3) of this section, shall be made by the appropriate governmental authority, and the appropriate governmental authority shall notify the private firm whether a disqualifying crime exists.

(3) If such fingerprinting or criminal record checks disclose a felony conviction, guilty plea or plea of nolo contendere to a felony of possession or sale of drugs, murder, manslaughter, armed robbery, rape, sexual battery, sex offense listed in Section 45-33-23(h), child abuse, arson, grand larceny, burglary, gratification of lust or aggravated assault which has not been reversed on appeal or for which a pardon has not been granted, the new hire shall not be eligible to be employed at such school. Any employment contract for a new hire executed by the superintendent of the local school district or any employment of a new hire by a superintendent/director of a new school under the purview of the State Board of Education or by a private firm shall be voidable if the new hire receives a disqualifying criminal record check. However, the State Board of Education or the school board may, in its discretion, allow any applicant aggrieved by the employment decision under this section to appear before the respective board, or before a hearing officer designated for such

purpose, to show mitigating circumstances which may exist and allow the new hire to be employed at the school. The State Board of Education or local school board may grant waivers for such mitigating circumstances, which shall include, but not be limited to: (a) age at which the crime was committed; (b) circumstances surrounding the crime; (c) length of time since the conviction and criminal history since the conviction; (d) work history; (e) current employment and character references; (f) other evidence demonstrating the ability of the person to perform the employment responsibilities competently and that the person does not pose a threat to the health or safety of the children at the school.

(4) No local school district, local school district employee, member of the State Board of Education or employee of a school under the purview of the State Board of Education shall be held liable in any employment discrimination suit in which an allegation of discrimination is made regarding an employment decision authorized under this Section 37-9-17.

(5) The provisions of this section shall be fully applicable to licensed employees of the Mississippi School of the Arts (MSA), established in Section *** * *** 37-140-3.

SECTION 43. Section 37-9-23, Mississippi Code of 1972, is amended as follows:

37-9-23. The superintendent shall enter into a contract with each assistant superintendent, principal, licensed employee and person anticipating graduation from an approved teacher education

program or the issuance of a proper license before October 15 or February 15, as the case may be, who is elected and approved for employment by the school board. Such contracts shall be in such form as shall be prescribed by the State Board of Education and shall be executed in duplicate with one (1) copy to be retained by the appropriate superintendent and one (1) copy to be retained by the principal, licensed employee or person recommended for a licensed position contracted with. The contract shall show the name of the district, the length of the school term, the position held (whether an assistant superintendent, principal or licensed employee), the scholastic years which it covers, the total amount of the annual salary and how same is payable. The amount of salary to be shown in such contract shall be the amount which shall have been fixed and determined by the school board, but, as to the licensed employees paid, in whole or in part, with *** * *** total funding formula funds as provided for in this act, such salary shall not be less than that required under the provisions of Chapter 19 of this title. Beginning with the 2010-2011 school year, the contract shall include a provision allowing the school district to reduce the state minimum salary by a pro rata daily amount in order to comply with the school district employee furlough provisions of Section 37-7-308, and shall include a provision which conditions the payment of such salary upon the availability of *** * *** uniform total funding formula funds *** * *.** The contract entered into with any person recommended for a

licensed position who is anticipating either graduation from an approved teacher education program before September 1 or December 31, as the case may be, or the issuance of a proper license before October 15 or February 15, as the case may be, shall be a conditional contract and shall include a provision stating that the contract will be null and void if, as specified in the contract, the contingency upon which the contract is conditioned has not occurred. If any superintendent, other than those elected, principal, licensed employee or person recommended for a licensed position who has been elected and approved shall not execute and return the contract within ten (10) days after same has been tendered to him for execution, then, at the option of the school board, the election of the licensed employee and the contract tendered to him shall be void and of no effect.

SECTION 44. Section 37-9-25, Mississippi Code of 1972, is amended as follows:

37-9-25. The school board shall have the power and authority, in its discretion, to employ the superintendent, unless such superintendent is elected at the November 2015 general election, for not exceeding four (4) scholastic years and the principals or licensed employees for not exceeding three (3) scholastic years. In such case, contracts shall be entered into with such superintendents, principals and licensed employees for the number of years for which they have been employed. However, in the event that a vacancy in the office of the superintendent of

schools elected at the November 2015 general election shall occur before January 1, 2019, the local school board shall then appoint the superintendent of the school district and enter into contract with the appointee for a period not to exceed three (3) scholastic years. All such contracts with licensed employees shall for the years after the first year thereof be subject to the contingency that the licensed employee may be released if, during the life of the contract, the *** * *** net enrollment should decrease from that existing during the previous year and thus necessitate a reduction in the number of licensed employees during any year after the first year of the contract. However, in all such cases the licensed employee must be released before July 1 or at least thirty (30) days prior to the beginning of the school term, whichever date should occur earlier. The salary to be paid for the years after the first year of such contract shall be subject to revision, either upward or downward, in the event of an increase or decrease in the funds available for the payment thereof, but, unless such salary is revised prior to the beginning of a school year, it shall remain for such school year at the amount fixed in such contract. However, where school district funds *** * *** are available during the school year in excess of the amount anticipated at the beginning of the school year, the salary to be paid for such year may be increased to the extent that such additional funds are available, and nothing herein shall be construed to prohibit same.

SECTION 45. Section 37-9-33, Mississippi Code of 1972, is amended as follows:

37-9-33. (1) In employing and contracting with appointed superintendents, principals and * * * licensed employees, the school board shall in all cases determine whether the amount of salary to be paid such superintendent, principals and * * * licensed employees is in compliance with the provisions of * * * this chapter and Section 37-19-7. No contract shall be entered into where the salary of a superintendent, principal or * * * licensed employee is to be paid, in whole or in part, from * * * the total funding formula funds provided in this act except where the statutory requirements * * * as to the amount of such salary are fully met. Nothing herein shall be construed, however, to prohibit any school district from increasing the salaries of appointed superintendents, principals and * * * licensed employees above the amounts fixed by Section 37-19-7 * * *. Provided further, that school districts are authorized, in their discretion, to negotiate the salary levels applicable to * * * licensed employees employed after July 1, 2009, who are receiving retirement benefits from the retirement system of another state * * *. Nothing herein shall be construed to prohibit any school district from complying with the school district employee furlough provisions of Section 37-7-308.

(2) Each school district shall provide an annual report to the State Department of Education on the number of * * * licensed

and * * * nonlicensed employees receiving a salary from the school district who are also receiving retirement benefits from the Public Employees' Retirement System. This report shall include the name of the employee(s), the hours per week for which the employee is under contract and the services for which the employee is under contract. Said required annual report shall be in a form and deadline promulgated by the State Board of Education.

SECTION 46. Section 37-9-35, Mississippi Code of 1972, is amended as follows:

37-9-35. * * * A reduction in the * * * net enrollment during a current year from that existing in the preceding year shall not authorize the discharge or release of a teacher or teachers during such current year. * * *

SECTION 47. Section 37-9-37, Mississippi Code of 1972, is amended as follows:

37-9-37. The amount of the salary to be paid any superintendent, principal or licensed employee shall be fixed by the school board, provided that the requirements of * * * this title are met as to superintendents, principals and licensed employees paid, in whole or in part, from * * * total funding formula funds as provided in this act. In employing such superintendents, principals and licensed employees and in fixing their salaries, the school boards shall take into consideration the character, professional training, experience, executive ability and teaching capacity of the licensed employee,

superintendent or principal. It is the intent of the Legislature that whenever the salary of the school district superintendent is set by a school board, the board shall take into consideration the amount of money that the district spends per pupil, and shall attempt to insure that the administrative cost of the district and the amount of the salary of the superintendent are not excessive in comparison to the per pupil expenditure of the district.

SECTION 48. Section 37-9-77, Mississippi Code of 1972, is amended as follows:

37-9-77. (1) There is established the Mississippi School Administrator Sabbatical Program which shall be available to licensed teachers employed in Mississippi school districts for not less than three (3) years, for the purpose of allowing such teachers to become local school district administrators under the conditions set forth in this section. The State Board of Education, in coordination with the Board of Trustees of State Institutions of Higher Learning, shall develop guidelines for the program. Application shall be made to the State Department of Education for the Mississippi School Administrator Sabbatical Program by qualified teachers meeting the criteria for a department-approved administration program and who have been recommended by the local school board. Administration programs that are eligible for the administrator sabbatical program shall be limited to those that have been approved by the department by the January 1 preceding the date of admission to the program.

Admission into the program shall authorize the applicant to take university course work and training leading to an administrator's license.

(2) The salaries of the teachers approved for participation in the administrator sabbatical program shall be paid by the employing school district from *** * *** funds other than total funding formula funds as provided in this act. However, the State Department of Education shall reimburse the employing school districts for the cost of the salaries and paid fringe benefits of teachers participating in the administrator sabbatical program for one (1) contract year. Reimbursement shall be made in accordance with the then current *** * *** salary schedule under Section 37-19-7, except that the maximum amount of the reimbursement from state funds shall not exceed the *** * *** salary prescribed for a teacher holding a Class A license and having five (5) years' experience. The local school district shall be responsible for that portion of a participating teacher's salary attributable to the local supplement and for any portion of the teacher's salary that exceeds the maximum amount allowed for reimbursement from state funds as provided in this subsection, and the school board may not reduce the local supplement payable to that teacher. Any reimbursements made by the State Department of Education to local school districts under this section shall be subject to available appropriations and may be made only to school districts determined

by the State Board of Education as being in need of administrators.

(3) Such teachers participating in the program on a full-time basis shall continue to receive teaching experience and shall receive the salary prescribed in Section 37-19-7 *** * ***. Such participants shall be fully eligible to continue participation in the Public Employees' Retirement System and the Public School Employees Health Insurance Plan during the time they are in the program on a full-time basis.

(4) As a condition for participation in the School Administrator Sabbatical Program, such teachers shall agree to employment as administrators in the sponsoring school district for not less than five (5) years following completion of administrator licensure requirements. Any person failing to comply with this employment commitment in any required school year, unless the commitment is deferred as provided in subsection (5) of this section, shall immediately be in breach of contract and become liable to the State Department of Education for that amount of his salary and paid fringe benefits paid by the state while the teacher was on sabbatical, less twenty percent (20%) of the amount of his salary and paid fringe benefits paid by the state for each year that the person was employed as an administrator following completion of the administrator licensure requirements. In addition, the person shall become liable to the local school district for any portion of his salary and paid fringe benefits

paid by the local school district while the teacher was on sabbatical that is attributable to the local salary supplement or is attributable to the amount that exceeds the maximum amount allowed for reimbursement from state funds as provided in subsection (2) of this section, less twenty percent (20%) of the amount of his salary and paid fringe benefits paid by the school district for each year that the person was employed as an administrator following completion of the administrator licensure requirements. Interest on the amount due shall accrue at the current Stafford Loan rate at the time the breach occurs. If the claim for repayment of such salary and fringe benefits is placed in the hands of an attorney for collection after default, then the obligor shall be liable for an additional amount equal to a reasonable attorney's fee.

(5) If there is not an administrator position immediately available in the sponsoring school district after a person has completed the administrator licensure requirements, or if the administrator position in the sponsoring school district in which the person is employed is no longer needed before the completion of the five-year employment commitment, the local school board shall defer any part of the employment commitment that has not been met until such time as an administrator position becomes available in the sponsoring school district. If such a deferral is made, the sponsoring school district shall employ the person as a teacher in the school district during the period of deferral,

unless the person desires to be released from employment by the sponsoring school district and the district agrees to release the person from employment. If the sponsoring school district releases a person from employment, that person may be employed as an administrator in another school district in the state that is in need of administrators as determined by the State Board of Education, and that employment for the other school district shall be applied to any remaining portion of the five-year employment commitment required under this section. Nothing in this subsection shall prevent a school district from not renewing the person's contract before the end of the five-year employment commitment in accordance with the School Employment Procedures Law (Section 37-9-101 et seq.). However, if the person is not employed as an administrator by another school district after being released by the sponsoring school district, or after his contract was not renewed by the sponsoring school district, he shall be liable for repayment of the amount of his salary and fringe benefits as provided in subsection (4) of this section.

(6) All funds received by the State Department of Education from the repayment of salary and fringe benefits paid by the state from program participants shall be deposited in the Mississippi Critical Teacher Shortage Fund.

SECTION 49. Section 37-11-11, Mississippi Code of 1972, is amended as follows:

37-11-11. (1) For the purposes of this section, the term "hospital" shall include community-based programs and facilities licensed or approved by the Department of Mental Health for treatment of chemical substance use and abuse.

(2) When five (5) or more children of educable mind between the ages of six (6) and twenty-one (21) years who are capable of pursuing courses of instruction at secondary school level or below shall be confined in a hospital for an extended period of time, such children shall be eligible for and shall be provided with a program of education, instruction and training within such hospital in the manner hereinafter set forth, provided that the need for hospitalization for an extended period of time shall be certified by the chief of staff of such hospital and that the ability of such children to do school work shall be certified by qualified psychologists and/or educators approved by the State Board of Education.

(3) When five (5) or more children as set forth herein shall be confined in the same hospital, then the board of trustees of the school district in which such hospital is located shall be authorized and empowered, in its discretion, to provide a program of education, instruction and training to such children within such hospital. For such purpose the board shall be authorized and empowered to employ and contract with teachers, provide textbooks and other instructional materials, correspondence courses and instructional equipment and appliances, and otherwise provide for

the furnishing of such program and to administer and supervise the same. Such program shall be furnished in a manner as prescribed by rules and regulations adopted by the State Board of Education. The state board shall have full power to adopt such rules, regulations, policies and standards as it may deem necessary to carry out the purpose of this section, including the establishment of qualifications of any teachers employed under the provisions hereof. It is expressly provided, however, that no program shall be furnished under this section except in a hospital licensed for operation by the State of Mississippi and only in cases where such hospital shall consent thereto, shall provide any classroom space, furniture and facilities which may be deemed necessary, and otherwise shall cooperate in carrying out the provisions of this section. Before such program of education, instruction and training shall be provided, the governing authorities of said hospital shall enter into a contract with the board of trustees of the school district which stipulates that said hospital agrees to furnish the necessary classroom space, furniture and facilities and provide for their upkeep, fuel and such other things as may be necessary for the successful operation of the program of education, instruction and training.

(4) In cases when children who are residents of school districts other than the school district providing such education program may participate in the program prescribed in this section. The boards of trustees of the districts of which such children are

residents shall pay to the board of trustees of the school district furnishing such school program the pro rata part of the expenses of furnishing such school program within such hospital, which payments may be made from any funds available for the operation and maintenance of the schools of the district in which such child is a resident. The amount so paid shall be based upon, but shall not exceed, the current per pupil cost of education in the school district of the child's residence, and the amount to be so paid by the school district of the child's residence shall be fixed by the State Board of Education. If the amount to be paid which has been so fixed shall not be paid upon due demand made by the school district providing a program therefor, then the State Board of Education shall deduct any such amounts from the next allocation of *** * *** total funding formula funds as provided in this act attributable to any such district and shall remit the same to the board of trustees of such school district which is furnishing such school program. If the amounts so paid by such school districts of the child's residence shall not be sufficient to pay the expenses of furnishing such program, then the remainder of such expenses over and above that so paid by such school districts shall be paid by the State Board of Education to the school district providing such school program out of any funds available to the State Board of Education, including *** * *** total funding formula funds. However, such payments shall not exceed Three Hundred Dollars ($300.00) per child in *** * *** net enrollment

in such program. Provided, however, the State Board of Education shall in its discretion be authorized and empowered to exceed the said Three Hundred Dollars ($300.00) per pupil limitation where such limitation would make it impractical to operate such a program.

SECTION 50. Section 37-13-63, Mississippi Code of 1972, is amended as follows:

37-13-63. (1) Except as otherwise provided, all public schools in the state shall be kept in session for at least one hundred eighty (180) days in each scholastic year.

(2) If the school board of any school district shall determine that it is not economically feasible or practicable to operate any school within the district for the full one hundred eighty (180) days required for a scholastic year as contemplated due to an enemy attack, a man-made, technological or natural disaster or extreme weather emergency in which the Governor has declared a disaster or state of emergency under the laws of this state or the President of the United States has declared an emergency or major disaster to exist in this state, the school board may notify the State Department of Education of the disaster or weather emergency and submit a plan for altering the school term. If the State Board of Education finds the disaster or extreme weather emergency to be the cause of the school not operating for the contemplated school term and that such school was in a school district covered by the Governor's or President's

disaster or state of emergency declaration, it may permit that school board to operate the schools in its district for less than one hundred eighty (180) days; however, in no instance of a declared disaster or state of emergency under the provisions of this subsection shall a school board receive payment from the State Department of Education for per pupil expenditure for pupils in *** * *** net enrollment in excess of ten (10) days.

SECTION 51. Section 37-13-64, Mississippi Code of 1972, is amended as follows:

37-13-64. (1) Beginning with the 2010-2011 school term, any school district required to close the operation of its schools by decision of the superintendent, under the authority provided by the local school board, due to extreme weather conditions, in the best interests of the health and safety of the students, administration and staff of the school district, shall be exempt from the requirement that schools be kept in session a minimum of one hundred eighty (180) days. Any school district that closes its schools for reasons authorized under this section shall receive payment from the State Department of Education for per pupil expenditure for pupils in *** * *** net enrollment not to exceed ten (10) days.

(2) In the event weather conditions are cause for the closure of operations of schools in any local school district in any instance in which a state of emergency has not been declared pursuant to Section *** * *** 37-151-211(4), the State Board of

Education may consider, on a case-by-case basis, requests submitted by local school districts to alter the school calendar consistent with the provision of that section.

SECTION 52. Section 37-13-69, Mississippi Code of 1972, is amended as follows:

37-13-69. All public schools of this state may observe such legal holidays as may be designated by the local school board, and no sessions of school shall be held on holidays so designated and observed. However, all schools shall operate for the full minimum term required by law exclusive of the holidays authorized by this section. The holidays thus observed shall not be deducted from the reports of the superintendents, principals and teachers, and such superintendents, principals and teachers shall be allowed pay for full time as though they had taught on those holidays. However, such holidays shall not be counted or included in any way in determining the *** * *** net enrollment of the school.

SECTION 53. Section 37-15-38, Mississippi Code of 1972, is amended as follows:

37-15-38. (1) The following phrases have the meanings ascribed in this section unless the context clearly requires otherwise:

(a) A dual enrolled student is a student who is enrolled in a community or junior college or state institution of higher learning while enrolled in high school.

(b) A dual credit student is a student who is enrolled in a community or junior college or state institution of higher learning while enrolled in high school and who is receiving high school and college credit for postsecondary coursework.

(2) A local school board, the Board of Trustees of State Institutions of Higher Learning and the Mississippi Community College Board shall establish a dual enrollment system under which students in the school district who meet the prescribed criteria of this section may be enrolled in a postsecondary institution in Mississippi while they are still in school.

(3) **Dual credit eligibility.** Before credits earned by a qualified high school student from a community or junior college or state institution of higher learning may be transferred to the student's home school district, the student must be properly enrolled in a dual enrollment program.

(4) **Admission criteria for dual enrollment in community and junior college or university programs.** The Mississippi Community College Board and the Board of Trustees of State Institutions of Higher Learning may recommend to the State Board of Education admission criteria for dual enrollment programs under which high school students may enroll at a community or junior college or university while they are still attending high school and enrolled in high school courses. Students may be admitted to enroll in community or junior college courses under the dual enrollment

programs if they meet that individual institution's stated dual enrollment admission requirements.

(5) **Tuition and cost responsibility.** Tuition and costs for university-level courses and community and junior college courses offered under a dual enrollment program may be paid for by the postsecondary institution, the local school district, the parents or legal guardians of the student, or by grants, foundations or other private or public sources. Payment for tuition and any other costs must be made directly to the credit-granting institution.

(6) **Transportation responsibility.** Any transportation required by a student to participate in the dual enrollment program is the responsibility of the parent, custodian or legal guardian of the student. Transportation costs may be paid from any available public or private sources, including the local school district.

(7) **School district * * * net enrollment credit.** When dually enrolled, the student may be counted, for *** * *** total funding formula purposes, in the *** * *** net enrollment of the public school district in which the student attends high school.

(8) **High school student transcript transfer requirements.** Grades and college credits earned by a student admitted to a dual credit program must be recorded on the high school student record and on the college transcript at the university or community or junior college where the student attends classes. The transcript

of the university or community or junior college coursework may be released to another institution or applied toward college graduation requirements.

(9) **Determining factor of prerequisites for dual enrollment courses.** Each university and community or junior college participating in a dual enrollment program shall determine course prerequisites. Course prerequisites shall be the same for dual enrolled students as for regularly enrolled students at that university or community or junior college.

(10) **Process for determining articulation of curriculum between high school, university, and community and junior college courses.** All dual credit courses must meet the standards established at the postsecondary level. Postsecondary level developmental courses may not be considered as meeting the requirements of the dual credit program. Dual credit memorandum of understandings must be established between each postsecondary institution and the school district implementing a dual credit program.

(11) [Deleted]

(12) **Eligible courses for dual credit programs.** Courses eligible for dual credit include, but are not necessarily limited to, foreign languages, advanced math courses, advanced science courses, performing arts, advanced business and technology, and career and technical courses. Distance Learning Collaborative Program courses approved under Section 37-67-1 shall be fully

eligible for dual credit. All courses being considered for dual credit must receive unconditional approval from the superintendent of the local school district and the chief instructional officer at the participating community or junior college or university in order for college credit to be awarded. A university or community or junior college shall make the final decision on what courses are eligible for semester hour credits.

(13) **High school Carnegie unit equivalency.** One (1) three-hour university or community or junior college course is equal to one (1) high school Carnegie unit.

(14) **Course alignment.** The universities, community and junior colleges and the State Department of Education shall periodically review their respective policies and assess the place of dual credit courses within the context of their traditional offerings.

(15) **Maximum dual credits allowed.** It is the intent of the dual enrollment program to make it possible for every eligible student who desires to earn a semester's worth of college credit in high school to do so. A qualified dually enrolled high school student must be allowed to earn an unlimited number of college or university credits for dual credit.

(16) **Dual credit program allowances.** A student may be granted credit delivered through the following means:

(a) Examination preparation taught at a high school by a qualified teacher. A student may receive credit at the

secondary level after completion of an approved course and passing the standard examination, such as an Advanced Placement or International Baccalaureate course through which a high school student is allowed CLEP credit by making a three (3) or higher on the end-of-course examination.

(b) College or university courses taught at a high school or designated postsecondary site by a qualified teacher who is an employee of the school district and approved as an instructor by the collaborating college or university.

(c) College or university courses taught at a college, university or high school by an instructor employed by the college or university and approved by the collaborating school district.

(d) Online courses of any public university, community or junior college in Mississippi.

(17) **Qualifications of dual credit instructors.** A dual credit academic instructor must meet the requirements set forth by the regional accrediting association (Southern Association of College and Schools). University and community and junior college personnel have the sole authority in the selection of dual credit instructors.

A dual credit career and technical education instructor must meet the requirements set forth by the Mississippi Community College Board in the qualifications manual for postsecondary career and technical personnel.

(18) **Guidance on local agreements.** The Chief Academic Officer of the State Board of Trustees of State Institutions of Higher Learning and the Chief Instructional Officers of the Mississippi Community College Board and the State Department of Education, working collaboratively, shall develop a template to be used by the individual community and junior colleges and institutions of higher learning for consistent implementation of the dual enrollment program throughout the State of Mississippi.

(19) **Mississippi Works Dual Enrollment-Dual Credit Option.** A local school board and the local community colleges board shall establish a Mississippi Works Dual Enrollment-Dual Credit Option Program under which potential or recent student dropouts may dually enroll in their home school and a local community college in a dual credit program consisting of high school completion coursework and a community college credential, certificate or degree program. Students completing the dual enrollment-credit option may obtain their high school diploma while obtaining a community college credential, certificate or degree. The Mississippi Department of Employment Security shall assist students who have successfully completed the Mississippi Works Dual Enrollment-Dual Credit Option in securing a job upon the application of the student or the participating school or community college. The Mississippi Works Dual Enrollment-Dual Credit Option Program will be implemented statewide in the 2012-2013 school year and thereafter. The State Board of

Education, local school board and the local community college board shall establish criteria for the Dual Enrollment-Dual Credit Program. Students enrolled in the program will not be eligible to participate in interscholastic sports or other extracurricular activities at the home school district. Tuition and costs for community college courses offered under the Dual Enrollment-Dual Credit Program shall not be charged to the student, parents or legal guardians. When dually enrolled, the student shall be counted, for *** * *** total funding formula purposes, in the *** * *** net enrollment of the public school district in which the student attends high school *** * ***. Any transportation required by the student to participate in the Dual Enrollment-Dual Credit Program is the responsibility of the parent or legal guardian of the student, and transportation costs may be paid from any available public or private sources, including the local school district. Grades and college credits earned by a student admitted to this Dual Enrollment-Dual Credit Program shall be recorded on the high school student record and on the college transcript at the community college and high school where the student attends classes. The transcript of the community college coursework may be released to another institution or applied toward college graduation requirements. Any course that is required for subject area testing as a requirement for graduation from a public school in Mississippi is eligible for dual credit, and courses eligible for dual credit shall also include career, technical and degree

program courses. All courses eligible for dual credit shall be approved by the superintendent of the local school district and the chief instructional officer at the participating community college in order for college credit to be awarded. A community college shall make the final decision on what courses are eligible for semester hour credits and the local school superintendent, subject to approval by the Mississippi Department of Education, shall make the final decision on the transfer of college courses credited to the student's high school transcript.

SECTION 54. Section 37-16-3, Mississippi Code of 1972, is amended as follows:

37-16-3. (1) The State Department of Education is directed to implement a program of statewide assessment testing which shall provide for the improvement of the operation and management of the public schools. The statewide program shall be timed, as far as possible, so as not to conflict with ongoing district assessment programs. As part of the program, the department shall:

(a) Establish, with the approval of the State Board of Education, minimum performance standards related to the goals for education contained in the state's plan including, but not limited to, basic skills in reading, writing and mathematics. The minimum performance standards shall be approved by April 1 in each year they are established.

(b) Conduct a uniform statewide testing program in grades deemed appropriate in the public schools, including charter

schools, which shall include the administration of a career-readiness assessment, such as, but not limited to, the ACT WorkKeys Assessment, deemed appropriate by the Mississippi Department of Education working in coordination with the Office of Workforce Development, to any students electing to take the assessment. Each individual school district shall determine whether the assessment is administered in the tenth, eleventh or twelfth grade. The program may test skill areas, basic skills and high school course content.

(c) Monitor the results of the assessment program and, at any time the composite student performance of a school or basic program is found to be below the established minimum standards, notify the district superintendent or the governing board of the charter school, as the case may be, the school principal and the school advisory committee or other existing parent group of the situation within thirty (30) days of its determination. The department shall further provide technical assistance to a school district in the identification of the causes of this deficiency and shall recommend courses of action for its correction.

(d) Provide technical assistance to the school districts, when requested, in the development of student performance standards in addition to the established minimum statewide standards.

(e) Issue security procedure regulations providing for the security and integrity of the tests that are administered under the basic skills assessment program.

(f) In case of an allegation of a testing irregularity that prompts a need for an investigation by the Department of Education, the department may, in its discretion, take complete control of the statewide test administration in a school district or any part thereof, including, but not limited to, obtaining control of the test booklets and answer documents. In the case of any verified testing irregularity that jeopardized the security and integrity of the test(s), validity or the accuracy of the test results, the cost of the investigation and any other actual and necessary costs related to the investigation paid by the Department of Education shall be reimbursed by the local school district from funds other than federal funds, *** * *** <u>total funding formula</u> funds <u>provided in this act</u>, or any other state funds within six (6) months from the date of notice by the department to the school district to make reimbursement to the department.

(2) Uniform basic skills tests shall be completed by each student in the appropriate grade. These tests shall be administered in such a manner as to preserve the integrity and validity of the assessment. In the event of excused or unexcused student absences, make-up tests shall be given. The school superintendent of every school district in the state and the principal of each charter school shall annually certify to the

State Department of Education that each student enrolled in the appropriate grade has completed the required basic skills assessment test for his or her grade in a valid test administration.

(3) Within five (5) days of completing the administration of a statewide test, the principal of the school where the test was administered shall certify under oath to the State Department of Education that the statewide test was administered in strict accordance with the Requirements of the Mississippi Statewide Assessment System as adopted by the State Board of Education. The principal's sworn certification shall be set forth on a form developed and approved by the Department of Education. If, following the administration of a statewide test, the principal has reason to believe that the test was not administered in strict accordance with the Requirements of the Mississippi Statewide Assessment System as adopted by the State Board of Education, the principal shall submit a sworn certification to the Department of Education setting forth all information known or believed by the principal about all potential violations of the Requirements of the Mississippi Statewide Assessment System as adopted by the State Board of Education. The submission of false information or false certification to the Department of Education by any licensed educator may result in licensure disciplinary action pursuant to Section 37-3-2 and criminal prosecution pursuant to Section 37-16-4.

SECTION 55. Section 37-17-6, Mississippi Code of 1972, is amended as follows:

37-17-6. (1) The State Board of Education, acting through the Commission on School Accreditation, shall establish and implement a permanent performance-based accreditation system, and all noncharter public elementary and secondary schools shall be accredited under this system.

(2) *** * *** School districts shall be required to provide school classroom space that is air-conditioned as a minimum requirement for accreditation.

(3) (a) *** * *** The State Board of Education, acting through the Commission on School Accreditation, shall require that school districts employ certified school librarians according to the following formula:

Number of Students Per School Library	Number of Certified School Librarians
0 - 499 Students	1/2 Full-time Equivalent Certified Librarian
500 or More Students	1 Full-time Certified Librarian

(b) The State Board of Education, however, may increase the number of positions beyond the above requirements.

(c) The assignment of certified school librarians to the particular schools shall be at the discretion of the local school district. No individual shall be employed as a certified

school librarian without appropriate training and certification as a school librarian by the State Department of Education.

(d) School librarians in the district shall spend at least fifty percent (50%) of direct work time in a school library and shall devote no more than one-fourth (1/4) of the workday to administrative activities that are library related.

(e) Nothing in this subsection shall prohibit any school district from employing more certified school librarians than are provided for in this section.

(f) Any additional millage levied to fund school librarians required for accreditation under this subsection shall be included in the tax increase limitation set forth in Sections 37-57-105 and 37-57-107 and shall not be deemed a new program for purposes of the limitation.

(4) *** * *** [Deleted]

(5) (a) *** * *** The State Department of Education, acting through the Mississippi Commission on School Accreditation, shall *** * *** implement a single "A" through "F" school and school district accountability system complying with applicable federal and state requirements in order to reach the following educational goals:

(i) To mobilize resources and supplies to ensure that all students exit third grade reading on grade level *** * ***;

(ii) To reduce the student dropout rate to *** * *** ten percent (10%) by 2015; and

(iii) To have sixty percent (60%) of students scoring proficient and advanced on *** * *** assessments *** * ***.

(b) The State Department of Education shall combine the state school and school district accountability system with the federal system in order to have a single system.

(c) The State Department of Education shall establish five (5) performance categories ("A," "B," "C," "D" and "F") for the accountability system based on the following criteria:

(i) Student Achievement: the percent of students proficient and advanced on the current state assessments;

(ii) Individual student growth: the percent of students making one (1) year's progress in one (1) year's time on the state assessment, with an emphasis on the progress of the lowest twenty-five percent (25%) of students in the school or district;

(iii) Four-year graduation rate: the percent of students graduating with a standard high school diploma in four (4) years, as defined by federal regulations;

*** * ***

(*** * ***<u>iv</u>) The system shall include the federally compliant four-year graduation rate in school and school district accountability system calculations. Graduation rate will apply to high school and school district accountability ratings as a compensatory component. The system shall discontinue the use of the High School Completer Index (HSCI);

5013 (* * *v) The school and school district
5014 accountability system shall incorporate a standards-based growth
5015 model, in order to support improvement of individual student
5016 learning;
5017 * * *
5018 (* * *vi) The State Department of Education shall
5019 determine feeder patterns of schools that do not earn a school
5020 grade because the grades and subjects taught at the school do not
5021 have statewide standardized assessments needed to calculate a
5022 school grade. Upon determination of the feeder pattern, the
5023 department shall notify schools and school districts prior to the
5024 release of the school grades * * *. Feeder schools will be
5025 assigned the accountability designation of the school to which
5026 they provide students;
5027 (* * *vii) Standards for student, school and
5028 school district performance will be increased when student
5029 proficiency is at a seventy-five percent (75%) and/or when
5030 sixty-five percent (65%) of the schools and/or school districts
5031 are earning a grade of "B" or higher, in order to raise the
5032 standard on performance after targets are met; and
5033 (* * *viii) The system shall include student
5034 performance on the administration of a career-readiness
5035 assessment, such as, but not limited to, the ACT WorkKeys
5036 Assessment, deemed appropriate by the * * * State Department of

Education working in coordination with the Office of Workforce Development.

(6) Nothing in this section shall be deemed to require a nonpublic school that receives no local, state or federal funds for support to become accredited by the State Board of Education.

(7) The State Board of Education shall create an accreditation audit unit under the Commission on School Accreditation to determine whether schools are complying with accreditation standards.

(8) The State Board of Education shall be specifically authorized and empowered to withhold *** * *** allocations *** * *** <u>from the total funding formula funds as provided in this act</u> to any public school district for failure to timely report student, school personnel and fiscal data necessary to meet state and/or federal requirements.

(9) [Deleted]

(10) The State Board of Education shall establish, for those school districts failing to meet accreditation standards, a program of development to be complied with in order to receive state funds, except as otherwise provided in subsection (15) of this section when the Governor has declared a state of emergency in a school district or as otherwise provided in Section 206, Mississippi Constitution of 1890. The state board, in establishing these standards, shall provide for notice to schools and sufficient time and aid to enable schools to attempt to meet

these standards, unless procedures under subsection (15) of this section have been invoked.

(11) *** * *** The State Board of Education shall be charged with the implementation of the program of development in each applicable school district as follows:

(a) Develop an impairment report for each district failing to meet accreditation standards in conjunction with school district officials;

(b) Notify any applicable school district failing to meet accreditation standards that it is on probation until corrective actions are taken or until the deficiencies have been removed. The local school district shall develop a corrective action plan to improve its deficiencies. For district academic deficiencies, the corrective action plan for each such school district shall be based upon a complete analysis of the following: student test data, student grades, student attendance reports, student dropout data, existence and other relevant data. The corrective action plan shall describe the specific measures to be taken by the particular school district and school to improve: (i) instruction; (ii) curriculum; (iii) professional development; (iv) personnel and classroom organization; (v) student incentives for performance; (vi) process deficiencies; and (vii) reporting to the local school board, parents and the community. The corrective action plan shall describe the specific individuals responsible for implementing each component of the recommendation and how each

will be evaluated. All corrective action plans shall be provided to the State Board of Education as may be required. The decision of the State Board of Education establishing the probationary period of time shall be final;

(c) Offer, during the probationary period, technical assistance to the school district in making corrective actions. *** * *** Subject to *** * *** appropriations, the State Department of Education shall provide technical and/or financial assistance to all such school districts in order to implement each measure identified in that district's corrective action plan through professional development and on-site assistance. Each such school district shall apply for and utilize all available federal funding in order to support its corrective action plan in addition to state funds made available under this paragraph;

(d) Assign department personnel or contract, in its discretion, with the institutions of higher learning or other appropriate private entities with experience in the academic, finance and other operational functions of schools to assist school districts;

(e) Provide for publication of public notice at least one time during the probationary period, in a newspaper published within the jurisdiction of the school district failing to meet accreditation standards, or if no newspaper is published therein, then in a newspaper having a general circulation therein. The publication shall include the following: declaration of school

system's status as being on probation; all details relating to the impairment report; and other information as the State Board of Education deems appropriate. Public notices issued under this section shall be subject to Section 13-3-31 and not contrary to other laws regarding newspaper publication.

(12) (a) If the recommendations for corrective action are not taken by the local school district or if the deficiencies are not removed by the end of the probationary period, the Commission on School Accreditation shall conduct a hearing to allow the affected school district to present evidence or other reasons why its accreditation should not be withdrawn. Additionally, if the local school district violates accreditation standards that have been determined by the policies and procedures of the State Board of Education to be a basis for withdrawal of school district's accreditation without a probationary period, the Commission on School Accreditation shall conduct a hearing to allow the affected school district to present evidence or other reasons why its accreditation should not be withdrawn. After its consideration of the results of the hearing, the Commission on School Accreditation shall be authorized, with the approval of the State Board of Education, to withdraw the accreditation of a public school district, and issue a request to the Governor that a state of emergency be declared in that district.

(b) <u>(i)</u> If the State Board of Education and the Commission on School Accreditation determine that an extreme

5137 emergency situation exists in a school district that jeopardizes
5138 the safety, security or educational interests of the children
5139 enrolled in the schools in that district and that emergency
5140 situation is believed to be related to a serious violation or
5141 violations of accreditation standards or state or federal
5142 law, *** * *** the State Board of Education may request the Governor
5143 to declare a state of emergency in that school district. For
5144 purposes of this paragraph, the declarations of a state of
5145 emergency *** * *** district's impairments are related to a lack of
5146 financial *** * *** may include the school district's serious failure
5147 to meet minimum academic standards, as evidenced by a continued
5148 pattern of poor student performance, or impairments related to a
5149 lack of financial resources.
5150 (ii) If the State Board of Education determines
5151 that a public school or district in the state which, during each
5152 of two (2) consecutive school years or during two (2) of three (3)
5153 consecutive school years, receives an "F" designation by the State
5154 Board of Education under the accountability rating system or has
5155 been persistently failing as defined by the State Board of
5156 Education; or if the State Board of Education determines that a
5157 public school or district in the state which, during each of four
5158 (4) consecutive school years, receives a "D" or "F" designation by
5159 the State Board of Education under the accountability rating
5160 system or has been persistently failing as defined by the State
5161 Board of Education; or if more than fifty percent (50%) of the

5162 schools within a school district are designated as Schools-At-Risk
5163 in any one (1) year, then the board may place such school or
5164 district into a District of Transformation. The State Board of
5165 Education shall take over only the number of schools and districts
5166 for which it has the capacity to serve. The State Board of
5167 Education shall adopt rules and regulations governing any
5168 additional requirements for placement into a District of
5169 Transformation and the operation thereof. School districts or
5170 schools that are eligible to be placed into a District of
5171 Transformation due to poor academic performance but are not
5172 absorbed due to the capacity of the State Board of Education,
5173 shall develop and implement a district improvement plan with
5174 prescriptive guidance and support from the Mississippi Department
5175 of Education, with the goal of helping the district improve
5176 student achievement. Failure of the school board, superintendent
5177 and school district staff to implement the plan with fidelity and
5178 participate in the activities provided as support by the
5179 department shall result in the school district retaining its
5180 eligibility for placement into a District of Transformation.
5181 (iii) If the State Board of Education determined
5182 that a school district is impaired with a serious lack of
5183 financial resources, the State Board of Education may place the
5184 school district into a District of Transformation. If a school
5185 district is placed into a District of Transformation for financial
5186 reasons, the school district shall be required to reimburse the

5187 state for any costs incurred by the state on behalf of the school
5188 district.
5189 (c) Whenever the Governor declares a state of emergency
5190 in a school district in response to a request made under paragraph
5191 (a) or (b) of this subsection, or when the State Board of
5192 Education places a school district into a District of
5193 Transformation due to poor academic performance or financial
5194 reasons, the State Board of Education may take one or more of the
5195 following actions:
5196 (i) Declare a state of emergency, under which some
5197 or all of state funds can be escrowed except as otherwise provided
5198 in Section 206, Constitution of 1890, until the board determines
5199 corrective actions are being taken or the deficiencies have been
5200 removed, or that the needs of students warrant the release of
5201 funds. The funds may be released from escrow for any program
5202 which the board determines to have been restored to standard even
5203 though the state of emergency may not as yet be terminated for the
5204 district as a whole;
5205 (ii) Override any decision of the local school
5206 board or superintendent of education, or both, concerning the
5207 management and operation of the school district, or initiate and
5208 make decisions concerning the management and operation of the
5209 school district;
5210 (iii) Assign an interim superintendent, or in its
5211 discretion, contract with a private entity with experience in the

academic, finance and other operational functions of schools and school districts, who will have those powers and duties prescribed in subsection (15) of this section;

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

(v) For states of emergency declared under paragraph (a) only, if the accreditation deficiencies are related to the fact that the school district is too small, with too few resources, to meet the required standards and if another school district is willing to accept those students, abolish that district and assign that territory to another school district or districts. If the school district has proposed a voluntary consolidation with another school district or districts, then if the State Board of Education finds that it is in the best interest of the pupils of the district for the consolidation to proceed, the voluntary consolidation shall have priority over any such assignment of territory by the State Board of Education;

(vi) For *** * *** actions taken pursuant to paragraph (b) only, reduce local supplements paid to school district employees, including, but not limited to, instructional personnel, assistant teachers and extracurricular activities personnel, if the district's impairment is related to a lack of financial resources, but only to an extent that will result in the salaries

being comparable to districts similarly situated, as determined by the State Board of Education;

(vii) For *** * *** actions taken pursuant to paragraph (b) only, the State Board of Education may take any action as prescribed in Section 37-17-13.

(d) At the time that satisfactory corrective action has been taken in a school district in which a state of emergency has been declared, the State Board of Education may request the Governor to declare that the state of emergency no longer exists in the district.

(e) The parent or legal guardian of a school-age child who is enrolled in a school district whose accreditation has been withdrawn by the Commission on School Accreditation and without approval of that school district may file a petition in writing to a school district accredited by the Commission on School Accreditation for a legal transfer. The school district accredited by the Commission on School Accreditation may grant the transfer according to the procedures of Section 37-15-31(1)(b). In the event the accreditation of the student's home district is restored after a transfer has been approved, the student may continue to attend the transferee school district. The *** * *** per pupil amount of the total funding formula allotment for the student's home school district shall be transferred monthly to the school district accredited by the Commission on School

Accreditation that has granted the transfer of the school-age child.

(f) Upon the declaration of a state of emergency for any school district in which the Governor has previously declared a state of emergency, the State Board of Education may either:

(i) Place the school district into district transformation, in which the school district shall remain until it has fulfilled all conditions related to district transformation. If the district was assigned an accreditation rating of "D" or "F" when placed into district transformation, the district shall be eligible to return to local control when the school district has attained a "C" rating or higher for *** * *** <u>three (3)</u> consecutive years *** * ***;

(ii) Abolish the school district and administratively consolidate the school district with one or more existing school districts;

(iii) Reduce the size of the district and administratively consolidate parts of the district, as determined by the State Board of Education. However, no school district which is not in district transformation shall be required to accept additional territory over the objection of the district; or

(iv) Require the school district to develop and implement a district improvement plan with prescriptive guidance and support from the State Department of Education, with the goal of helping the district improve student achievement. Failure of

the school board, superintendent and school district staff to implement the plan with fidelity and participate in the activities provided as support by the department shall result in the school district retaining its eligibility for district transformation.

*** * ***

(13) Upon the declaration of a state of emergency in a school district under subsection (12) of this section, <u>or upon the State Board of Education's placement of a school district into a District of Transformation for academic or financial reasons,</u> the Commission on School Accreditation shall be responsible for public notice at least once a week for at least three (3) consecutive weeks in a newspaper published within the jurisdiction of the school district failing to meet accreditation standards, or if no newspaper is published therein, then in a newspaper having a general circulation therein. The size of the notice shall be no smaller than one-fourth (1/4) of a standard newspaper page and shall be printed in bold print. If an interim superintendent has been appointed for the school district, the notice shall begin as follows: "By authority of Section 37-17-6, Mississippi Code of 1972, as amended, adopted by the Mississippi Legislature during the 1991 Regular Session, this school district (name of school district) is hereby placed under the jurisdiction of the State Department of Education acting through its appointed interim superintendent (name of interim superintendent)."

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

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

(14) The State Board of Education or the Commission on School Accreditation shall have the authority to require school districts to produce the necessary reports, correspondence, financial statements, and any other documents and information necessary to fulfill the requirements of this section.

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

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

(i) Approving or disapproving all financial obligations of the district, including, but not limited to, the employment, termination, nonrenewal and reassignment of all licensed and nonlicensed personnel, contractual agreements and purchase orders, and approving or disapproving all claim dockets and the issuance of checks; in approving or disapproving employment contracts of superintendents, assistant superintendents or principals, the interim superintendent shall not be required to comply with the time limitations prescribed in Sections 37-9-15 and 37-9-105;

(ii) Supervising the day-to-day activities of the district's staff, including reassigning the duties and responsibilities of personnel in a manner which, in the

5359 determination of the interim superintendent, will best suit the
5360 needs of the district;
5361 (iii) Reviewing the district's total financial
5362 obligations and operations and making recommendations to the
5363 district for cost savings, including, but not limited to,
5364 reassigning the duties and responsibilities of staff;
5365 (iv) Attending all meetings of the district's
5366 school board and administrative staff;
5367 (v) Approving or disapproving all athletic, band
5368 and other extracurricular activities and any matters related to
5369 those activities;
5370 (vi) Maintaining a detailed account of
5371 recommendations made to the district and actions taken in response
5372 to those recommendations;
5373 (vii) Reporting periodically to the State Board of
5374 Education on the progress or lack of progress being made in the
5375 district to improve the district's impairments during the state of
5376 emergency; and
5377 (viii) Appointing a parent advisory committee,
5378 comprised of parents of students in the school district that may
5379 make recommendations to the interim superintendent concerning the
5380 administration, management and operation of the school district.
5381 The cost of the salary of the interim superintendent and any
5382 other actual and necessary costs related to district
5383 transformation status paid by the State Department of Education

shall be reimbursed by the local school district from funds other than * * * total funding formula funds as provided in this act. In the alternative, the local school district may pay the cost of the salary of the interim superintendent. The department shall submit an itemized statement to the superintendent of the local school district for reimbursement purposes, and any unpaid balance may be withheld from the district's * * * funding formula funds.

At the time that the Governor, in accordance with the request of the State Board of Education, declares that the state of emergency no longer exists in a school district, * * * the interim superintendent assigned to the district shall * * * remain in place for a period of two (2) years and shall work alongside the newly reconstituted school board. A new superintendent may be hired by the newly reconstituted board after the one (1) year state of emergency no longer exists, but he or she shall serve as deputy to the interim superintendent while the interim superintendent is assigned to the district.

(b) In order to provide loans to school districts under a state of emergency or in district transformation status that have impairments related to a lack of financial resources, the School District Emergency Assistance Fund is created as a special fund in the State Treasury into which monies may be transferred or appropriated by the Legislature from any available public education funds. Funds in the School District Emergency Assistance Fund up to a maximum balance of Three Million Dollars

($3,000,000.00) annually shall not lapse but shall be available for expenditure in subsequent years subject to approval of the State Board of Education. Any amount in the fund in excess of Three Million Dollars ($3,000,000.00) at the end of the fiscal year shall lapse into the State General Fund or the Education Enhancement Fund, depending on the source of the fund.

The State Board of Education may loan monies from the School District Emergency Assistance Fund to a school district that is under a state of emergency or in district transformation status, in those amounts, as determined by the board, that are necessary to correct the district's impairments related to a lack of financial resources. The loans shall be evidenced by an agreement between the school district and the State Board of Education and shall be repayable in principal, without necessity of interest, to the School District Emergency Assistance Fund by the school district from any allowable funds that are available. The total amount loaned to the district shall be due and payable within five (5) years after the impairments related to a lack of financial resources are corrected. If a school district fails to make payments on the loan in accordance with the terms of the agreement between the district and the State Board of Education, the State Department of Education, in accordance with rules and regulations established by the State Board of Education, may withhold that district's *** * *** <u>total funding formula</u> funds in an amount and manner that will effectuate repayment consistent with the terms of

the agreement; the funds withheld by the department shall be deposited into the School District Emergency Assistance Fund.

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

(16) *** * *** [Deleted]

(17) *** * *** [Deleted]

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

(19) *** * *** [Deleted]

(20) *** * *** [Deleted]

(21) If a local school district is determined as failing and placed into district transformation status for reasons authorized by the provisions of this section, the interim superintendent appointed to the district shall, within forty-five (45) days after being appointed, present a detailed and structured corrective action plan to move the local school district out of district transformation status to the deputy superintendent. A copy of the interim superintendent's corrective action plan shall also be filed with the State Board of Education.

SECTION 56. Section 37-19-7, Mississippi Code of 1972, is amended as follows:

37-19-7. (1) *** * *** Teachers' salaries in each public school district shall be determined and paid in accordance with the scale for teachers' salaries as provided in this subsection. For teachers holding the following types of licenses or the equivalent as determined by the State Board of Education, and the following number of years of teaching experience, the scale shall be as follows:

2022-2023 AND SUBSEQUENT SCHOOL YEARS MINIMUM SALARY SCHEDULE

Exp.	AAAA	AAA	AA	A
0	45,500.00	44,000.00	43,000.00	41,500.00
1	46,100.00	44,550.00	43,525.00	41,900.00
2	46,700.00	45,100.00	44,050.00	42,300.00
3	47,300.00	45,650.00	44,575.00	42,700.00

5484	4	47,900.00	46,200.00	45,100.00	43,100.00
5485	5	49,250.00	47,500.00	46,350.00	44,300.00
5486	6	49,850.00	48,050.00	46,875.00	44,700.00
5487	7	50,450.00	48,600.00	47,400.00	45,100.00
5488	8	51,050.00	49,150.00	47,925.00	45,500.00
5489	9	51,650.00	49,700.00	48,450.00	45,900.00
5490	10	53,000.00	51,000.00	49,700.00	47,100.00
5491	11	53,600.00	51,550.00	50,225.00	47,500.00
5492	12	54,200.00	52,100.00	50,750.00	47,900.00
5493	13	54,800.00	52,650.00	51,275.00	48,300.00
5494	14	55,400.00	53,200.00	51,800.00	48,700.00
5495	15	56,750.00	54,500.00	53,050.00	49,900.00
5496	16	57,350.00	55,050.00	53,575.00	50,300.00
5497	17	57,950.00	55,600.00	54,100.00	50,700.00
5498	18	58,550.00	56,150.00	54,625.00	51,100.00
5499	19	59,150.00	56,700.00	55,150.00	51,500.00
5500	20	60,500.00	58,000.00	56,400.00	52,700.00
5501	21	61,100.00	58,550.00	56,925.00	53,100.00
5502	22	61,700.00	59,100.00	57,450.00	53,500.00
5503	23	62,300.00	59,650.00	57,975.00	53,900.00
5504	24	62,900.00	60,200.00	58,500.00	54,300.00
5505	25	65,400.00	62,700.00	61,000.00	56,800.00
5506	26	66,000.00	63,250.00	61,525.00	57,200.00
5507	27	66,600.00	63,800.00	62,050.00	57,600.00
5508	28	67,200.00	64,350.00	62,575.00	58,000.00

29	67,800.00	64,900.00	63,100.00	58,400.00
30	68,400.00	65,450.00	63,625.00	58,800.00
31	69,000.00	66,000.00	64,150.00	59,200.00
32	69,600.00	66,550.00	64,675.00	59,600.00
33	70,200.00	67,100.00	65,200.00	60,000.00
34	70,800.00	67,650.00	65,725.00	60,400.00
35 & above	71,400.00	68,200.00	66,250.00	60,800.00

It is the intent of the Legislature that any state funds made available for salaries of licensed personnel in excess of the funds paid for such salaries for the 1986-1987 school year shall be paid to licensed personnel pursuant to a personnel appraisal and compensation system implemented by the State Board of Education. The State Board of Education shall have the authority to adopt and amend rules and regulations as are necessary to establish, administer and maintain the system.

All teachers employed on a full-time basis shall be paid a minimum salary in accordance with the above scale. However, no school district shall receive any funds under this section for any school year during which the local supplement paid to any individual teacher shall have been reduced to a sum less than that paid to that individual teacher for performing the same duties from local supplement during the immediately preceding school year. The amount actually spent for the purposes of group health and/or life insurance shall be considered as a part of the

aggregate amount of local supplement but shall not be considered a part of the amount of individual local supplement.

The level of professional training of each teacher to be used in establishing the salary *** * *** for the *** * *** teacher for each year shall be determined by the type of valid teacher's license issued to *** * *** that teacher on or before October 1 of the current school year. However, school districts are authorized, in their discretion, to negotiate the salary levels applicable to licensed employees who are receiving retirement benefits from the retirement system of another state *** * ***.

(2) (a) The following employees shall receive an annual salary supplement in the amount of Six Thousand Dollars ($6,000.00), plus fringe benefits, in addition to any other compensation to which the employee may be entitled:

(i) Any licensed teacher who has met the requirements and acquired a Master Teacher certificate from the National Board for Professional Teaching Standards and who is employed by a local school board or the State Board of Education as a teacher and not as an administrator. Such teacher shall submit documentation to the State Department of Education that the certificate was received prior to October 15 in order to be eligible for the full salary supplement in the current school year, or the teacher shall submit such documentation to the State Department of Education prior to February 15 in order to be

5558 eligible for a prorated salary supplement beginning with the
5559 second term of the school year.
5560 (ii) A licensed nurse who has met the requirements
5561 and acquired a certificate from the National Board for
5562 Certification of School Nurses, Inc., and who is employed by a
5563 local school board or the State Board of Education as a school
5564 nurse and not as an administrator. The licensed school nurse
5565 shall submit documentation to the State Department of Education
5566 that the certificate was received before October 15 in order to be
5567 eligible for the full salary supplement in the current school
5568 year, or the licensed school nurse shall submit the documentation
5569 to the State Department of Education before February 15 in order
5570 to be eligible for a prorated salary supplement beginning with the
5571 second term of the school year.
5572 (iii) Any licensed school counselor who has met
5573 the requirements and acquired a National Certified School
5574 Counselor (NCSC) endorsement from the National Board of Certified
5575 Counselors and who is employed by a local school board or the
5576 State Board of Education as a counselor and not as an
5577 administrator. Such licensed school counselor shall submit
5578 documentation to the State Department of Education that the
5579 endorsement was received prior to October 15 in order to be
5580 eligible for the full salary supplement in the current school
5581 year, or the licensed school counselor shall submit such
5582 documentation to the State Department of Education prior to

February 15 in order to be eligible for a prorated salary supplement beginning with the second term of the school year. However, any school counselor who started the National Board for Professional Teaching Standards process for school counselors between June 1, 2003, and June 30, 2004, and completes the requirements and acquires the Master Teacher certificate shall be entitled to the master teacher supplement, and those counselors who complete the process shall be entitled to a one-time reimbursement for the actual cost of the process as outlined in paragraph (b) of this subsection.

(iv) Any licensed speech-language pathologist and audiologist who has met the requirements and acquired a Certificate of Clinical Competence from the American Speech-Language-Hearing Association and any certified academic language therapist (CALT) who has met the certification requirements of the Academic Language Therapy Association and who is employed by a local school board. The licensed speech-language pathologist and audiologist and certified academic language therapist shall submit documentation to the State Department of Education that the certificate or endorsement was received before October 15 in order to be eligible for the full salary supplement in the current school year, or the licensed speech-language pathologist and audiologist and certified academic language therapist shall submit the documentation to the State Department of Education before February 15 in order to be eligible for a

prorated salary supplement beginning with the second term of the school year.

(v) Any licensed athletic trainer who has met the requirements and acquired Board Certification for the Athletic Trainer from the Board of Certification, Inc., and who is employed by a local school board or the State Board of Education as an athletic trainer and not as an administrator. The licensed athletic trainer shall submit documentation to the State Department of Education that the certificate was received before October 15 in order to be eligible for the full salary supplement in the current school year, or the licensed athletic trainer shall submit the documentation to the State Department of Education before February 15 in order to be eligible for a prorated salary supplement beginning with the second term of the school year.

(b) An employee shall be reimbursed for the actual cost of completing each component of acquiring the certificate or endorsement, excluding any costs incurred for postgraduate courses, not to exceed Five Hundred Dollars ($500.00) for each component, not to exceed four (4) components, for a teacher, school counselor or speech-language pathologist and audiologist, regardless of whether or not the process resulted in the award of the certificate or endorsement. A local school district or any private individual or entity may pay the cost of completing the process of acquiring the certificate or endorsement for any employee of the school district described under paragraph (a), and

the State Department of Education shall reimburse the school district for such cost, regardless of whether or not the process resulted in the award of the certificate or endorsement. If a private individual or entity has paid the cost of completing the process of acquiring the certificate or endorsement for an employee, the local school district may agree to directly reimburse the individual or entity for such cost on behalf of the employee.

(c) All salary supplements, fringe benefits and process reimbursement authorized under this subsection shall be paid directly by the State Department of Education to the local school district and shall be in addition to its *** * *** allotments <u>from the total funding formula provided in this act</u> and not a part thereof in accordance with regulations promulgated by the State Board of Education. Local school districts shall not reduce the local supplement paid to any employee receiving such salary supplement, and the employee shall receive any local supplement to which employees with similar training and experience otherwise are entitled. However, an educational employee shall receive the salary supplement in the amount of Six Thousand Dollars ($6,000.00) for only one (1) of the qualifying certifications authorized under paragraph (a) of this subsection. No school district shall provide more than one (1) annual salary supplement under the provisions of this subsection to any one (1) individual employee holding multiple qualifying national certifications.

5658 (d) If an employee for whom such cost has been paid, in
5659 full or in part, by a local school district or private individual
5660 or entity fails to complete the certification or endorsement
5661 process, the employee shall be liable to the school district or
5662 individual or entity for all amounts paid by the school district
5663 or individual or entity on behalf of that employee toward his or
5664 her certificate or endorsement.

5665 (3) The following employees shall receive an annual salary
5666 supplement in the amount of Four Thousand Dollars ($4,000.00),
5667 plus fringe benefits, in addition to any other compensation to
5668 which the employee may be entitled:

5669 Effective July 1, 2016, if funds are available for that
5670 purpose, any licensed teacher who has met the requirements and
5671 acquired a Master Teacher Certificate from the National Board for
5672 Professional Teaching Standards and who is employed in a public
5673 school district located in one (1) of the following counties:
5674 Claiborne, Adams, Jefferson, Wilkinson, Amite, Bolivar, Coahoma,
5675 Leflore, Quitman, Sharkey, Issaquena, Sunflower, Washington,
5676 Holmes, Yazoo and Tallahatchie. The salary supplement awarded
5677 under the provisions of this subsection (3) shall be in addition
5678 to the salary supplement awarded under the provisions of
5679 subsection (2) of this section.

5680 Teachers who meet the qualifications for a salary supplement
5681 under this subsection (3) who are assigned for less than one (1)
5682 full year or less than full time for the school year shall receive

the salary supplement in a prorated manner, with the portion of the teacher's assignment to the critical geographic area to be determined as of June 15th of the school year.

(4) (a) This subsection shall be known and may be cited as the "Mississippi Performance-Based Pay (MPBP)" plan. In addition to the minimum base pay described in this section, only *** * *** if funds are available for that purpose, the State of Mississippi may provide monies from state funds to school districts for the purposes of rewarding licensed teachers, administrators and nonlicensed personnel at individual schools showing improvement in student test scores. The MPBP plan shall be developed by the State Department of Education based on the following criteria:

(i) It is the express intent of this legislation that the MPBP plan shall utilize only existing standards of accreditation and assessment as established by the State Board of Education.

(ii) To ensure that all of Mississippi's teachers, administrators and nonlicensed personnel at all schools have equal access to the monies set aside in this section, the MPBP program shall be designed to calculate each school's performance as determined by the school's increase in scores from the prior school year. The MPBP program shall be based on a standardized scores rating where all levels of schools can be judged in a statistically fair and reasonable way upon implementation. At the end of each year, after all student achievement scores have been

standardized, the State Department of Education shall implement the MPBP plan.

(iii) To ensure all teachers cooperate in the spirit of teamwork, individual schools shall submit a plan to the local school district to be approved before the beginning of each school year *** * ***. The plan shall include, but not be limited to, how all teachers, regardless of subject area, and administrators will be responsible for improving student achievement for their individual school.

(b) The State Board of Education shall develop the processes and procedures for designating schools eligible to participate in the MPBP. State assessment results, growth in student achievement at individual schools and other measures deemed appropriate in designating successful student achievement shall be used in establishing MPBP criteria.

(5) (a) If funds are available for that purpose, each school in Mississippi shall have mentor teachers, as defined by Sections 37-9-201 through 37-9-213, who shall receive additional base compensation provided for by the State Legislature in the amount of One Thousand Dollars ($1,000.00) per each beginning teacher that is being mentored. The additional state compensation shall be limited to those mentor teachers that provide mentoring services to beginning teachers. For the purposes of such funding, a beginning teacher shall be defined as any teacher in any school in Mississippi that has less than one (1) year of classroom

experience teaching in a public school. For the purposes of such funding, no full-time academic teacher shall mentor more than two (2) beginning teachers.

(b) To be eligible for this state funding, the individual school must have a classroom management program approved by the local school board.

(6) Effective with the 2014-2015 school year, the school districts participating in the Pilot Performance-Based Compensation System pursuant to Section 37-19-9 may award additional teacher and administrator pay based thereon.

SECTION 57. Section 37-21-6, Mississippi Code of 1972, is amended as follows:

37-21-6. The Mississippi Early Childhood Education Program shall be the kindergarten program implemented by local school districts *** * ***.

SECTION 58. Section 37-21-7, Mississippi Code of 1972, is amended as follows:

37-21-7. (1) This section shall be referred to as the "Mississippi Elementary Schools Assistant Teacher Program," the purpose of which shall be to provide an early childhood education program that assists in the instruction of basic skills. The State Board of Education is authorized, empowered and directed to implement a statewide system of assistant teachers in kindergarten classes and in the first, second and third grades. The assistant

teacher shall assist pupils in actual instruction under the strict supervision of a licensed teacher.

(2) (a) Except as otherwise authorized under subsection (7), each school district shall employ the total number of assistant teachers funded under subsection (6) of this section. The superintendent of each district shall assign the assistant teachers to the kindergarten, first-, second- and third-grade classes in the district in a manner that will promote the maximum efficiency, as determined by the superintendent, in the instruction of skills such as verbal and linguistic skills, logical and mathematical skills, and social skills.

(b) If a licensed teacher to whom an assistant teacher has been assigned is required to be absent from the classroom, the assistant teacher may assume responsibility for the classroom in lieu of a substitute teacher. However, no assistant teacher shall assume sole responsibility of the classroom for more than three (3) consecutive school days. Further, in no event shall any assistant teacher be assigned to serve as a substitute teacher for any teacher other than the licensed teacher to whom that assistant teacher has been assigned.

(3) Assistant teachers shall have, at a minimum, a high school diploma or a High School Equivalency Diploma equivalent, and shall show demonstratable proficiency in reading and writing skills. The State Department of Education shall develop a testing

procedure for assistant teacher applicants to be used in all school districts in the state.

(4) (a) In order to receive funding, each school district shall:

(i) Submit a plan on the implementation of a reading improvement program to the State Department of Education; and

(ii) Develop a plan of educational accountability and assessment of performance, including pretests and posttests, for reading in Grades 1 through 6.

(b) Additionally, each school district shall:

(i) Provide annually a mandatory preservice orientation session, using an existing in-school service day, for administrators and teachers on the effective use of assistant teachers as part of a team in the classroom setting and on the role of assistant teachers, with emphasis on program goals;

(ii) Hold periodic workshops for administrators and teachers on the effective use and supervision of assistant teachers;

(iii) Provide training annually on specific instructional skills for assistant teachers;

(iv) Annually evaluate their program in accordance with their educational accountability and assessment of performance plan; and

(v) Designate the necessary personnel to supervise and report on their program.

(5) The State Department of Education shall:

(a) Develop and assist in the implementation of a statewide uniform training module, subject to the availability of funds specifically appropriated therefor by the Legislature, which shall be used in all school districts for training administrators, teachers and assistant teachers. The module shall provide for the consolidated training of each assistant teacher and teacher to whom the assistant teacher is assigned, working together as a team, and shall require further periodic training for administrators, teachers and assistant teachers regarding the role of assistant teachers;

(b) Annually evaluate the program on the district and state level. Subject to the availability of funds specifically appropriated therefor by the Legislature, the department shall develop: (i) uniform evaluation reports, to be performed by the principal or assistant principal, to collect data for the annual overall program evaluation conducted by the department; or (ii) a program evaluation model that, at a minimum, addresses process evaluation; and

(c) Promulgate rules, regulations and such other standards deemed necessary to effectuate the purposes of this section. Noncompliance with the provisions of this section and any rules, regulations or standards adopted by the department may

result in a violation of compulsory accreditation standards as established by the State Board of Education and the Commission on School Accreditation.

(6) *** * *** Each school district shall be allotted sufficient funding under the total funding formula provided in this act for the purpose of employing assistant teachers. No assistant teacher shall be paid less than the amount he or she received in the prior school year. No school district shall receive any funds under this section for any school year during which the aggregate amount of the local contribution to the salaries of assistant teachers by the district shall have been reduced below such amount for the previous year.

For assistant teachers, the minimum annual salary shall be as follows:

2022-2023 and Subsequent Years Minimum Salary.....$17,000.00

In addition, for each one percent (1%) that the Sine Die General Fund Revenue Estimate Growth exceeds five percent (5%) in fiscal year 2006, as certified by the Legislative Budget Office to the State Board of Education and subject to the specific appropriation therefor by the Legislature, the State Board of Education shall revise the salary scale in the appropriate year to provide an additional one percent (1%) across-the-board increase in the base salaries for assistant teachers. The State Board of Education shall revise the salaries prescribed above for assistant teachers to conform to any adjustments made in prior fiscal years

due to revenue growth over and above five percent (5%). The assistant teachers shall not be restricted to working only in the grades for which the funds were allotted, but may be assigned to other classes as provided in subsection (2)(a) of this section.

(7) (a) As an alternative to employing assistant teachers, any school district may use the *** * *** funding provided under subsection (6) of this section for the purpose of employing licensed teachers for kindergarten, first-, second- and third-grade classes; however, no school district shall be authorized to use the *** * *** funding for assistant teachers for the purpose of employing licensed teachers unless the district has established that the employment of licensed teachers using such funds will reduce the teacher:student ratio in the kindergarten, first-, second- and third-grade classes. All state funds for assistant teachers shall be applied to reducing teacher:student ratio in Grades K-3.

It is the intent of the Legislature that no school district shall dismiss any assistant teacher for the purpose of using the assistant teacher *** * *** funding to employ licensed teachers. School districts may rely only upon normal attrition to reduce the number of assistant teachers employed in that district.

(b) Districts meeting the highest levels of accreditation standards, as defined by the State Board of Education, shall be exempted from the provisions of subsection (4) of this section.

SECTION 59. Section 37-22-5, Mississippi Code of 1972, is amended as follows:

37-22-5. There is *** * *** created an Emergency Fund Loss Assistance Program to provide temporary grants to eligible school districts. The purpose of the program shall be to provide relief to school districts suffering losses of financial assistance under federal programs, such as the IMPACT Program, designed to serve the educational needs of children of government employees and Choctaw Indian children. Any school district which has sustained losses in direct payments from the federal government for the purpose of educating the children of federal government employees and Choctaw Indian children living on United States government owned reservation land shall be entitled to an Emergency Fund Loss Assistance Grant, in the amount of the reduction of the grant funds received from the federal government from prior years. This grant shall be limited to losses resulting from reductions in the level of federal funding allocated to school districts from prior years and not from reductions resulting from a loss of students served by the school districts. Losses incurred prior to July 1, 1987, shall not be considered for purposes of determining the amount of the grant. There is hereby established an Emergency Fund Loss Assistance Fund in the State Treasury which shall be used to distribute the emergency grants to school districts. Expenditures from this fund shall not exceed One Million Dollars ($1,000,000.00) in any fiscal year. If the total of all grant

entitlements from local school districts exceeds such sum, then the grants to the school districts shall be prorated accordingly.

*** * ***

SECTION 60. Section 37-23-1, Mississippi Code of 1972, is amended as follows:

37-23-1. The purpose of Sections 37-23-1 through 37-23-159 is to mandate free appropriate public educational services and equipment for exceptional children in the age range three (3) through twenty (20) for whom the regular school programs are not adequate and to provide, on a permissive basis, a free appropriate public education, as a part of the state's early intervention system in accordance with regulations developed in collaboration with the agency designated as "lead agency" under Part C of the Individuals with Disabilities Education Act. The portion of the regulations developed in collaboration with the lead agency which are necessary to implement the programs under the authority of the State Board of Education shall be presented to the State Board of Education for adoption. This specifically includes, but shall not be limited to, provision for day schools for the deaf and blind of an age under six (6) years, where early training is in accordance with the most advanced and best approved scientific methods of instruction, always taking into consideration the best interests of the child and his improvement at a time during which he is most susceptible of improvement. Educational programs to exceptional

children under the age of three (3) years shall be eligible for * * * total funding formula funds provided in this act.

All references in the laws of this state to the "Individuals with Disabilities Education Act" or to the "IDEA" shall be construed to include any subsequent amendments to that act.

The educational programs and services provided for exceptional children in Sections 37-23-1 through 37-23-15, 37-23-31 through 37-23-35, 37-23-61 through 37-23-75 and 37-23-77 shall be designed to provide individualized appropriate special education and related services that enable a child to reach his or her appropriate and uniquely designed goals for success. The State Board of Education shall establish an accountability system for special education programs and students with disabilities. The system shall establish accountability standards for services provided to improve the educational skills designed to prepare children for life after their years in school. These standards shall be a part of the accreditation system and shall be implemented before July 1, 1996.

The State Department of Education shall establish goals for the performance of children with disabilities that will promote the purpose of IDEA and are consistent, to the maximum extent appropriate, with other goals and standards for children established by the State Department of Education. Performance indicators used to assess progress toward achieving those goals that, at a minimum, address the performance of children with

disabilities on assessments, drop-out rates, and graduation rates shall be developed. Every two (2) years, the progress toward meeting the established performance goals shall be reported to the public.

SECTION 61. Section 37-23-15, Mississippi Code of 1972, is amended as follows:

37-23-15. (1) The State Department of Education, in accordance with Sections 37-23-1 through 37-23-75, and any additional authority granted in this chapter, shall:

(a) Adopt pilot programs under which certain students enrolled or enrolling in public schools in this state shall be tested for dyslexia and related disorders as may be necessary. The pilot programs shall provide that upon the request of a parent, student, school nurse, classroom teacher or other school personnel who has reason to believe that a student has a need to be tested for dyslexia, such student shall be reviewed for appropriate services. However, a student shall not be tested for dyslexia whose parent or guardian objects thereto on grounds that such testing conflicts with his conscientiously held religious beliefs.

(b) In accordance with the pilot programs adopted by the State Department of Education, such school boards shall provide remediation in an appropriate multi-sensory, systematic language-based regular education program or programs, as determined by the school district, such as the Texas Scottish Rite

Hospital Dyslexia Training Program, pertinent to the child's physical and educational disorders or the sensory area in need of remediation for those students who do not qualify for special education services.

(c) The State Department of Education, by not later than January 1, 1997, shall make recommendations to the school boards designated for the pilot programs for the delivery of services to students who are identified as dyslexic.

(d) For the purposes of this section:

(i) "Dyslexia" means a language processing disorder which may be manifested by difficulty processing expressive or receptive, oral or written language despite adequate intelligence, educational exposure and cultural opportunity. Specific manifestations may occur in one or more areas, including difficulty with the alphabet, reading comprehension, writing and spelling.

(ii) "Related disorders" shall include disorders similar to or related to dyslexia such as developmental auditory imperception, dysphasia, specific developmental dyslexia, dyspraxia, developmental dysgraphia and developmental spelling disability.

(e) Local school districts designated for the pilot programs may utilize any source of funds other than *** * *** <u>the total funding formula</u> funds <u>provided in this act</u> to provide any services under this section.

6004 (f) Nothing in this section shall be construed to
6005 require any school district to implement this section unless the
6006 local school board, by resolution spread on its minutes,
6007 voluntarily agrees to comply with this section and any regulations
6008 promulgated under this section. Any local school board may
6009 withdraw from participation in the program authorized under this
6010 section by providing written notice of its determination to
6011 withdraw to the State Department of Education no later than June 1
6012 of the preceding fiscal year.
6013 (2) State funding for the pilot programs for testing
6014 students for dyslexia shall be subject to the availability of
6015 funds specifically appropriated therefor by the Legislature.
6016 *** * ***
6017 **SECTION 62.** Section 37-23-69, Mississippi Code of 1972, is
6018 amended as follows:
6019 37-23-69. The State Department of Education may determine
6020 and pay the amount of the financial assistance to be made
6021 available to each applicant, and see that all applicants and the
6022 programs for them meet the requirements of the program for
6023 exceptional children. No financial assistance shall exceed the
6024 obligation actually incurred by the applicant for educational
6025 costs, which shall include special education and related services
6026 as defined by the Mississippi Department of Education Policies and
6027 Procedures Regarding Children with Disabilities under the federal
6028 Individuals with Disabilities Education Act (IDEA). Within the

amount of available state funds * * * for that purpose, each such applicant may receive assistance according to the following allowances:

(a) If the applicant chooses to attend a private school, a parochial school or a speech, hearing and/or language clinic having an appropriate program for the applicant, and if the school or clinic meets federal and state regulations, then the educational costs reimbursement will be one hundred percent (100%) of the first Six Hundred Dollars ($600.00) in educational costs charged by the school or clinic; or, if the applicant is under six (6) years of age, and no program appropriate for the child exists in the public schools of his domicile, then the reimbursement shall be one hundred percent (100%) of the first Six Hundred Dollars ($600.00) in educational costs charged by the school or clinic, and fifty percent (50%) of the next Eight Hundred Dollars ($800.00) in educational costs charged by the school or clinic;

(b) A public school district shall be reimbursed for the educational costs of an applicant up to an annual maximum based on a * * * cost factor * * * determined by the State Board of Education if the following conditions are met: (i) an applicant in the age range six (6) through twenty (20) requests the public school district where he resides to provide an education for him and the nature of the applicant's educational problem is such that, according to best educational practices, it cannot be met in the public school district where the child

resides; (ii) the public school district decides to provide the applicant a free appropriate education by placing him in a private school, a parochial school or a speech, hearing and/or language clinic having an appropriate program for the applicant; (iii) the program meets federal and state regulations; and (iv) the applicant is approved for financial assistance by a State Level Review Board established by the State Board of Education. The Review Board will act on financial assistance requests within five (5) working days of receipt. Nothing in this paragraph shall prevent two (2) or more public school districts from forming a cooperative to meet the needs of low incidence exceptional children, nor shall the public school be relieved of its responsibility to provide an education for all children. If state monies are not sufficient to fund all applicants, there will be a ratable reduction for all recipients receiving state funds under this section. School districts may pay additional educational costs from available federal, state and local funds.

If an exceptional child, as defined in Section 37-23-3, is placed in a therapeutic or other group home licensed or approved by the state that has no educational program associated with it, the local school district in which the home is located shall offer an appropriate educational program to that child.

At any time that the Individualized Education Program (IEP) Committee in the district where the home is located determines that an exceptional child, as defined in Section 37-23-3, residing

in that home can no longer be provided a free appropriate public education in that school district, and the State Department of Education agrees with that decision, then the State Department of Education shall recommend to the Department of Human Services placement of the child by the Department of Human Services, which shall take appropriate action. The placement of the exceptional child in the facility shall be at no cost to the local school district. Funds available under Sections 37-23-61 through 37-23-77, as well as any available federal funds, may be used to provide the educational costs of the placement. If the exceptional child is under the guardianship of the Department of Human Services or another state agency, the State Department of Education shall pay only for the educational costs of that placement, and the other agency shall be responsible for the room, board and any other costs. The special education and related services provided to the child shall be in compliance with State Department of Education and any related federal regulations. The State Board of Education may promulgate regulations that are necessary to implement this section; and

(c) If an appropriate local or regional system of care, including a free appropriate public education, is available for exceptional children who are currently being served in out-of-district or Department of Human Services placements under *** * *** <u>paragraph (b) of this section</u> or <u>Section</u> 37-23-77, then the state funds from the State Department of Education that

would have been used for those placements may be paid into a pool of funds with funds from other state agencies to be used for the implementation of the individualized plans of care for those children. If there are sufficient funds to serve additional exceptional children because of cost savings as a result of serving these students at home and/or matching the pooled funds with federal dollars, the funds may be used to implement individualized plans of care for those additional exceptional children. Each local or regional provider of services included in the individualized plans of care shall comply with all appropriate state and federal regulations. The State Board of Education may promulgate regulations that are necessary to implement this section.

The State Department of Education may also provide for the payment of that financial assistance in installments and for proration of that financial assistance in the case of children attending a school or clinic for less than a full school session and, if available funds are insufficient, may allocate the available funds among the qualified applicants and local school districts by reducing the maximum assistance provided for in this section.

Any monies provided an applicant under Sections 37-23-61 through 37-23-75 shall be applied by the receiving educational institution as a reduction in the amount of the educational costs paid by the applicant, and the total educational costs paid by the

applicant shall not exceed the total educational costs paid by any other child in similar circumstances enrolled in the same program in that institution. However, this limitation shall not prohibit the waiving of all or part of the educational costs for a limited number of children based upon demonstrated financial need, and the State Department of Education may adopt and enforce reasonable rules and regulations to carry out the intent of these provisions.

SECTION 63. Section 37-23-109, Mississippi Code of 1972, is amended as follows:

37-23-109. Any child development center created under the provisions of Sections 37-23-91 through 37-23-111 shall be entitled to receive all contributions and benefits allowed to the other school districts from the federal and state governments including, but not limited to, contributions on the basis of the *** * *** net enrollment per child, school textbooks and school lunch program.

SECTION 64. Section 37-23-179, Mississippi Code of 1972, is amended as follows:

37-23-179. (1) The board shall specifically promulgate rules, regulations and guidelines which establish model programs of gifted education and also establish minimum criteria for gifted education programs. In providing programs of gifted education, the local district may use the model programs prepared by the board or may itself develop programs of gifted education which, prior to being implemented, shall be approved by the board,

provided, that no such plan or program shall be approved or continued unless it meets the minimum criteria established by the board.

(2) There is hereby created within the department an office for gifted education which shall be staffed by such professional, support and clerical personnel as may be necessary to implement the provisions of Sections 37-23-171 through 37-23-181.

(3) All local school districts may have programs of gifted education for intellectually, creatively and/or artistically gifted students in Grades 2 through 12 and for academically gifted students in Grades 9 through 12 approved by the board. Beginning with the 1993-1994 school year, all local school districts shall have programs of gifted education for intellectually gifted students in Grade 2, subject to the approval of the State Board of Education and the availability of funds appropriated therefor by line-item. Beginning with the 1994-1995 school year, all local school districts shall have programs of gifted education for intellectually gifted students in Grades 2 and 3, subject to the approval of the State Board of Education. Beginning with the 1995-1996 school year, all local school districts shall have programs of gifted education for intellectually gifted students in Grades 2, 3 and 4 subject to the approval of the State Board of Education. Beginning with the 1996-1997 school year, all local school districts shall have programs of gifted education for intellectually gifted students in Grades 2, 3, 4 and 5, subject to

the approval of the State Board of Education. Beginning with the 1997-1998 school year, all local school districts shall have programs of gifted education for intellectually gifted students in Grades 2, 3, 4, 5 and 6, subject to the approval of the State Board of Education. *** * *** Each local school district shall include as a part of its five-year plan a description of any proposed gifted education programs of the district. *** * ***

SECTION 65. Section 37-27-55, Mississippi Code of 1972, is amended as follows:

37-27-55. When any pupils shall attend any agricultural high school or community or junior college under the provisions of Section 37-27-51, such pupils shall be reported and accounted for the allocation of *** * *** total funding formula funds provided in this act and building funds just as though such pupils were attending the regular schools of the district in which they reside. For this purpose reports shall be made to the board of trustees of the school district involved by the agricultural high school or community or junior college of the number of children in *** * *** net enrollment, and the *** * *** net enrollment of such pupils shall thereupon be included in reports made to the county or school district *** * ***. The allocation of *** * *** total funding formula funds and state public school building funds shall be made for such children just as though such children were attending the regular schools of the district. However, all *** * *** total funding formula funds which accrue to any district as a result of the

pupils who are in attendance at such agricultural high school or community or junior college *** * *** shall be paid by the board of trustees of the municipal separate school district or the county board of education, as the case may be, to the agricultural high school or community or junior college at which the pupils are in attendance, and shall be expended by said agricultural high school or community or junior college for the instruction of said pupils *** * ***. Funds allotted to the school district for building purposes under Chapter 47 of this title, shall, however, be retained by the school district entitled thereto. The term "school district" as used in Sections 37-27-51 through 37-27-59 shall be defined as including all public school districts in this state and also all agricultural high schools not located on the campus of a community or junior college.

SECTION 66. Section 37-27-57, Mississippi Code of 1972, is amended as follows:

37-27-57. Any additional or supplemental expenses incurred by the agricultural high school or community or junior college in the instruction of such pupils above that defrayed by *** * *** total funding formula funds as provided in Section 37-27-55, shall be paid either from the amounts received from the state appropriation for the support of agricultural high schools or from the tax levy for the support of such agricultural high school or community or junior college or from any other funds which such agricultural

high school or community or junior college may have available for such purpose.

SECTION 67. Section 37-28-5, Mississippi Code of 1972, is amended as follows:

37-28-5. As used in this chapter, the following words and phrases have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Applicant" means any person or group that develops and submits an application for a charter school to the authorizer.

(b) "Application" means a proposal from an applicant to the authorizer to enter into a charter contract whereby the proposed school obtains charter school status.

(c) "Authorizer" means the Mississippi Charter School Authorizer Board established under Section 37-28-7 to review applications, decide whether to approve or reject applications, enter into charter contracts with applicants, oversee charter schools, and decide whether to renew, not renew, or revoke charter contracts.

(d) "Charter contract" means a fixed-term, renewable contract between a charter school and the authorizer which outlines the roles, powers, responsibilities and performance expectations for each party to the contract.

(e) "Charter school" means a public school that is established and operating under the terms of charter contract between the school's governing board and the authorizer. The term

6253 "charter school" includes a conversion charter school and start-up
6254 charter school.
6255 (f) "Conversion charter school" means a charter school
6256 that existed as a noncharter public school before becoming a
6257 charter school.
6258 (g) "Education service provider" means a charter
6259 management organization, school design provider or any other
6260 partner entity with which a charter school intends to contract for
6261 educational design, implementation or comprehensive management.
6262 (h) "Governing board" means the independent board of a
6263 charter school which is party to the charter contract with the
6264 authorizer and whose members have been elected or selected
6265 pursuant to the school's application.
6266 (i) "Noncharter public school" means a public school
6267 that is under the direct management, governance and control of a
6268 school board or the state.
6269 (j) "Parent" means a parent, guardian or other person
6270 or entity having legal custody of a child.
6271 (k) "School board" means a school board exercising
6272 management and control over a local school district and the
6273 schools of that district pursuant to the State Constitution and
6274 state statutes.
6275 (l) "School district" means a governmental entity that
6276 establishes and supervises one or more public schools within its
6277 geographical limits pursuant to state statutes.

(m) "Start-up charter school" means a charter school that did not exist as a noncharter public school before becoming a charter school.

(n) "Student" means any child who is eligible for attendance in a public school in the state.

(o) "Underserved students" means students *** * *** qualifying as low-income or qualifying for a special education program under Section 37-151-201.

SECTION 68. Section 37-28-53, Mississippi Code of 1972, is amended as follows:

37-28-53. (1) Each charter school shall certify annually to the State Department of Education its student enrollment, *** * *** net enrollment and student participation in *** * *** federal programs *** * *.**

(2) Each charter school shall certify annually to the school board of the school district in which the charter school is located the number of enrolled charter school students residing in the school district.

SECTION 69. Section 37-28-55, Mississippi Code of 1972, is amended as follows:

37-28-55. (1) (a) The State Department of Education shall make payments to charter schools for each student in *** * *** net enrollment at the charter school, as determined under Section 37-151-207, equal to the state share of *** * *** total funding

formula payments for each student * * *, as determined under Section 37-151-211.

(b) Payments made pursuant to this subsection by the State Department of Education must be made at the same time and in the same manner as * * * total funding formula payments are made to school districts under Sections 37-151-101 and 37-151-103. Amounts payable to a charter school must be determined by the State Department of Education pursuant to this section and the total funding formula. * * * Enrollment projections made under Section 37-151-207 to determine the net enrollment of a charter school for calculating the state share payment must be reconciled with * * * a charter school's * * * net enrollment using months two (2) and three (3) * * * for the * * * year for which * * * total funding formula funds are being appropriated, and any necessary adjustments must be made to payments during the school's following year of operation. Any necessary adjustment must be based on the state share of the per pupil amount in effect for the year for which net membership did not meet enrollment projections and not any new amount appropriated for the year in which the adjustment will be made. If a charter school is closed by the authorizer before the following year, it must pay to the state any amounts due before completion of the closure.

(2) (a) For students attending a charter school located in the school district in which the student resides, the school district in which * * * the charter school is located shall pay

directly to the charter school an amount * * * as follows: the sum of the local pro rata amount, as calculated by the State Department of Education in accordance with Section 37-151-211(2)(b) (local contribution), and the local pro rata amount, as calculated by the State Department of Education in accordance with Section 37-57-105 (school district operational levy), multiplied by the number of resident students enrolled in the charter school, based on the charter school's months two (2) and three (3) net enrollment of resident students for the current school year. However, the amount to the charter school may not include any taxes levied for the retirement of the local school district's bonded indebtedness or short-term notes or any taxes levied for the support of vocational-technical education programs. * * *

(b) The amount must be paid by the school district to the charter school before January 16 of the current fiscal year. If the local school district does not pay the required amount to the charter school before January 16, the State Department of Education shall reduce the local school district's January transfer of * * * total funding formula funds by the amount owed to the charter school and shall redirect that amount to the charter school. Any such payments made under this * * * paragraph by the State Department of Education to a charter school must be made at the same time and in the same manner as * * * total

funding formula payments are made to school districts under Sections 37-151-101 and 37-151-103.

(3) (a) For students attending a charter school located in a school district in which the student does not reside, the State Department of Education shall pay to the charter school in which the students *** * *** are enrolled an amount as follows: the sum of the local pro rata amount, as calculated by the State Department of Education in accordance with Section 37-151-211(2)(b) (local contribution), and the local pro rata amount, as calculated by the State Department of Education in accordance with Section 37-57-105 (school district operational levy), multiplied by the number of students enrolled in the charter school but residing in that district, based on the charter school's months two (2) and three (3) net enrollment of these students for the current school year. However, the amount to the charter school may not include *** * *** any taxes levied for the retirement of the local school district's bonded indebtedness or short-term notes or any taxes levied for the support of vocational-technical education programs.

(b) *** * *** The State Department of Education shall reduce the school district's January transfer of *** * *** total funding formula funds by the amount owed to the charter school and shall redirect that amount to the charter school. Any such payments made under this subsection (3) by the State Department of Education to a charter school must be made at the same time and in

the same manner as * * * total funding formula payments are made to school districts under Sections 37-151-101 and 37-151-103.

(4) (a) The State Department of Education shall direct the proportionate share of monies generated under federal * * * programs, including, but not limited to, special education, vocational, * * * English Language Learner, and other programs, to charter schools serving students eligible for such * * * funding. The department shall ensure that charter schools with rapidly expanding enrollments are treated equitably in the calculation and disbursement of all federal * * * program dollars. Each charter school that serves students who may be eligible to receive services provided through such programs shall comply with all reporting requirements to receive the aid.

(b) A charter school shall pay to a local school district any federal or state aid attributable to a student with a disability attending the charter school in proportion to the level of services for that student which the local school district provides directly or indirectly.

(c) Subject to the approval of the authorizer, a charter school and a local school district may negotiate and enter into a contract for the provision of and payment for special education services, including, but not necessarily limited to, a reasonable reserve not to exceed five percent (5%) of the local school district's total budget for providing special education services. The reserve may be used by the local school district

only to offset excess costs of providing services to students with disabilities enrolled in the charter school.

(5) (a) The State Department of Education shall disburse state transportation funding to a charter school on the same basis and in the same manner as it is paid to school districts *** * ***.

(b) A charter school may enter into a contract with a school district or private provider to provide transportation to the school's students.

(6) The State Department of Education shall disburse Education Enhancement Funds for classroom supplies, instructional materials and equipment, including computers and computer software to all eligible charter school teachers on the same basis and in the same manner as it is paid to school districts under Section 37-61-33(3)(a)(iii) for the purpose of issuing procurement cards or credentials for a digital solution to eligible teachers.

SECTION 70. Section 37-29-1, Mississippi Code of 1972, is amended as follows:

37-29-1. (1) The creation, establishment, maintenance and operation of community colleges is authorized. Community colleges may admit students if they have earned one (1) unit less than the number of units required for high school graduation established by State Board of Education policy or have earned a High School Equivalency Diploma in courses correlated to those of senior colleges or professional schools. Subject to the provisions of Section 75-76-34, they shall offer, without limitation, education

and training preparatory for occupations such as agriculture, industry of all kinds, business, homemaking and for other occupations on the semiprofessional and vocational-technical level. They may offer courses and services to students regardless of their previous educational attainment or further academic plans.

(2) The boards of trustees of the community college districts are authorized to establish an early admission program under which applicants having a minimum ACT composite score of twenty-six (26) or the equivalent SAT score may be admitted as full-time college students if the principal or guidance counselor of the student recommends in writing that it is in the best educational interest of the student. Such recommendation shall also state that the student's age will not keep him from being a successful full-time college student. Students admitted in the early admission program shall not be counted for *** * *** total funding formula purposes in the *** * *** net enrollment of the school district in which they reside, and transportation required by a student to participate in the early admission program shall be the responsibility of the parents or legal guardians of the student. Grades and college credits earned by students admitted to the early admission program shall be recorded on the college transcript at the community college where the student attends classes, and may be released to another institution or used for

college graduation requirements only after the student has successfully completed one (1) full semester of course work.

(3) The community colleges shall provide, through courses or other acceptable educational measures, the general education necessary to individuals and groups which will tend to make them capable of living satisfactory lives consistent with the ideals of a democratic society.

SECTION 71. Section 37-29-272, Mississippi Code of 1972, is amended as follows:

37-29-272. The board of trustees of any community college district in the state maintaining and operating an agricultural high school on July 1, 1994, is hereby authorized to transfer the control, maintenance and operation of said agricultural high school, including the transfer of title to all real and personal property used for agricultural high school purposes, to the county board of education of the county in which the school is located. Upon the acceptance by the county board of education and before an order authorizing such transfer shall be entered, the board of trustees of the community college district and the county board of education in which such school is located shall by joint resolution agree in writing on the terms of such transfer, the extent of the rights of use and occupancy of the school and grounds, and the control, management, preservation and responsibility of transportation of students to such premises, to be spread upon the minutes of each governing authority. Upon such

transfer, the county board of education may abolish the agricultural high school as a distinct school, and merge its activities, programs and students into the regular high school curricula of the school district. When a community college has transferred operation of an agricultural high school as provided herein, the pupils attending such school shall be reported, accounted for allocation of *** * *** total funding formula funds and entitled to school transportation as though such pupils were attending the schools of the school district in which they reside, as provided in Sections 37-27-53 and 37-27-55 *** * *.** When any agricultural high school is transferred by the board of trustees of a community college to the county board of education as provided in this section, all laws relating to agricultural high school tax levies for the support or retirement of bonded indebtedness for agricultural high schools shall continue in full force and effect for the transferring community college district until current obligations on all bonded indebtednesses related to agriculture high schools have been satisfied and retired.

SECTION 72. Section 37-29-303, Mississippi Code of 1972, is amended as follows:

37-29-303. As used in Sections 37-29-301 through 37-29-305, the following terms shall be defined as provided in this section:

(a) "Full-time equivalent (FTE) enrollment" means the process by which the Southern Regional Education Board (SREB) calculates FTE by taking total undergraduate semester credit hours

divided by thirty (30); total undergraduate quarter hours divided by forty-five (45); total graduate semester credit hours divided by twenty-four (24); and total graduate quarter hours divided by thirty-six (36).

(b) "State funds" means all funds appropriated by the Legislature including funds from the State General Fund, Education Enhancement Fund, Budget Contingency Fund and Health Care Expendable Fund.

(c) "E & G operations" means education and general expenses of the colleges and universities.

(d) *** * *** "Net enrollment" has the same meaning as ascribed to that term under Section 37-151-201.

SECTION 73. Section 37-31-13, Mississippi Code of 1972, is amended as follows:

37-31-13. (1) Any appropriation that may be made under the provisions of Sections 37-31-1 through 37-31-15 shall be used by the board for the promotion of vocational education as provided for in the "Smith-Hughes Act" and for the purpose set forth in Sections 37-31-1 through 37-31-15. The state appropriation shall not be used for payments to high schools which are now receiving other state funds, except in lieu of not more than one-half (1/2) the amount that may be due such high schools from federal funds. Only such portion of the state appropriation shall be used as may be absolutely necessary to carry out the provisions of Sections 37-31-1 through 37-31-15, and to meet the federal requirements.

Except as provided in subsection (2) of this section, the state appropriation shall not be used for payments to high schools for conducting vocational programs for more than ten (10) months in any school year, and only funds other than *** * *** total funding formula funds may be expended for such purpose.

(2) Subject to annual approval by the State Board of Education, extended contracts for vocational agriculture education services and other related vocational education services which contribute to economic development may be conducted by local school districts, and state appropriations may be used for payments to school districts providing such services. The board of trustees of each school district shall determine whether any proposed services contribute to the economic development of the area. Local districts may apply to the Division of Vocational and Technical Education of the State Department of Education for any state funds available for these extended contracts. The State Board of Education shall establish the application process and the selection criteria for this program. The number of state funded extended contracts approved by the State Board of Education will be determined by the availability of funds specified for this purpose. The State Board of Education's decision shall be final. Payments under this subsection shall only be available to those high schools whose teachers of vocational programs are responsible for the following programs of instruction during those months between the academic years: (a) supervision and instruction of

students in agricultural or other vocational experience programs; (b) group and individual instruction of farmers and agribusinessmen; (c) supervision of student members of youth groups who are involved in leadership training or other activity required by state or federal law; or (d) any program of vocational agriculture or other vocational-related services established by the Division of Vocational and Technical Education of the State Department of Education that contribute to the economic development of the geographic area.

SECTION 74. Section 37-31-75, Mississippi Code of 1972, is amended as follows:

37-31-75. The various counties, municipalities, school districts and community and junior college districts which may become parties to any agreement authorized by Sections 37-31-71 through 37-31-79 are authorized to appropriate and expend any and all funds which may be required to carry out the terms of the agreement from any funds available to any party to the agreement not otherwise appropriated without limitation as to the source of the funds, including *** * *** total funding formula funds, sixteenth section funds, funds received from the federal government or other sources by way of grant, donation or otherwise, and funds which may be available to any such party through the State Department of Education or any other agency of the state, regardless of the party to the agreement designated by the agreement to be primarily responsible for the construction or operation of the regional

education center and regardless of the limitation on the expenditure of any funds imposed by any other statute. However, no funds whose use was originally limited to the construction of capital improvements shall be utilized for the purpose of defraying the administrative or operating costs of any regional education center. Any one or more of the parties to an agreement may be designated as the fiscal agent or contracting party in carrying out any of the purposes of the agreement, and any and all funds authorized to be spent by any of the parties may be paid over to the fiscal agent or contracting party for disbursement by the fiscal agent or contracting party. Disbursements shall be made and contracted for under the laws and regulations applicable to the fiscal or disbursing agent, except to the extent they may be extended or modified by the provisions of Sections 37-31-71 through 37-31-79. All of the parties to the agreement may issue bonds, negotiable notes or other evidences of indebtedness for the purpose of providing funds for the acquisition of land and for the construction of buildings and permanent improvements under the terms of the agreement under any existing laws authorizing the issuance or sale of bonds, negotiable notes or other evidences of indebtedness to provide funds for any capital improvement.

SECTION 75. Section 37-35-3, Mississippi Code of 1972, is amended as follows:

37-35-3. (1) The board of trustees of any school district, including any community <u>or</u> junior college, may establish and

maintain classes for adults, including general educational development classes, under the regulations authorized in this chapter and pursuant to the standards prescribed in subsection (3). The property and facilities of the public school districts may be used for this purpose where such use does not conflict with uses already established.

(2) The trustees of any school district desiring to establish such program may request the taxing authority of the district to levy additional ad valorem taxes for the support of this program. The board of supervisors, in the case of a county school district, a special municipal separate school district, or a community or junior college district, and the governing authority of any municipality, in the case of a municipal separate school district, is authorized, in its discretion, to levy a tax not exceeding one (1) mill upon all the taxable property of the district for the support of this program. The tax shall be in addition to all other taxes authorized by law to be levied. In addition to the funds realized from any such levy, the board of trustees of any school district is authorized to use any surplus funds that it may have or that may be made available to it from local sources to supplement this program.

(3) (a) Any student participating in an approved High School Equivalency Diploma Option program administered by a local school district or a local school district with an approved contractual agreement with a community or junior college or other

local entity shall not be considered a dropout. Students in such a program administered by a local school district shall be considered as enrolled within the school district of origin for the purpose of enrollment for * * * total funding formula funds only. Such students shall not be considered as enrolled in the regular school program for academic or programmatic purposes.

(b) Students participating in an approved High School Equivalency Diploma Option program shall have an individual career plan developed at the time of placement to insure that the student's academic and job skill needs will be met. The Individual Career Plan will address, but is not limited to, the following:

(i) Academic and instructional needs of the student;

(ii) Job readiness needs of the student; and

(iii) Work experience program options available for the student.

(c) Students participating in an approved High School Equivalency Diploma Option program may participate in existing job and skills development programs or in similar programs developed in conjunction with the High School Equivalency Diploma Option program and the vocational director.

(d) High School Equivalency Diploma Option programs may be operated by local school districts or may be operated by two (2) or more adjacent school districts, pursuant to a contract

approved by the State Board of Education. When two (2) or more school districts contract to operate a High School Equivalency Diploma Option program, the school board of a district designated to be the lead district shall serve as the governing board of the High School Equivalency Diploma Option program. Transportation for students placed in the High School Equivalency Diploma Option program shall be the responsibility of the school district of origin. The expense of establishing, maintaining and operating such High School Equivalency Diploma Option programs may be paid from funds made available to the school district through contributions, *** * *** total funding formula funds or from local district maintenance funds.

(e) The State Department of Education will develop procedures and criteria for placement of a student in the High School Equivalency Diploma Option programs. Students placed in High School Equivalency Diploma Option programs shall have parental approval for such placement and must meet the following criteria:

(i) The student must be at least sixteen (16) years of age;

(ii) The student must be at least one (1) full grade level behind his or her ninth grade cohort or must have acquired less than four (4) Carnegie units;

(iii) The student must have taken every opportunity to continue to participate in coursework leading to a diploma; and

(iv) The student must be certified to be eligible to participate in the GED course by the school district superintendent, based on the developed criteria.

(f) Students participating in an approved High School Equivalency Diploma Option program, who are enrolled in subject area courses through January 31 in a school with a traditional class schedule or who are enrolled in subject area courses through October 31 or through March 31 in a school on a block schedule, shall be required to take the end-of-course subject area tests for those courses in which they are enrolled.

SECTION 76. Section 37-37-3, Mississippi Code of 1972, is amended as follows:

37-37-3. In addition to all auditors and other employees now or hereafter provided by law, the State Auditor may appoint and employ examiners in the Department of Audit. The examiners shall make such audits as may be necessary to determine the correctness and accuracy of all reports made to the State Department of Education by any school district or school official concerning the number of educable students in any school district, the number of students enrolled in any school district, the number of students in *** * *** net enrollment in any school district, and the number of

students being transported or entitled to transportation to any of the public schools of this state.

SECTION 77. Section 37-41-7, Mississippi Code of 1972, is amended as follows:

37-41-7. The local school board is hereby authorized, empowered and directed to lay out all transportation routes and provide transportation for all school children who are entitled to transportation within their respective counties and school districts.

Any school district may, in the discretion of the school board, expend funds from any funds available to the school district *** * ***, including the amounts derived from district tax levies, sixteenth section funds, and all other available funds, for the purpose of supplementing funds available to the school board for paying transportation costs *** * *** not covered by *** * *** total funding formula funds as provided in this act.

SECTION 78. Section 37-45-49, Mississippi Code of 1972, is amended as follows:

37-45-49. Any cost or fees provided by this chapter to be paid by any county board of education or board of trustees of a municipal separate school district may be paid by the county board of education from *** * *** any school funds of the district other than *** * *** total funding formula funds, and by the municipal separate school district from the maintenance funds of the district, other than *** * *** total funding formula funds. Any fees

or costs provided by this chapter to be paid by the *** * *** department may be paid from the funds appropriated for its operation.

SECTION 79. Section 37-47-9, Mississippi Code of 1972, is amended as follows:

37-47-9. It is found and determined that the state should make an annual grant of Twenty-four Dollars ($24.00) for each child in *** * *** net enrollment in the public schools of the various school districts of this state during each school year, and that such monies should be applied for the purpose of establishing and maintaining adequate physical facilities for the public school district and/or the payment of existing debt therefor.

The grant to which each public school is entitled under the provisions of this section shall be credited to the school district of which such school is part. If any change is made in the operation or boundaries of any such school district, equitable reallocations shall be made by the *** * *** department of all balances to the credit of such school district, and all debits charged against the districts affected by the change in the boundaries or system of operation. The obligation of the state to make remittance of the sums appropriated or otherwise provided to make the annual grants provided by this section shall be subordinate to the pledge made to secure the state school bonds authorized under this chapter and the sinking fund created for their retirement. The grants shall be computed annually as soon

as practicable after the end of the school year, and shall be based on the * * * net enrollment for such school year in all of the public schools operated by each school district as determined by the State Department of Education.

SECTION 80. Section 37-47-25, Mississippi Code of 1972, is amended as follows:

37-47-25. Whenever the State Department of Education shall determine that any school district is in need of capital improvements to an extent in excess of that which may be financed by the credit then due such school district by the department, the department shall be empowered to advance or lend * * * the school district such sums as in the opinion of the department are necessary to be expended for capital improvements by * * * that school district. Such loans or advances shall be evidenced by appropriate agreements, and shall be repayable in principal by the school district from the annual grants to which the school district shall become entitled and from such other funds as may be available. Such loans or advances shall not constitute a debt of the school district within the meaning of any provision or limitation of the Constitution or statutes of the State of Mississippi. The department shall not advance or lend to any school district any sum in excess of seventy-five percent (75%) of the estimated sum which will accrue to the * * * school district on account of grants to be made to the * * * school district within the twenty (20) years next following the date of the loan

or advance. In determining the maximum allowable advance or loan, the department shall assume that the * * * net enrollment in the schools of the school district for the past preceding scholastic year, as confirmed by the audit of * * * net enrollment made by the State Department of Audit, will continue for the period during which the loan is to be repaid.

SECTION 81. Section 37-47-33, Mississippi Code of 1972, is amended as follows:

37-47-33. For the purpose of: (a) providing funds to enable the State Board of Education to make loans or advances to school districts as provided by Section 37-47-25 * * *; (b) providing funds for the payment and redemption of certificates of credit issued to school districts under Section 37-47-23, when such funds are not otherwise available * * *; or (c) providing funds in an amount not exceeding Twenty Million Dollars ($20,000,000.00) for the payment of allocations of * * * total funding formula funds to school districts for capital expenditures approved under this act by the State Board of Education which have not been pledged for debt by the school district, when such funds are not otherwise available * * *, the State Bond Commission is authorized and empowered to issue state school bonds under the conditions prescribed in this chapter. The aggregate principal amount of such bonds outstanding at any one (1) time, after deducting the amount of the sinking fund provided for the retirement of bonds issued for such purposes, shall never exceed the sum of One

Hundred Million Dollars ($100,000,000.00). Within such limits, however, state school bonds may be issued from time to time under the conditions prescribed in this chapter. None of such bonds so issued shall have a maturity date later than July 1, 2021.

SECTION 82. Section 37-61-3, Mississippi Code of 1972, is amended as follows:

37-61-3. The *** * *** total funding formula allotments *** * *** to the public school districts and the funds derived from the supplemental school district tax levies authorized by law shall be used exclusively for the support, maintenance and operation of the schools in the manner provided by law for the fiscal years for which such funds were appropriated, collected or otherwise made available, and no part of said funds or allotments shall be used in paying any expenses incurred during any preceding fiscal year. However, this shall not be construed to prohibit the payment of expenses incurred during the fiscal year after the close of such fiscal year from amounts remaining on hand at the end of such fiscal year, provided that such expenses were properly payable from such amounts. Moreover, this shall not be construed to prohibit the payment of the salaries of superintendents, principals and teachers and other school employees whose salaries are payable in twelve (12) monthly installments after the close of the fiscal year from amounts on hand for such purpose at the end of the fiscal year.

SECTION 83. Section 37-61-5, Mississippi Code of 1972, is amended as follows:

37-61-5. If in any year there should remain a balance in the * * * total funding formula funds of any school district on June 30 which amount is not to be used or is not needed in the payment of expenses for the preceding fiscal year properly payable out of such * * * total funding formula funds, then such balance on hand to the credit of such * * * funds of the school district shall be carried forward as a part of such * * * total funding formula funds for the next succeeding fiscal year. The proper pro rata part of the amount so carried forward, to be determined by the percentage which the state * * * total funding formula funds * * * during the year bore to the entire amount * * * of the school district's total funding formula funds, shall be charged against and deducted from the amount which the school district is allotted from state * * * total funding formula funds for the succeeding fiscal year, in a manner prescribed by the State Auditor. The remainder of the amount so carried forward may be deducted from the amount which the school district is required to produce as its local minimum ad valorem tax effort for the support of the * * * total funding formula for the succeeding fiscal year * * *.

SECTION 84. Section 37-61-7, Mississippi Code of 1972, is amended as follows:

37-61-7. If at the end of any fiscal year there should remain a balance in the school district fund of any school district which is not needed and is not to be used for paying the expenses properly payable out of such district fund for the preceding fiscal year, such balance shall be carried forward as a part of the school district fund for the next fiscal year and used and expended in the manner otherwise provided by law. Nothing in this section shall be construed as applying to balances *** * *** of total funding formula funds of a school district, and balances remaining in such funds shall be governed by Section 37-61-5.

SECTION 85. Section 37-61-19, Mississippi Code of 1972, is amended as follows:

37-61-19. It shall be the duty of the superintendents of schools and the school boards of all school districts to limit the expenditure of school funds during the fiscal year to the resources available. It shall be unlawful for any school district to budget expenditures from a fund in excess of the resources available within that fund. Furthermore, it shall be unlawful for any contract to be entered into or any obligation incurred or expenditure made in excess of the resources available for such fiscal year. Any member of the school board, superintendent of schools, or other school official, who shall knowingly enter into any contract, incur any obligation, or make any expenditure in excess of the amount available for the fiscal year shall be personally liable for the amount of such excess. However, no

school board member, superintendent or other school official shall be personally liable: (a) in the event of any reduction in *** * *** total funding formula payments by action of the Governor acting through the Department of Finance and Administration *** * ***; or (b) for claims, damages, awards or judgments, on account of any wrongful or tortious act or omission or breach of implied term or condition of any warranty or contract *** * ***. However, *** * *** the foregoing immunity provisions shall not be a defense in cases of fraud, criminal action or an intentional breach of fiduciary obligations imposed by statute.

SECTION 86. Section 37-61-29, Mississippi Code of 1972, is amended as follows:

37-61-29. The State Department of Audit is hereby authorized and empowered to post-audit and investigate the financial affairs and all transactions involving the school funds of the *** * *** school district including the *** * *** total funding formula funds and supplementary district school funds, and to make separate and special audits thereof, as now provided by Sections 7-7-201 through 7-7-215 *** * ***.

SECTION 87. Section 37-61-35, Mississippi Code of 1972, is amended as follows:

37-61-35. There is hereby created a special fund in the State Treasury to be designated School Ad Valorem Tax Reduction Fund into which proceeds collected pursuant to Sections 27-65-75(7) and 27-67-31(a) shall be deposited. Beginning with

the 1994 state fiscal year, the entire amount of monies in such special fund shall be appropriated annually to the State Department of Education which shall distribute the appropriated amount to the various school districts in the proportion that the *** * *** net enrollment of each school district bears to the *** * *** net enrollment of all school districts within the state. On or before *** * *** June 1 of each *** * *** year, the State Department of Education shall notify each school district of the amount to which such district is entitled pursuant to this section.

SECTION 88. Section 37-61-37, Mississippi Code of 1972, is amended as follows:

37-61-37. There is established in the State Treasury a fund known as the "Mississippi Public Education Support Fund" (hereinafter referred to as "fund"). The fund shall consist of monies *** * *** as the Legislature may authorize or direct to be deposited into the fund. Monies in the fund, upon appropriation by the Legislature, may be expended by the *** * *** State Department of Education for classroom supplies, instructional materials and equipment, including computers and computer software, to be distributed to all school districts in the proportion that the *** * *** net enrollment of each school district bears to the *** * *** net enrollment of all school districts within the state. Unexpended amounts remaining in the fund at the end of the fiscal year shall not lapse into the State General Fund, and any interest

earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund.

SECTION 89. Section 37-68-7, Mississippi Code of 1972, is amended as follows:

37-68-7. (1) There is established the Equity in Distance Learning Grant Program which shall be administered by the department for the purpose of reimbursing schools for eligible expenses incurred in funding their distance learning plans, and in facilitating safe classroom and remote instruction.

(2) Subject to appropriations by the Legislature, allocations to schools shall be made based on *** * *** net enrollment, as defined in Section *** * *** 37-151-201. For any school not funded under *** * *** the total funding formula, the department shall calculate the *** * *** net enrollment equivalent or fund the school based on enrollment.

(3) Subject to the provisions of this chapter, and other applicable federal law and regulations, schools shall have the authority to use the funds provided in this grant program in a way which best facilitates their distance learning plan, and safe classroom or remote instruction.

(4) Schools are highly encouraged to commit a portion of their federal ESSER funds, above the amount required by Section 37-68-11(b), as supplemental matching funds to offset the total cost of purchasing sufficient electronic devices, technological supports and systems of service for its distance learning plan.

SECTION 90. Section 37-131-7, Mississippi Code of 1972, is amended as follows:

37-131-7. When any pupils shall attend any demonstration or practice school under the provisions of Section 37-131-3, such children shall be reported and accounted for the allocation of *** * *** total funding formula funds and state public school building funds just as though such children were attending the regular schools of the district in which they reside. For this purpose, reports shall be made to the school district involved by the demonstration or practice school of the number of pupils in *** * *** net enrollment, and the *** * *** net enrollment of such children shall thereupon be included in reports made to the State Board of Education *** * *** by the *** * *** school district *** * *.**

Allocation of *** * *** the total funding formula funds shall be made by the State Board of Education for such children just as though such children were attending the regular schools of the district. All *** * *** total funding formula funds *** * *** which accrue to any district as a result of such children who are in attendance at a demonstration or practice school shall be paid by the board of trustees of the municipal separate school district or by the county board of education to the demonstration or practice school, and shall be used to defray the cost and expense of maintaining, operating and conducting such demonstration or practice school.

All state public school building funds which accrue as a result of such children in attendance at a demonstration or practice school shall be credited directly to such demonstration or practice school, and all of the provisions of Chapter 47 of this title shall be fully applicable thereto.

SECTION 91. Section 37-131-9, Mississippi Code of 1972, is amended as follows:

37-131-9. In addition to the amounts paid to the demonstration or practice school from *** * *** total funding formula funds, as provided in Section 37-131-7, the board of trustees of the school district involved may contract with the *** * *** demonstration or practice school for the payment of additional amounts thereto to defray expenses over and above those defrayed by *** * *** the total funding formula funds, which additional amounts shall be paid from any funds available to the school district other than *** * *** total funding formula funds, whether produced by a supplemental district tax levy or otherwise.

If the total funds paid to the demonstration or practice school by the school district are inadequate to defray the cost and expense of maintaining and operating such demonstration or practice school then the president or executive head of the institution may, subject to the approval of the Board of Trustees of State Institutions of Higher Learning, require the payment of additional fees or tuition in an amount to be fixed by the president or executive head of the institution, subject to the

approval of the Board of Trustees of State Institutions of Higher Learning, which amount shall be paid by and collected from the student or his parents.

Boards of trustees of school districts involved may designate an area within the jurisdiction of the board as an attendance center as provided by law, and may require students in such area to attend demonstration or practice schools, subject to a satisfactory contract between the school board and the president or executive head of the institution operating the demonstration or practice school. In such event, all fees and tuition must be borne by the school district and in no case shall the child or the parents of the child assigned to such demonstration or practice school be required to pay any fees or tuition.

The president or executive head of the institution, subject to the approval of the Board of Trustees of State Institutions of Higher Learning, may also fix the amount of fees and tuition to be paid by students desiring to attend such demonstration or practice school in cases where there is no contract with the board of trustees of the school district in which the students reside therefor.

All funds received by an institution, under the provisions of this section, shall be deposited in a special fund and shall be used and expended solely for the purpose of defraying and paying the cost and expense of operating, maintaining and conducting such teachers demonstration and practice school. Such funds may be

supplemented by and used in connection with any other funds available to the institutions for such purpose whether made available by legislative appropriation or otherwise.

SECTION 92. Section 37-131-11, Mississippi Code of 1972, is amended as follows:

37-131-11. All demonstration or practice schools established under the provisions of Section 37-131-1 shall, as far as may be practicable, be subject to and governed by the same laws as other public schools of the State of Mississippi, and shall make all reports required by law to be made by public schools to the State Board of Education *** * *** at the same time and in the same manner as such reports are made by other public schools. However, for the purpose of the allocation of *** * *** total funding formula funds, the reports of children in *** * *** net enrollment shall be made to the school district involved by *** * *** the demonstration or practice school, and a copy thereof shall be filed with the State Board of Education. The school district shall use *** * *** the reports so filed with it in making its reports to the State Board of Education for the purpose of the allocation of *** * *** total funding formula funds, but the *** * *** net enrollment of the pupils attending such demonstration or practice school shall be segregated and separated in such reports from the *** * *** net enrollment in the regular schools of the district.

SECTION 93. Section 37-151-9, Mississippi Code of 1972, is amended as follows:

37-151-9. (1) The State Board of Education and State Superintendent of Education shall establish within the State Department of Education a special unit at the division level called the Office of Educational Accountability. The Director of the Office of Educational Accountability shall hold a position comparable to a deputy superintendent and shall be appointed by the State Board of Education with the advice and consent of the Senate. He shall serve at the will and pleasure of the State Board of Education and may employ necessary professional, administrative and clerical staff. The Director of the Office of Educational Accountability shall provide all reports to the Legislature, Governor, Mississippi Commission on School Accreditation and State Board of Education and respond to any inquiries for information.

(2) The Office of Educational Accountability is responsible for monitoring and reviewing programs developed under the Education Reform Act, the Mississippi Adequate Education Program Act of 1994, the Education Enhancement Fund, <u>this act,</u> and subsequent education initiatives, and shall provide information, recommendations and an annual assessment to the Legislature, Governor, Mississippi Commission on School Accreditation and the State Board of Education. *** * *** The annual assessment of education reform programs shall be performed by the Office of Educational Accountability by December 1 of each year. *** * ***

7066 (3) In addition, the Office of Educational Accountability
7067 shall have the following specific duties and responsibilities:
7068 (a) Developing and maintaining a system of
7069 communication with school district personnel;
7070 (b) Provide opportunities for public comment on the
7071 current functions of the State Department of Education's programs,
7072 needed public education services and innovative suggestions; and
7073 (c) Assess both positive and negative impact on school
7074 districts of new education programs, including but not limited to
7075 The Mississippi Report Card and alternative school programs.
7076 **SECTION 94.** Section 37-151-85, Mississippi Code of 1972, is
7077 amended as follows:
7078 37-151-85. (1) *** * *** Using those funds appropriated by the
7079 Legislature for transportation purposes, the amount to be allotted
7080 by the State Board of Education for transportation shall be
7081 determined as follows:
7082 The State Department of Education shall calculate the cost of
7083 transportation in school districts by ascertaining the average
7084 cost per pupil in *** * *** net enrollment of transported pupils in
7085 school districts classified in different density groups, as
7086 determined by the State Department of Education. Based on these
7087 calculations, the State Department of Education shall develop a
7088 scale for determining the allowable cost per pupil in different
7089 density groups, which scale shall provide greatest allowance per
7090 pupil transported in school districts with lowest densities and

smallest allowance per pupil in school districts with highest densities. The total allowance * * * under this section for transported children for any school district for the current year shall be the * * * net enrollment of the transported children for * * * months two (2) and three (3) of the prior year, multiplied by the allowance per transported pupil as provided herein. However, the State Department of Education is * * * authorized and empowered to make proper adjustments in allotments, under rules and regulations of the State Board of Education, in cases where major changes in the number of children in * * * net enrollment transported occur from one (1) year to another as a result of changes or alterations in the boundaries of school districts, a change in or relocation of attendance centers, or for other reasons which would result in major decrease or increase in the number of children in * * * net enrollment transported during the current school year as compared with the preceding year. Moreover, the State Board of Education is hereby authorized and empowered to make such payments to all districts and/or university-based programs as deemed necessary in connection with transporting exceptional children as defined in Section 37-23-3. The State Board of Education shall establish and implement all necessary rules and regulations to allot transportation payments to university-based programs. In developing density classifications under the provisions hereof, the State Department of Education may give consideration to the length of the route,

the sparsity of the population, the lack of adequate roads, highways and bridges, and the presence of large streams or other geographic obstacles. In addition to funds allotted under the above provisions, funds shall be allotted to each school district that transports students from their assigned school or attendance center to classes in an approved vocational-technical center at a rate per mile not to exceed the average statewide cost per mile of school bus transportation during the preceding year exclusive of bus replacement. All such transportation must have prior approval by the State Department of Education.

(2) The *** * *** net enrollment of transported children shall be reported by the school district in which such children attend school. If children living in a school district are transported at the expense of such school district to another school district, the *** * *** net enrollment of such transported children shall be deducted by the State Department of Education from the aggregate *** * *** net enrollment of transported children in the school district in which they attend school and shall be added to the aggregate *** * *** net enrollment of transported children of the school district from which they come for the purpose of calculating transportation allotments. However, such deduction shall not be made for the purpose of calculating *** * *** total funding formula funding.

(3) The State Department of Education shall include in the allowance for transportation for each school district an amount

for the replacement of school buses or the purchase of new buses, which amount shall be calculated upon the estimated useful life of all school buses being used for the transportation of children in such school district, whether such buses be publicly or privately owned.

(4) The school boards of all districts operating school bus transportation are authorized and directed to establish a salary schedule for school bus drivers. No school district shall be entitled to receive the funds herein allotted for transportation unless it pays each of its nonstudent adult school bus drivers paid from such transportation allotments a minimum of One Hundred Ninety Dollars ($190.00) per month. In addition, local school boards may compensate school bus drivers, to include temporary or substitute bus drivers, for actual expenses incurred when acquiring an initial commercial license or any renewal of a commercial license in order to drive a school bus. In addition, local school boards may compensate school bus drivers, to include temporary or substitute bus drivers, for expenses, not to exceed One Hundred Dollars ($100.00), when acquiring an initial medical exam or any renewal of a medical exam, in order to qualify for a commercial driver's license.

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

(6) The State Board of Education, acting through the Department of Education, may compensate school bus drivers, to include temporary or substitute bus drivers, who are providing driving services to the various state operated schools, such as the Mississippi School for the Deaf, the Mississippi School for the Blind, the Mississippi School of the Arts, the Mississippi School for Math and Science and any other similar state operated schools, for actual expenses incurred when acquiring an initial commercial license or any renewal of a commercial license in order to drive a school bus, to include the expense, not to exceed One Hundred Dollars ($100.00), of acquiring an initial medical exam or any renewal of a medical exam in order to qualify for a commercial driver's license.

SECTION 95. Section 37-151-87, Mississippi Code of 1972, is amended as follows:

37-151-87. No school district shall pay any teacher less than the state minimum salary. *** * *** However, *** * *** school districts are authorized to reduce the state minimum salary by a pro rata daily amount in order to comply with the school district employee furlough provisions of Section 37-7-308. From and after July 1, 2012, no school district shall receive any funds under the provisions of this chapter for any school year during which the aggregate amount of local supplement *** * *** <u>is</u> reduced below such amount for the previous year. However, (a) where there has been a reduction in *** * *** <u>total funding formula</u> allocations for such

district in such year, (b) where there has been a reduction in the amount of federal funds to such district below the previous year, or (c) where there has been a reduction in ad valorem taxes to such school district for the 1986-1987 school year below the amount for the previous year due to the exemption of nuclear generating plants from ad valorem taxation pursuant to Section 27-35-309, *** * *** the aggregate amount of local supplement in such district may be reduced in the discretion of the local school board without loss of funds under this chapter. No school district may receive any funds under the provisions of this chapter for any school year if the aggregate amount of support from ad valorem taxation shall be reduced during such school year below such amount for the previous year; however, where there is a loss in *** * *** <u>total funding formula</u> allocations, or where there is or heretofore has been a decrease in the total assessed value of taxable property within a school district, the aggregate amount of such support may be reduced proportionately. Nothing herein contained shall prohibit any school district from adopting or continuing a program or plan whereby teachers are paid varying salaries according to the teaching ability, classroom performance and other similar standards.

<u>For purposes of this section, the term "local supplement" means the additional amount paid to an individual teacher over and above the salary schedule prescribed in Section 37-19-7 for the performance of regular teaching duties by that teacher.</u>

SECTION 96. Section 37-151-89, Mississippi Code of 1972, is amended as follows:

37-151-89. The minimum base pay for all classroom teachers may be increased by the district from any funds available to it *** * ***.

SECTION 97. Section 37-151-91, Mississippi Code of 1972, is amended as follows:

37-151-91. The school boards of all school districts may establish salary schedules based on training, experience and other such factors as may be incorporated therein, including student progress and performance as developed by the State Board of Education, paying teachers greater amounts than the scale provided *** * *** <u>in Section 37-19-7</u>, but no teacher may be paid less than the amount based upon the minimum scale of pay provided in *** * *** Section 37-19-7, *** * *** and all supplements paid from local funds shall be based upon the salary schedules so established. The school boards may call upon the State Department of Education for aid and assistance in formulating and establishing such salary schedules, and it shall be the duty of the State Department of Education, when so called upon, to render such aid and assistance. The amount actually paid to each teacher shall be based upon and determined by the type of *** * *** <u>license</u> held by such teacher.

SECTION 98. Section 37-151-93, Mississippi Code of 1972, is amended as follows:

37-151-93. (1) Legally transferred students going from one school district to another shall be counted for *** * *** total funding formula allotments by the school district wherein the pupils attend school, but shall be counted for transportation allotment purposes in the school district which furnishes or provides the transportation. The school boards of the school districts which approve the transfer of a student under the provisions of Section 37-15-31 shall enter into an agreement and contract for the payment or nonpayment of any portion of their local maintenance funds which they deem fair and equitable in support of any transferred student. Except as provided in subsection (2) of this section, local maintenance funds shall be transferred only to the extent specified in the agreement and contract entered into by the affected school districts. The terms of any local maintenance fund payment transfer contract shall be spread upon the minutes of both of the affected school district school boards. The school district accepting any transfer students shall be authorized to accept tuition from such students under the provisions of Section 37-15-31(1) and such agreement may remain in effect for any length of time designated in the contract. The terms of such student transfer contracts and the amounts of any tuition charged any transfer student shall be spread upon the minutes of both of the affected school boards. No school district accepting any transfer students under the provisions of Section 37-15-31(2), which provides for the transfer

of certain school district employee dependents, shall be authorized to charge such transfer students any tuition fees.

(2) Local maintenance funds shall be paid by the home school district to the transferee school district for students granted transfers under the provisions of Sections 37-15-29(3) and 37-15-31(3), *** * *** not to exceed the *** * *** student base amount, as defined in Section *** * *** 37-151-201, multiplied by the number of such legally transferred students.

SECTION 99. Section 37-151-95, Mississippi Code of 1972, is amended as follows:

37-151-95. *** * *** Total funding formula funds shall *** * *** cover one hundred percent (100%) of the cost of the State and School Employees' Life and Health Insurance Plan created under Article 7, Chapter 15, Title 25, Mississippi Code of 1972, for all district employees who work no less than twenty (20) hours during each week and regular nonstudent school bus drivers employed by the district.

Where the use of federal funding is allowable to defray, in full or in part, the cost of participation in the insurance plan by district employees who work no less than twenty (20) hours during each week and regular nonstudent school bus drivers, whose salaries are paid, in full or in part, by federal funds, the *** * *** use of total funding formula funds as required under this section shall be reduced to the extent of the federal funding. Where the use of federal funds is allowable but not available, it is the

intent of the Legislature that school districts contribute the cost of participation for such employees from local funds, except that parent fees for child nutrition programs shall not be increased to cover such cost.

The State Department of Education, in accordance with rules and regulations established by the State Board of Education, may withhold a school district's *** * *** total funding formula funds for failure of the district to timely report student, fiscal and personnel data necessary to meet state and/or federal requirements. The rules and regulations promulgated by the State Board of Education shall require the withholding of *** * *** total funding formula funds for those districts that fail to remit premiums, interest penalties and/or late charges under the State and School Employees' Life and Health Insurance Plan. Noncompliance with such rules and regulations shall result in a violation of compulsory accreditation standards as established by the State Board of Education and Commission on School Accreditation.

SECTION 100. Section 37-151-97, Mississippi Code of 1972, is amended as follows:

37-151-97. The State Department of Education shall develop an annual reporting process to inform the Legislature, local district personnel and the general public as to the ongoing and future plans for the state's educational programs. The annual reporting process will include those vital statistics that are

commonly reported by schools and districts and that can provide clear demographic, strategic and educational information to constituencies such as, but not limited to, the following information:

(a) Student enrollment * * * and attendance * * * reported in the aggregate and specifically for each student population that is subject to weighting under this act, and drop-out and graduation data;

(b) Overall student and district achievement;

(c) Budget, administrative costs and other pertinent fiscal information, including:

(i) The receipts and disbursements of all school funds handled by the board;

(ii) Reports of expenditures for public schools, which, upon request must be made available on an individual district basis by the State Department of Education;

1. Total Student Expenditures:

a. Instruction (1000s);

b. Other Student Instructional Expenditures (2100s, 2200s);

2. General Administration (2300s and 2500s);

3. School Administration (2400s);

4. Other Expenditures (2600s, 2700s, 2800s, 3100s, 3200s); and

5. Nonoperational Expenditures (4000s, 5000s, 6000s);

(iii) The number of school districts, school teachers employed, school administrators employed, pupils taught and the attendance record of pupils therein;

(iv) County and district levies for each school district and agricultural high school;

(v) The condition of vocational education, a list of schools to which federal and state aid has been given, and a detailed statement of the expenditures of federal funds and the state funds that may be provided, and the ranking of subjects taught as compared with the state's needs.

(d) Other as directed by the State Board of Education.

Further, the reporting process will include an annual report developed specifically to relate the mission and goals of the State Board of Education, state superintendent and departments. This document will become the method through which the strategic planning and management process of the department is articulated to the public. It will explain and inform the public of the major initiatives of the department and clearly identify rationale for program development and/or elimination. The report will establish benchmarks, future plans and discuss the effectiveness of educational programs.

In addition to the information specified herein, the State Board of Education shall have full and plenary authority and power

to require the furnishing of such further, additional and supplementary information as it may deem necessary for the purpose of determining the cost of *** * *** the total funding formula in such school district for the succeeding fiscal year, the amount of the *** * *** total funding formula funds to be allotted to each school district for the succeeding fiscal year, and for any other purpose authorized by law or deemed necessary by said State Board of Education.

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

SECTION 101. Section 37-151-99, Mississippi Code of 1972, is amended as follows:

37-151-99. Based upon the information obtained pursuant to Section *** * *** 37-151-207(3) and upon such other and further information as provided by law, the State Department of Education shall, on or before June 1 of each year, or as soon thereafter as is practical, furnish each school board and charter school the preliminary estimate of the amount each will receive from *** * *** the total funding formula provided in this act for the succeeding scholastic year, and at the same time shall furnish each such school board with a tentative estimate of the cost of the *** * *** local minimum tax effort for the total funding formula in the school district and the local contribution for the school district and each charter school for such succeeding fiscal year.

SECTION 102. Section 37-151-101, Mississippi Code of 1972, is amended as follows:

37-151-101. It shall be the duty of the State Department of Education to file with the State Treasurer and the State Fiscal Officer such data and information as may be required to enable the said State Treasurer and State Fiscal Officer to distribute the *** * *** total funding formula funds provided in this act by electronic funds transfer to the several school districts and charter schools at the time required and provided under the provisions of this chapter. Such data and information so filed shall show in detail the amount of funds to which each school district and charter school is entitled *** * *** under the total funding formula. Such data and information so filed may be revised from time to time as necessitated by law. At the time provided by law, the State Treasurer and the State Fiscal Officer shall distribute to the several school districts and charter schools the amounts to which they are entitled *** * *** under the total funding formula as provided by this chapter. Such distribution shall be made by electronic funds transfer to the depositories of the several school districts and charter schools designated in writing to the State Treasurer based upon the data and information supplied by the State Department of Education for such distribution. In such instances, the State Treasurer shall submit a request for an electronic funds transfer to the State Fiscal Officer, which shall set forth the purpose, amount and

payees, and shall be in such form as may be approved by the State Fiscal Officer so as to provide the necessary information as would be required for a requisition and issuance of a warrant. A copy of the record of *** * *** the electronic funds transfers shall be transmitted by the school district and charter school depositories to the Treasurer, who shall file duplicates with the State Fiscal Officer. The Treasurer and State Fiscal Officer shall jointly promulgate regulations for the utilization of electronic funds transfers to school districts and charter schools.

SECTION 103. Section 37-151-103, Mississippi Code of 1972, is amended as follows:

37-151-103. (1) Funds due each school district and charter school under *** * *** the total funding formula provided in this act shall be paid in the following manner: Two (2) business days prior to the last working day of each month there shall be paid to each school district and charter school, by electronic funds transfer, one-twelfth (1/12) of the funds to which the district or charter school is entitled from funds appropriated for *** * *** total funding formula. However, in December those payments shall be made on December 15th or the next business day after that date. All school districts shall process a single monthly or a bimonthly payroll for employees, in the discretion of the local school board, with electronic settlement of payroll checks secured through direct deposit of net pay for all school district employees. In addition, the State Department of Education may pay

school districts and charter schools * * * under the total funding formula on a date earlier than provided for by this section if it is determined that it is in the best interest of school districts and charter schools to do so.

* * * However, * * * if the cash balance in the State General Fund is not adequate on the due date to pay the amounts due to all school districts and charter schools in the state as determined by the State Superintendent of Public Education, the State Fiscal Officer shall not transfer * * * the funds payable to any school district or districts or charter schools until money is available to pay the amount due to all districts and charter schools.

(2) Notwithstanding any provision of this chapter or any other law requiring the number of children in * * * net enrollment or the * * * net enrollment of transported children to be determined on the basis of the preceding year, the State Board of Education is hereby authorized and empowered to make proper adjustments in allotments in cases where major changes in the number of children in * * * net enrollment or the * * * net enrollment of transported children occurs from one (1) year to another as a result of changes or alterations in the boundaries of school districts, the sending of children from one (1) county or district to another upon a contract basis, the termination or discontinuance of a contract for the sending of children from one (1) county or district to another, a change in or relocation of

attendance centers, or for any other reason which would result in a major decrease or increase in the number of children in *** * *** net enrollment or the *** * *** net enrollment of transported children during the current school year as compared with the preceding year.

*** * ***

SECTION 104. Section 37-151-105, Mississippi Code of 1972, is amended as follows:

37-151-105. The State Board of Education shall have the authority to make such regulations not inconsistent with law which it deems necessary for the administration of this chapter. The State Board of Education, if it deems such practice necessary, may use reports of the first six (6) months of school for the purpose of determining *** * *** net enrollment.

SECTION 105. Section 37-151-107, Mississippi Code of 1972, is amended as follows:

37-151-107. Any superintendent of education, member of the local school board of any school district, superintendent, principal, teacher, carrier, bus driver or member or employee of the State Department of Education or State Board of Education, or any other person, who shall willfully violate any of the provisions of this chapter, or who shall willfully make any false report, list or record, or who shall willfully make use of any false report, list or record, concerning the number of school children in *** * *** net enrollment shall be guilty of a misdemeanor

and upon conviction shall be punished by imprisonment in the county jail for a period not to exceed sixty (60) days or by a fine of not less than One Hundred Dollars ($100.00), nor more than Three Hundred Dollars ($300.00), or by both such fine and imprisonment, in the discretion of the court. In addition, any such person shall be civilly liable for all amounts of public funds which are illegally, unlawfully or wrongfully expended or paid out by virtue of or pursuant to such false report, list or record, and upon conviction or adjudication of civil liability hereunder, such person shall forfeit his license to teach for a period of three (3) years, if such person is the holder of such a license. Any suit to recover such funds illegally, unlawfully or wrongfully expended or paid out may be brought in the name of the State of Mississippi by the Attorney General or the proper district attorney or county attorney, and, in the event such suit *** * *** is brought against a person who is under bond, the sureties upon such bond shall likewise be liable for such amount illegally, unlawfully or wrongfully expended or paid out.

SECTION 106. Section 37-173-9, Mississippi Code of 1972, is amended as follows:

37-173-9. (1) (a) The parent or legal guardian is not required to accept the offer of enrolling in another public school in lieu of requesting a Mississippi Dyslexia Therapy Scholarship to a nonpublic school. However, if the parent or legal guardian chooses the public school option, the student may continue

attending a public school chosen by the parent or legal guardian until the student completes Grade 12.

(b) If the parent or legal guardian chooses a public school within the district, the school district shall provide transportation to the public school selected by the parent or legal guardian. However, if the parent or legal guardian chooses a public school in another district, the parent or legal guardian is responsible to provide transportation to the school of choice.

These provisions do not prohibit a parent or legal guardian of a student diagnosed with dyslexia, at any time, from choosing the option of a Mississippi Dyslexia Therapy Scholarship which would allow the student to attend another public school or nonpublic special purpose school.

(2) If the parent or legal guardian chooses the nonpublic school option and the student is accepted by the nonpublic school pending the availability of a space for the student, the parent or legal guardian of the student must notify the department thirty (30) days before the first scholarship payment and before entering the nonpublic school in order to be eligible for the scholarship when a space becomes available for the student in the nonpublic school.

(3) The parent or legal guardian of a student may choose, as an alternative, to enroll the student in and transport the student to a public school in an adjacent school district which has available space and has a program with dyslexia services that

provide daily dyslexia therapy sessions delivered by a department licensed dyslexia therapist, and that school district shall accept the student and report the student for purposes of the district's funding under *** * *** the total funding formula provided in this act.

SECTION 107. Section 37-173-13, Mississippi Code of 1972, is amended as follows:

37-173-13. (1) The maximum scholarship granted per eligible student with dyslexia shall be an amount equivalent to the *** * *** student base amount under the total funding formula provided in this act.

(2) (a) The nonpublic school under this program shall report to the *** * *** State Department of Education the number of students with dyslexia who are enrolled in nonpublic schools on the Mississippi Dyslexia Therapy Scholarships as of September 30 of each year in order to determine funding for the subsequent year. Funds may not be transferred from any funding provided to the Mississippi School for the Deaf and the Blind for program participants who are eligible under Section 37-173-5.

(b) The *** * *** State Department of Education will disburse payments to nonpublic schools under this program in twelve (12) substantially equal installments. The initial payment shall be made after department verification of admission acceptance, and subsequent payments shall be made upon

verification of continued enrollment and attendance at the nonpublic school.

SECTION 108. Section 37-175-13, Mississippi Code of 1972, is amended as follows:

37-175-13. (1) The maximum scholarship granted per eligible student with speech-language impairment shall be an amount equivalent to the *** * *** state share of per student funding under the total funding formula provided in this act in the school district in which a student resides.

(2) (a) Any nonpublic school under this program shall report to the State Department of Education the number of students with speech-language impairment who are enrolled in nonpublic schools on the Mississippi Speech-Language Therapy Scholarships as of September 30 of each year in order to determine funding for the subsequent year. Funds may not be transferred from any funding provided to the Mississippi School for the Deaf and the Blind for program participants who are eligible under Section 37-175-5.

(b) The State Department of Education shall make payments to nonpublic schools for each student at the nonpublic school equal to the state share of the *** * *** total funding formula payments for each student in *** * *** net enrollment at the school district from which the student transferred. In calculating the local contribution for purposes of determining the state share of the *** * *** total funding formula payments, the department shall deduct the pro rata local contribution of the school district in

which the student resides, to be determined as provided in Section *** * *** 37-151-211(2).

(c) Payments made pursuant to this subsection by the State Department of Education must be made at the same time and in the same manner as *** * *** the total funding formula payments are made to school districts under Sections 37-151-101 and 37-151-103. Amounts payable to a nonpublic school must be determined by the State Department of Education.

(3) If the parent opts to remove a child from a public school to a nonpublic special purpose school and to receive a scholarship under this chapter, then transportation shall be provided at the parent's or guardian's expense.

SECTION 109. Section 37-179-3, Mississippi Code of 1972, is amended as follows:

37-179-3. (1) A district which is an applicant to be designated as a district of innovation under Section 37-179-1 shall:

(a) Establish goals and performance targets for the district of innovation proposal, which may include:

(i) Reducing achievement gaps among groups of public school students by expanding learning experiences for students who are identified as academically low-achieving;

(ii) Increasing pupil learning through the implementation of high, rigorous standards for pupil performance;

(iii) Increasing the participation of students in various curriculum components and instructional components within selected schools to enhance at each grade level;

(iv) Increasing the number of students who are college and career-ready;

(v) Motivating students at different grade levels by offering more curriculum choices and student learning opportunities to parents and students within the district;

(b) Identify changes needed in the district and schools to lead to better prepared students for success in life and work;

(c) Have a district wide plan of innovation that describes and justifies which schools and innovative practices will be incorporated;

(d) Provide documentation of community, educator, parental, and the local board's support of the proposed innovations;

(e) Provide detailed information regarding the rationale of requests for waivers from Title 37, Mississippi Code of 1972, which relate to the elementary and secondary education of public school students, and administrative regulations, and exemptions for selected schools regarding waivers of local school board policies;

(f) Document the fiscal and human resources the board will provide throughout the term of the implementation of the innovations within its plan; and

(g) Provide other materials as required by the department in compliance with the board's administrative regulations and application procedures.

(2) The district and all schools participating in a district's innovation plan shall:

(a) Ensure the same health, safety, civil rights, and disability rights requirements as are applied to all public schools;

(b) Ensure students meet compulsory attendance requirements under Sections 37-13-91 and 37-13-92;

(c) Ensure that high school course offerings meet or exceed the minimum required under Sections 37-16-7 and 37-3-49, for high school graduation or meet early graduation requirements that may be enacted by the Mississippi Legislature;

(d) Ensure the student performance standards meet or exceed those adopted by the State Board of Education as required by Sections 37-3-49, 37-16-3 and 37-17-6, including compliance with the statewide assessment system specified in Chapter 16, Title 37, Mississippi Code of 1972;

(e) Adhere to the same financial audits, audit procedures, and audit requirements as are applied under Section 7-7-211(e);

(f) Require state and criminal background checks for staff and volunteers as required of all public school employees

7661 and volunteers within the public schools and specified in Section
7662 37-9-17;
7663 (g) Comply with open records and open meeting
7664 requirements under Sections 25-41-1 et seq. and 25-61-1 et seq.;
7665 (h) Comply with purchasing requirements and limitations
7666 under Chapter 39, Title 37, Mississippi Code of 1972;
7667 (i) Provide overall instructional time that is
7668 equivalent to or greater than that required under Sections 37-1-11
7669 and 37-13-67, but which may include on-site instruction, distance
7670 learning, online courses, and work-based learning on
7671 nontraditional school days or hours; and
7672 (j) Provide data to the department as deemed necessary
7673 to generate school and district reports.
7674 (3) (a) Only schools that choose to be designated as
7675 schools of innovation shall be included in a district's
7676 application;
7677 (b) As used in this paragraph, "eligible employees"
7678 means employees that are regularly employed at the school and
7679 those employees whose primary job duties will be affected by the
7680 plan; and
7681 (c) Notwithstanding the provisions of paragraph (a) of
7682 this subsection, a local school board may require a school that
7683 has been identified as a persistently low-achieving school under
7684 provisions of Section 37-17-6 to participate in the district's
7685 plan of innovation.

(4) Notwithstanding any statutes to the contrary, the board may approve the requests of districts of innovation to:

(a) Use capital outlay funds for operational costs;

(b) Hire persons for classified positions in nontraditional school and district assignments who have bachelors and advanced degrees from postsecondary education institutions accredited by a regional accrediting association (Southern Association of Colleges and Schools) or by an organization affiliated with the National Commission on Accrediting;

(c) Employ teachers on extended employment contracts or extra duty contracts and compensate them on a salary schedule other than the single salary schedule;

(d) Extend the school days as is appropriate within the district with compensation for the employees as determined locally;

(e) Establish alternative education programs and services that are delivered in nontraditional hours and which may be jointly provided in cooperation with another school district or consortia of districts;

(f) Establish online classes within the district for delivering alternative classes in a blended environment to meet high school graduation requirements;

(g) Use a flexible school calendar;

(h) Convert existing schools into schools of innovation; and

7711 (i) Modify the formula under * * * Chapter 151, Title
7712 37, Mississippi Code of 1972, for distributing * * * total funding
7713 formula funds for students in * * * net enrollment in
7714 nontraditional programming time, including alternative programs
7715 and virtual programs. Funds granted to a district shall not
7716 exceed those that would have otherwise been distributed based
7717 on * * * net enrollment during regular instructional days.
7718 **SECTION 110.** Section 37-181-7, Mississippi Code of 1972, is
7719 amended as follows:
7720 37-181-7. (1) The ESA program created in this chapter shall
7721 be limited to five hundred (500) students in the school year
7722 2015-2016, with new enrollment limited to five hundred (500)
7723 additional students each year thereafter. Subject to
7724 appropriation from the General Fund, each student's ESA shall be
7725 funded at Six Thousand Five Hundred Dollars ($6,500.00) for school
7726 year 2015-2016. For each subsequent year, this amount shall
7727 increase or decrease by the same proportion as the * * * student
7728 base amount under Section * * * 37-151-203 is increased or
7729 decreased.
7730 (2) Subject to appropriation, eligible students shall be
7731 approved for participation in the ESA program as follows:
7732 (a) Until participation in the ESA program reaches
7733 fifty percent (50%) of the annual enrollment limits in subsection
7734 (1) of this section, students shall be approved on a first-come,

first-served basis, with applications being reviewed on a rolling basis;

(b) After participation reaches fifty percent (50%) of the annual enrollment limits in subsection (1) of this section, the department shall set annual application deadlines for the remaining number of available ESAs and begin to maintain a waiting list of eligible students. The waitlist will be maintained in the chronological order in which applications are received. The department shall award ESA program applications in chronological order according to the waitlist; and

(c) Participating students who remain eligible for the ESA program are automatically approved for participation for the following year and are not subject to the random selection process.

(3) No funds for an ESA may be expended from *** * *** <u>total funding formula funds provided in this act</u>, nor shall any school district be required to provide funding for an ESA.

SECTION 111. Section 41-79-5, Mississippi Code of 1972, is amended as follows:

41-79-5. (1) There is hereby established within the State Department of Health a school nurse intervention program, available to all public school districts in the state.

(2) By the school year 1998-1999, each public school district shall have employed a school nurse, to be known as a Health Service Coordinator, pursuant to the school nurse

intervention program prescribed under this section. The school nurse intervention program shall offer any of the following specific preventive services, and other additional services appropriate to each grade level and the age and maturity of the pupils:

(a) Reproductive health education and referral to prevent teen pregnancy and sexually transmitted diseases, which education shall include abstinence;

(b) Child abuse and neglect identification;

(c) Hearing and vision screening to detect problems which can lead to serious sensory losses and behavioral and academic problems;

(d) Alcohol, tobacco and drug abuse education to reduce abuse of these substances;

(e) Scoliosis screening to detect this condition so that costly and painful surgery and lifelong disability can be prevented;

(f) Coordination of services for handicapped children to ensure that these children receive appropriate medical assistance and are able to remain in public school;

(g) Nutrition education and counseling to prevent obesity and/or other eating disorders which may lead to life-threatening conditions, for example, hypertension;

(h) Early detection and treatment of head lice to prevent the spread of the parasite and to reduce absenteeism;

7785 (i) Emergency treatment of injury and illness to
7786 include controlling bleeding, managing fractures, bruises or
7787 contusions and cardiopulmonary resuscitation (CPR);
7788 (j) Applying appropriate theory as the basis for
7789 decision making in nursing practice;
7790 (k) Establishing and maintaining a comprehensive school
7791 health program;
7792 (l) Developing individualized health plans;
7793 (m) Assessing, planning, implementing and evaluating
7794 programs and other school health activities, in collaboration with
7795 other professionals;
7796 (n) Providing health education to assist students,
7797 families and groups to achieve optimal levels of wellness;
7798 (o) Participating in peer review and other means of
7799 evaluation to assure quality of nursing care provided for students
7800 and assuming responsibility for continuing education and
7801 professional development for self while contributing to the
7802 professional growth of others;
7803 (p) Participating with other key members of the
7804 community responsible for assessing, planning, implementing and
7805 evaluating school health services and community services that
7806 include the broad continuum or promotion of primary, secondary and
7807 tertiary prevention; and
7808 (q) Contributing to nursing and school health through
7809 innovations in theory and practice and participation in research.

(3) Public school nurses shall be specifically prohibited from providing abortion counseling to any student or referring any student to abortion counseling or abortion clinics. Any violation of this subsection shall disqualify the school district employing such public school nurse from receiving any state administered funds under this section.

(4) Repealed.

(5) Beginning with the 1997-1998 school year, to the extent that federal or state funds are available therefor and pursuant to appropriation therefor by the Legislature, in addition to the school nurse intervention program funds administered under subsection (4), the State Department of Health shall establish and implement a Prevention of Teen Pregnancy Pilot Program to be located in the public school districts with the highest numbers of teen pregnancies. The Teen Pregnancy Pilot Program shall provide the following education services directly through public school nurses in the pilot school districts: health education sessions in local schools, where contracted for or invited to provide, which target issues including reproductive health, teen pregnancy prevention and sexually transmitted diseases, including syphilis, HIV and AIDS. When these services are provided by a school nurse, training and counseling on abstinence shall be included.

(6) In addition to the school nurse intervention program funds administered under subsection (4) and the Teen Pregnancy Pilot Program funds administered under subsection (5), to the

extent that federal or state funds are available therefor and pursuant to appropriation therefor by the Legislature, the State Department of Health shall establish and implement an Abstinence Education Pilot Program to provide abstinence education, mentoring, counseling and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out of wedlock. Such abstinence education services shall be provided by the State Department of Health through its clinics, public health nurses, school nurses and through contracts with rural and community health centers in order to reach a larger number of targeted clients. For purposes of this subsection, the term "abstinence education" means an educational or motivational program which:

(a) Has as its exclusive purpose, teaching the social, psychological and health gains to be realized by abstaining from sexual activity;

(b) Teaches abstinence from sexual activity outside marriage as the expected standard for all school-age children;

(c) Teaches that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases and other associated health problems;

(d) Teaches that a mutually faithful monogamous relationship in context of marriage is the expected standard of human sexual activity;

(e) Teaches that sexual activity outside of the context of marriage is likely to have harmful psychological and physical effects;

(f) Teaches that bearing children out of wedlock is likely to have harmful consequences for the child, the child's parents and society;

(g) Teaches young people how to reject sexual advances and how alcohol and drug use increase vulnerability to sexual advances; and

(h) Teaches the importance of attaining self-sufficiency before engaging in sexual activity.

(7) *** * *** Pursuant to appropriation therefor by the Legislature, in addition to *** * *** funds allotted under *** * *** <u>the total funding formula provided in this act</u>, each school district shall be allotted an *** * *** <u>amount</u> for the purpose of employing qualified public school nurses in such school district, which in no event shall be less than one (1) *** * *** <u>nurse</u> per school district, for such purpose. In the event the Legislature provides less funds than the total state funds needed for the public school nurse allotment, those school districts with fewer *** * *** <u>nurses per the number of students in net enrollment</u> shall be the first funded for such purpose, to the extent of funds available.

(8) Prior to the 1998-1999 school year, nursing staff assigned to the program shall be employed through the local county health department and shall be subject to the supervision of the

State Department of Health with input from local school officials. Local county health departments may contract with any comprehensive private primary health care facilities within their county to employ and utilize additional nursing staff. Beginning with the 1998-1999 school year, nursing staff assigned to the program shall be employed by the local school district and shall be designated as "health service coordinators," and shall be required to possess a bachelor's degree in nursing as a minimum qualification.

(9) Upon each student's enrollment, the parent or guardian shall be provided with information regarding the scope of the school nurse intervention program. The parent or guardian may provide the school administration with a written statement refusing all or any part of the nursing service. No child shall be required to undergo hearing and vision or scoliosis screening or any other physical examination or tests whose parent objects thereto on the grounds such screening, physical examination or tests are contrary to his sincerely held religious beliefs.

(10) A consent form for reproductive health education shall be sent to the parent or guardian of each student upon his enrollment. If a response from the parent or guardian is not received within seven (7) days after the consent form is sent, the school shall send a letter to the student's home notifying the parent or guardian of the consent form. If the parent or guardian fails to respond to the letter within ten (10) days after it is

sent, then the school principal shall be authorized to allow the student to receive reproductive health education. Reproductive health education shall include the teaching of total abstinence from premarital sex and, wherever practicable, reproductive health education should be taught in classes divided according to gender. All materials used in the reproductive health education program shall be placed in a convenient and easily accessible location for parental inspection. School nurses shall not dispense birth control pills or contraceptive devices in the school. Dispensing of such shall be the responsibility of the State Department of Health on a referral basis only.

(11) No provision of this section shall be construed as prohibiting local school districts from accepting financial assistance of any type from the State of Mississippi or any other governmental entity, or any contribution, donation, gift, decree or bequest from any source which may be utilized for the maintenance or implementation of a school nurse intervention program in a public school system of this state.

SECTION 112. Section 43-17-5, Mississippi Code of 1972, is amended as follows:

43-17-5. (1) The amount of Temporary Assistance for Needy Families (TANF) benefits which may be granted for any dependent child and a needy caretaker relative shall be determined by the county department with due regard to the resources and necessary expenditures of the family and the conditions existing in each

case, and in accordance with the rules and regulations made by the Department of Human Services which shall not be less than the Standard of Need in effect for 1988, and shall be sufficient when added to all other income (except that any income specified in the federal Social Security Act, as amended, may be disregarded) and support available to the child to provide such child with a reasonable subsistence compatible with decency and health. The first family member in the dependent child's budget may receive an amount not to exceed Two Hundred Dollars ($200.00) per month; the second family member in the dependent child's budget may receive an amount not to exceed Thirty-six Dollars ($36.00) per month; and each additional family member in the dependent child's budget an amount not to exceed Twenty-four Dollars ($24.00) per month. The maximum for any individual family member in the dependent child's budget may be exceeded for foster or medical care or in cases of children with an intellectual disability or a physical disability. TANF benefits granted shall be specifically limited only (a) to children existing or conceived at the time the caretaker relative initially applies and qualifies for such assistance, unless this limitation is specifically waived by the department, or (b) to a child born following a twelve-consecutive-month period of discontinued benefits by the caretaker relative.

(2) TANF benefits in Mississippi shall be provided to the recipient family by an online electronic benefits transfer system.

(3) The Department of Human Services shall deny TANF benefits to the following categories of individuals, except for individuals and families specifically exempt or excluded for good cause as allowed by federal statute or regulation:

(a) Families without a minor child residing with the custodial parent or other adult caretaker relative of the child;

(b) Families which include an adult who has received TANF assistance for sixty (60) months after the commencement of the Mississippi TANF program, whether or not such period of time is consecutive;

(c) Families not assigning to the state any rights a family member may have, on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance, to support from any other person, as required by law;

(d) Families who fail to cooperate in establishing paternity or obtaining child support, as required by law;

(e) Any individual who has not attained eighteen (18) years of age, is not married to the head of household, has a minor child at least twelve (12) weeks of age in his or her care, and has not successfully completed a high school education or its equivalent, if such individual does not participate in educational activities directed toward the attainment of a high school diploma or its equivalent, or an alternative educational or training program approved by the department;

(f) Any individual who has not attained eighteen (18) years of age, is not married, has a minor child in his or her care, and does not reside in a place or residence maintained by a parent, legal guardian or other adult relative or the individual as such parent's, guardian's or adult relative's own home;

(g) Any minor child who has been, or is expected by a parent or other caretaker relative of the child to be, absent from the home for a period of more than thirty (30) days;

(h) Any individual who is a parent or other caretaker relative of a minor child who fails to notify the department of the absence of the minor child from the home for the thirty-day period specified in paragraph (g), by the end of the five-day period that begins with the date that it becomes clear to the individual that the minor child will be absent for the thirty-day period;

(i) Any individual who fails to comply with the provisions of the Employability Development Plan signed by the individual which prescribe those activities designed to help the individual become and remain employed, or to participate satisfactorily in the assigned work activity, as authorized under subsection (6)(c) and (d), or who does not engage in applicant job search activities within the thirty-day period for TANF application approval after receiving the advice and consultation of eligibility workers and/or caseworkers of the department

8007 providing a detailed description of available job search venues in
8008 the individual's county of residence or the surrounding counties;
8009 (j) A parent or caretaker relative who has not engaged
8010 in an allowable work activity once the department determines the
8011 parent or caretaker relative is ready to engage in work, or once
8012 the parent or caretaker relative has received TANF assistance
8013 under the program for twenty-four (24) months, whether or not
8014 consecutive, whichever is earlier;
8015 (k) Any individual who is fleeing to avoid prosecution,
8016 or custody or confinement after conviction, under the laws of the
8017 jurisdiction from which the individual flees, for a crime, or an
8018 attempt to commit a crime, which is a felony under the laws of the
8019 place from which the individual flees, or who is violating a
8020 condition of probation or parole imposed under federal or state
8021 law;
8022 (l) Aliens who are not qualified under federal law;
8023 (m) For a period of ten (10) years following
8024 conviction, individuals convicted in federal or state court of
8025 having made a fraudulent statement or representation with respect
8026 to the individual's place of residence in order to receive TANF,
8027 food stamps or Supplemental Security Income (SSI) assistance under
8028 Title XVI or Title XIX simultaneously from two (2) or more states;
8029 (n) Individuals who are recipients of federal
8030 Supplemental Security Income (SSI) assistance; and

(o) Individuals who are eighteen (18) years of age or older who are not in compliance with the drug testing and substance use disorder treatment requirements of Section 43-17-6.

(4) (a) Any person who is otherwise eligible for TANF benefits, including custodial and noncustodial parents, shall be required to attend school and meet the monthly attendance requirement as provided in this subsection if all of the following apply:

(i) The person is under age twenty (20);

(ii) The person has not graduated from a public or private high school or obtained a High School Equivalency Diploma equivalent;

(iii) The person is physically able to attend school and is not excused from attending school; and

(iv) If the person is a parent or caretaker relative with whom a dependent child is living, child care is available for the child.

The monthly attendance requirement under this subsection shall be attendance at the school in which the person is enrolled for each day during a month that the school conducts classes in which the person is enrolled, with not more than two (2) absences during the month for reasons other than the reasons listed in paragraph (e)(iv) of this subsection. Persons who fail to meet participation requirements in this subsection shall be subject to sanctions as provided in paragraph (f) of this subsection.

(b) As used in this subsection, "school" means any one (1) of the following:

(i) A school as defined in Section 37-13-91(2);

(ii) A vocational, technical and adult education program; or

(iii) A course of study meeting the standards established by the State Department of Education for the granting of a declaration of equivalency of high school graduation.

(c) If any compulsory-school-age child, as defined in Section 37-13-91(2), to which TANF eligibility requirements apply is not in compliance with the compulsory school attendance requirements of Section 37-13-91(6), the superintendent of schools of the school district in which the child is enrolled or eligible to attend shall notify the county department of human services of the child's noncompliance. The Department of Human Services shall review school attendance information as provided under this paragraph at all initial eligibility determinations and upon subsequent report of unsatisfactory attendance.

(d) The signature of a person on an application for TANF benefits constitutes permission for the release of school attendance records for that person or for any child residing with that person. The department shall request information from the child's school district about the child's attendance in the school district's most recently completed semester of attendance. If information about the child's previous school attendance is not

available or cannot be verified, the department shall require the child to meet the monthly attendance requirement for one (1) semester or until the information is obtained. The department shall use the attendance information provided by a school district to verify attendance for a child. The department shall review with the parent or caretaker relative a child's claim that he or she has a good cause for not attending school.

A school district shall provide information to the department about the attendance of a child who is enrolled in a public school in the district within five (5) working days of the receipt of a written request for that information from the department. The school district shall define how many hours of attendance count as a full day and shall provide that information, upon request, to the department. In reporting attendance, the school district may add partial days' absence together to constitute a full day's absence.

If a school district fails to provide to the department the information about the school attendance of any child within fifteen (15) working days after a written request, the department shall notify the Department of Audit within three (3) working days of the school district's failure to comply with that requirement. The Department of Audit shall begin audit proceedings within five (5) working days of notification by the Department of Human Services to determine the school district's compliance with the requirements of this subsection (4). If the Department of Audit

finds that the school district is not in compliance with the requirements of this subsection, the school district shall be penalized as follows: The Department of Audit shall notify the State Department of Education of the school district's noncompliance, and the Department of Education shall reduce the calculation of the school district's * * * net enrollment that is used to determine the allocation of * * * total funding formula funds by the number of children for which the district has failed to provide to the Department of Human Services the required information about the school attendance of those children. The reduction in the calculation of the school district's * * * net enrollment under this paragraph shall be effective for a period of one (1) year.

(e) A child who is required to attend school to meet the requirements under this subsection shall comply except when there is good cause, which shall be demonstrated by any of the following circumstances:

(i) The minor parent is the caretaker of a child less than twelve (12) weeks old; or

(ii) The department determines that child care services are necessary for the minor parent to attend school and there is no child care available; or

(iii) The child is prohibited by the school district from attending school and an expulsion is pending. This exemption no longer applies once the teenager has been expelled;

however, a teenager who has been expelled and is making satisfactory progress towards obtaining a High School Equivalency Diploma equivalent shall be eligible for TANF benefits; or

(iv) The child failed to attend school for one or more of the following reasons:

1. Illness, injury or incapacity of the child or the minor parent's child;

2. Court-required appearances or temporary incarceration;

3. Medical or dental appointments for the child or minor parent's child;

4. Death of a close relative;

5. Observance of a religious holiday;

6. Family emergency;

7. Breakdown in transportation;

8. Suspension; or

9. Any other circumstance beyond the control of the child, as defined in regulations of the department.

(f) Upon determination that a child has failed without good cause to attend school as required, the department shall provide written notice to the parent or caretaker relative (whoever is the primary recipient of the TANF benefits) that specifies:

(i) That the family will be sanctioned in the next possible payment month because the child who is required to attend

school has failed to meet the attendance requirement of this subsection;

(ii) The beginning date of the sanction, and the child to whom the sanction applies;

(iii) The right of the child's parents or caretaker relative (whoever is the primary recipient of the TANF benefits) to request a fair hearing under this subsection.

The child's parent or caretaker relative (whoever is the primary recipient of the TANF benefits) may request a fair hearing on the department's determination that the child has not been attending school. If the child's parents or caretaker relative does not request a fair hearing under this subsection, or if, after a fair hearing has been held, the hearing officer finds that the child without good cause has failed to meet the monthly attendance requirement, the department shall discontinue or deny TANF benefits to the child thirteen (13) years old, or older, in the next possible payment month. The department shall discontinue or deny twenty-five percent (25%) of the family grant when a child six (6) through twelve (12) years of age without good cause has failed to meet the monthly attendance requirement. Both the child and family sanction may apply when children in both age groups fail to meet the attendance requirement without good cause. A sanction applied under this subsection shall be effective for one (1) month for each month that the child failed to meet the monthly attendance requirement. In the case of a dropout, the sanction

shall remain in force until the parent or caretaker relative provides written proof from the school district that the child has reenrolled and met the monthly attendance requirement for one (1) calendar month. Any month in which school is in session for at least ten (10) days during the month may be used to meet the attendance requirement under this subsection. This includes attendance at summer school. The sanction shall be removed the next possible payment month.

(5) All parents or caretaker relatives shall have their dependent children receive vaccinations and booster vaccinations against those diseases specified by the State Health Officer under Section 41-23-37 in accordance with the vaccination and booster vaccination schedule prescribed by the State Health Officer for children of that age, in order for the parents or caretaker relatives to be eligible or remain eligible to receive TANF benefits. Proof of having received such vaccinations and booster vaccinations shall be given by presenting the certificates of vaccination issued by any health care provider licensed to administer vaccinations, and submitted on forms specified by the State Board of Health. If the parents without good cause do not have their dependent children receive the vaccinations and booster vaccinations as required by this subsection and they fail to comply after thirty (30) days' notice, the department shall sanction the family's TANF benefits by twenty-five percent (25%)

for the next payment month and each subsequent payment month until the requirements of this subsection are met.

(6) (a) If the parent or caretaker relative applying for TANF assistance is work eligible, as determined by the Department of Human Services, the person shall be required to engage in an allowable work activity once the department determines the parent or caretaker relative is determined work eligible, or once the parent or caretaker relative has received TANF assistance under the program for twenty-four (24) months, whether or not consecutive, whichever is earlier. No TANF benefits shall be given to any person to whom this section applies who fails without good cause to comply with the Employability Development Plan prepared by the department for the person, or who has refused to accept a referral or offer of employment, training or education in which he or she is able to engage, subject to the penalties prescribed in paragraph (e) of this subsection. A person shall be deemed to have refused to accept a referral or offer of employment, training or education if he or she:

(i) Willfully fails to report for an interview with respect to employment when requested to do so by the department; or

(ii) Willfully fails to report to the department the result of a referral to employment; or

8228 (iii) Willfully fails to report for allowable work
8229 activities as prescribed in paragraphs (c) and (d) of this
8230 subsection.
8231 (b) The Department of Human Services shall operate a
8232 statewide work program for TANF recipients to provide work
8233 activities and supportive services to enable families to become
8234 self-sufficient and improve their competitive position in the
8235 workforce in accordance with the requirements of the federal
8236 Personal Responsibility and Work Opportunity Reconciliation Act of
8237 1996 (Public Law 104-193), as amended, and the regulations
8238 promulgated thereunder, and the Deficit Reduction Act of 2005
8239 (Public Law 109-171), as amended. Within sixty (60) days after
8240 the initial application for TANF benefits, the TANF recipient must
8241 participate in a job search skills training workshop or a job
8242 readiness program, which shall include resume writing, job search
8243 skills, employability skills and, if available at no charge, the
8244 General Aptitude Test Battery or its equivalent. All adults who
8245 are not specifically exempt shall be referred by the department
8246 for allowable work activities. An adult may be exempt from the
8247 mandatory work activity requirement for the following reasons:
8248 (i) Incapacity;
8249 (ii) Temporary illness or injury, verified by
8250 physician's certificate;
8251 (iii) Is in the third trimester of pregnancy, and
8252 there are complications verified by the certificate of a

physician, nurse practitioner, physician assistant, or any other licensed health care professional practicing under a protocol with a licensed physician;

(iv) Caretaker of a child under twelve (12) months, for not more than twelve (12) months of the sixty-month maximum benefit period;

(v) Caretaker of an ill or incapacitated person, as verified by physician's certificate;

(vi) Age, if over sixty (60) or under eighteen (18) years of age;

(vii) Receiving treatment for substance abuse, if the person is in compliance with the substance abuse treatment plan;

(viii) In a two-parent family, the caretaker of a severely disabled child, as verified by a physician's certificate; or

(ix) History of having been a victim of domestic violence, which has been reported as required by state law and is substantiated by police reports or court records, and being at risk of further domestic violence, shall be exempt for a period as deemed necessary by the department but not to exceed a total of twelve (12) months, which need not be consecutive, in the sixty-month maximum benefit period. For the purposes of this subparagraph (ix), "domestic violence" means that an individual has been subjected to:

1. Physical acts that resulted in, or threatened to result in, physical injury to the individual;

2. Sexual abuse;

3. Sexual activity involving a dependent child;

4. Being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities;

5. Threats of, or attempts at, physical or sexual abuse;

6. Mental abuse; or

7. Neglect or deprivation of medical care.

(c) For all families, all adults who are not specifically exempt shall be required to participate in work activities for at least the minimum average number of hours per week specified by federal law or regulation, not fewer than twenty (20) hours per week (thirty-five (35) hours per week for two-parent families) of which are attributable to the following allowable work activities:

(i) Unsubsidized employment;

(ii) Subsidized private employment;

(iii) Subsidized public employment;

(iv) Work experience (including work associated with the refurbishing of publicly assisted housing), if sufficient private employment is not available;

(v) On-the-job training;

(vi) Job search and job readiness assistance consistent with federal TANF regulations;

(vii) Community service programs;

(viii) Vocational educational training (not to exceed twelve (12) months with respect to any individual);

(ix) The provision of child care services to an individual who is participating in a community service program;

(x) Satisfactory attendance at high school or in a course of study leading to a high school equivalency certificate, for heads of household under age twenty (20) who have not completed high school or received such certificate;

(xi) Education directly related to employment, for heads of household under age twenty (20) who have not completed high school or received such equivalency certificate.

(d) The following are allowable work activities which may be attributable to hours in excess of the minimum specified in paragraph (c) of this subsection:

(i) Job skills training directly related to employment;

(ii) Education directly related to employment for individuals who have not completed high school or received a high school equivalency certificate;

(iii) Satisfactory attendance at high school or in a course of study leading to a high school equivalency, for

individuals who have not completed high school or received such equivalency certificate;

(iv) Job search and job readiness assistance consistent with federal TANF regulations.

(e) If any adult or caretaker relative refuses to participate in allowable work activity as required under this subsection (6), the following full family TANF benefit penalty will apply, subject to due process to include notification, conciliation and a hearing if requested by the recipient:

(i) For the first violation, the department shall terminate the TANF assistance otherwise payable to the family for a two-month period or until the person has complied with the required work activity, whichever is longer;

(ii) For the second violation, the department shall terminate the TANF assistance otherwise payable to the family for a six-month period or until the person has complied with the required work activity, whichever is longer;

(iii) For the third violation, the department shall terminate the TANF assistance otherwise payable to the family for a twelve-month period or until the person has complied with the required work activity, whichever is longer;

(iv) For the fourth violation, the person shall be permanently disqualified.

For a two-parent family, unless prohibited by state or federal law, Medicaid assistance shall be terminated only for the

person whose failure to participate in allowable work activity caused the family's TANF assistance to be sanctioned under this paragraph (e), unless an individual is pregnant, but shall not be terminated for any other person in the family who is meeting that person's applicable work requirement or who is not required to work. Minor children shall continue to be eligible for Medicaid benefits regardless of the disqualification of their parent or caretaker relative for TANF assistance under this subsection (6), unless prohibited by state or federal law.

(f) Any person enrolled in a two-year or four-year college program who meets the eligibility requirements to receive TANF benefits, and who is meeting the applicable work requirements and all other applicable requirements of the TANF program, shall continue to be eligible for TANF benefits while enrolled in the college program for as long as the person meets the requirements of the TANF program, unless prohibited by federal law.

(g) No adult in a work activity required under this subsection (6) shall be employed or assigned (i) when any other individual is on layoff from the same or any substantially equivalent job within six (6) months before the date of the TANF recipient's employment or assignment; or (ii) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with an adult receiving TANF assistance. The Mississippi Department of Employment Security, established

under Section 71-5-101, shall appoint one or more impartial hearing officers to hear and decide claims by employees of violations of this paragraph (g). The hearing officer shall hear all the evidence with respect to any claim made hereunder and such additional evidence as he may require and shall make a determination and the reason therefor. The claimant shall be promptly notified of the decision of the hearing officer and the reason therefor. Within ten (10) days after the decision of the hearing officer has become final, any party aggrieved thereby may secure judicial review thereof by commencing an action, in the circuit court of the county in which the claimant resides, against the department for the review of such decision, in which action any other party to the proceeding before the hearing officer shall be made a defendant. Any such appeal shall be on the record which shall be certified to the court by the department in the manner provided in Section 71-5-531, and the jurisdiction of the court shall be confined to questions of law which shall render its decision as provided in that section.

(7) The Department of Human Services may provide child care for eligible participants who require such care so that they may accept employment or remain employed. The department may also provide child care for those participating in the TANF program when it is determined that they are satisfactorily involved in education, training or other allowable work activities. The department may contract with Head Start agencies to provide child

8403 care services to TANF recipients. The department may also arrange
8404 for child care by use of contract or vouchers, provide vouchers in
8405 advance to a caretaker relative, reimburse a child care provider,
8406 or use any other arrangement deemed appropriate by the department,
8407 and may establish different reimbursement rates for child care
8408 services depending on the category of the facility or home. Any
8409 center-based or group home child care facility under this
8410 subsection shall be licensed by the State Department of Health
8411 pursuant to law. When child care is being provided in the child's
8412 own home, in the home of a relative of the child, or in any other
8413 unlicensed setting, the provision of such child care may be
8414 monitored on a random basis by the Department of Human Services or
8415 the State Department of Health. Transitional child care
8416 assistance may be continued if it is necessary for parents to
8417 maintain employment once support has ended, unless prohibited
8418 under state or federal law. Transitional child care assistance
8419 may be provided for up to twenty-four (24) months after the last
8420 month during which the family was eligible for TANF assistance, if
8421 federal funds are available for such child care assistance.
8422 (8) The Department of Human Services may provide
8423 transportation or provide reasonable reimbursement for
8424 transportation expenses that are necessary for individuals to be
8425 able to participate in allowable work activity under the TANF
8426 program.

(9) Medicaid assistance shall be provided to a family of TANF program participants for up to twenty-four (24) consecutive calendar months following the month in which the participating family would be ineligible for TANF benefits because of increased income, expiration of earned income disregards, or increased hours of employment of the caretaker relative; however, Medicaid assistance for more than twelve (12) months may be provided only if a federal waiver is obtained to provide such assistance for more than twelve (12) months and federal and state funds are available to provide such assistance.

(10) The department shall require applicants for and recipients of public assistance from the department to sign a personal responsibility contract that will require the applicant or recipient to acknowledge his or her responsibilities to the state.

(11) The department shall enter into an agreement with the State Personnel Board and other state agencies that will allow those TANF participants who qualify for vacant jobs within state agencies to be placed in state jobs. State agencies participating in the TANF work program shall receive any and all benefits received by employers in the private sector for hiring TANF recipients. This subsection (11) shall be effective only if the state obtains any necessary federal waiver or approval and if federal funds are available therefor. Not later than September 1, 2021, the department shall prepare a report, which shall be

8452 provided to the Chairmen of the House and Senate Public Health
8453 Committees and to any other member of the Legislature upon
8454 request, on the history, status, outcomes and effectiveness of the
8455 agreements required under this subsection.

8456 (12) Any unspent TANF funds remaining from the prior fiscal
8457 year may be expended for any TANF allowable activities.

8458 (13) The Mississippi Department of Human Services shall
8459 provide TANF applicants information and referral to programs that
8460 provide information about birth control, prenatal health care,
8461 abstinence education, marriage education, family preservation and
8462 fatherhood. Not later than September 1, 2021, the department
8463 shall prepare a report, which shall be provided to the Chairmen of
8464 the House and Senate Public Health Committees and to any other
8465 member of the Legislature upon request, on the history, status,
8466 outcomes and effectiveness of the information and referral
8467 requirements under this subsection.

8468 (14) No new TANF program requirement or restriction
8469 affecting a person's eligibility for TANF assistance, or allowable
8470 work activity, which is not mandated by federal law or regulation
8471 may be implemented by the Department of Human Services after July
8472 1, 2004, unless such is specifically authorized by an amendment to
8473 this section by the Legislature.

8474 **SECTION 113.** Section 65-26-9, Mississippi Code of 1972, is
8475 amended as follows:

65-26-9. (1) There is hereby created in the State Treasury a special fund to be known as the Tennessee-Tombigbee Waterway Bridge Bond Retirement Fund. All revenues pledged for the payment of the principal of and interest on the bonds authorized to be issued by this chapter shall be deposited into the bond retirement fund. Expenditures from the bond retirement fund shall be made only in accordance with this section.

(2) Subject to the provisions of subsection (3) of this section, amounts on deposit in the bond retirement fund and not immediately required for the making of any payments therefrom shall be invested in interest-bearing certificates of deposit in accordance with the provisions of Section 27-105-33, except interest so earned shall be credited to the bond retirement fund.

(3) (a) There is hereby established within the bond retirement fund two (2) separate accounts as follows: (i) the "Tennessee-Tombigbee General Account"; and (ii) the "Tennessee-Tombigbee Principal and Interest Account."

(b) (i) All amounts held in the bond retirement fund on April 23, 1986, and all amounts thereafter deposited in the bond retirement fund, shall be credited to the Tennessee-Tombigbee General Account.

(ii) Until such time as the transfer of funds from the Tennessee-Tombigbee General Account to the Tennessee-Tombigbee Principal and Interest Account occurs as provided in paragraph (b)(iii) of this subsection, amounts in the general account shall

be applied to the following purposes and in the following order of priority: first, to the extent required, to the payment, the principal of, redemption premium, if any, and interest on general obligation bonds; second, to the extent required, to the General Fund of the state to reimburse the state for expenditures in excess of twenty-five percent (25%) of the total costs of the principal and interest on bonds issued under authority of subsection (1) of Section 65-26-15 and for all expenditures for costs of the principal of and interest on bonds issued under authority of subsection (2) of Section 65-26-15; and third, to the extent required, if any, to the bridge construction fund created in Section 65-26-25 to make current payments to meet contractual obligations for bridge construction.

(iii) Upon certification of the State Treasurer, filed with and approved by the State Bond Commission, that the amount on deposit in the Tennessee-Tombigbee General Account, together with earnings on investments to accrue to it, is equal to or greater than the aggregate of the entire principal, redemption premium, if any, and interest due and to become due, until the final maturity date or earlier scheduled redemption date thereof, on all general obligation bonds outstanding as of the date of such certification, then the State Treasurer shall transfer from the Tennessee-Tombigbee General Account to the Tennessee-Tombigbee Principal and Interest Account an amount equal to the entire principal, redemption premium, if any, and interest due and to

become due, until the final maturity date or scheduled redemption date thereof, on all general obligation bonds outstanding as of the date of such transfer. The State of Mississippi hereby covenants with the holders from time to time of general obligation bonds that amounts deposited in the Tennessee-Tombigbee Principal and Interest Account will be applied solely to the payment of the principal of, redemption premium, if any, and interest on general obligation bonds.

(iv) After the date of the transfer from the general account to the principal and interest account contemplated by paragraph (b)(iii) of this subsection, amounts from time to time on deposit in the Tennessee-Tombigbee General Account shall be applied monthly to the following purposes and in the following order of priority: first, to the extent required, to the payment of the principal of, redemption premium, if any, and interest on general obligation bonds issued under this chapter; second, to the extent required, to the General Fund of the state to reimburse the state for expenditures in excess of twenty-five percent (25%) of the total costs of the principal and interest on bonds issued under authority of subsection (1) of Section 65-26-15 and for all expenditures for costs of the principal of and interest on bonds issued under authority of subsection (2) of Section 65-26-15; and third, to the extent required, if any, to the bridge construction fund created in Section 65-26-25 to make current payments to meet contractual obligations for bridge construction.

(4) It is the intent of the Legislature that all outstanding general obligation bonds issued under this chapter shall be retired by the State Bond Commission on the earliest scheduled redemption date thereof, provided that there are sufficient funds in the bond retirement fund together with earnings on investments to accrue to it. When the principal of, redemption premium, if any, and interest on all such outstanding general obligation bonds are paid in full, then any amounts remaining in the bond retirement fund, or separate accounts therein, together with earnings on investments to accrue to it, shall be apportioned and paid as follows:

(a) Three Million Five Hundred Thousand Dollars ($3,500,000.00) of such funds shall be paid into the appropriate fund for use by the Yellow Creek State Inland Port Authority for equipment or facilities necessary to the operation of the port.

(b) Three Million Five Hundred Thousand Dollars ($3,500,000.00) shall be paid into the State General Fund.

(c) Seven Million Five Hundred Thousand Dollars ($7,500,000.00) shall be paid to Tishomingo County. Of the Seven Million Five Hundred Thousand Dollars ($7,500,000.00), (i) Two Million Five Hundred Thousand Dollars ($2,500,000.00) shall be placed by the county in a special trust fund, the principal of which shall remain inviolate and the interest on which shall be expended solely for improvement of elementary and secondary education in Tishomingo County and distributed among the school

8576 districts therein based on the * * * net enrollment in each, and
8577 (ii) Five Million Dollars ($5,000,000.00) shall be placed in the
8578 county general fund and may be expended for general county
8579 purposes.
8580 (d) The balance of such funds shall be paid to the
8581 counties of Alcorn, Chickasaw, Clay, Itawamba, Lee, Lowndes,
8582 Monroe, Noxubee, Kemper, Pontotoc, Prentiss and Tishomingo. Such
8583 funds shall be paid to such counties in the proportion that each
8584 county's contribution to the bridge bond fund bears to the total
8585 contribution from all twelve (12) counties; however, no county
8586 shall be paid more than Five Million Dollars ($5,000,000.00) under
8587 this paragraph (d). Such funds shall be deposited by the county
8588 into a special account to be expended solely for economic
8589 development purposes. No expenditure of funds from the special
8590 account shall be made unless the amount to be expended from the
8591 special account is matched by other county funds in an amount
8592 equal to fifteen percent (15%) of the special account funds to be
8593 expended and until the Mississippi * * * Development Authority,
8594 upon application by the board of supervisors, has certified that
8595 the proposed expenditure is for economic development purposes and
8596 has approved the expenditure for such purposes; provided, however,
8597 the fifteen percent (15%) match hereinabove imposed shall not be
8598 required when the proposed expenditure for economic development
8599 purposes is on land owned or leased by the federal, state, county
8600 or municipal government.

SECTION 114. Section 37-151-81, Mississippi Code of 1972, is amended as follows:

37-151-81. * * *

(* * *1) * * * For each * * * student with a disability who is being educated by a public school district or is placed in accord with Section 37-23-77, * * * and whose individualized educational program (IEP) requires an extended school year in accord with the State Department of Education criteria, a sufficient amount of funds shall be allocated for the purpose of providing the educational services the student requires. The State Board of Education shall promulgate such regulations as are required to insure the equitable distribution of these funds. All costs for the extended school year for a particular summer shall be reimbursed from funds appropriated for the fiscal year beginning July 1 of that summer. If sufficient funds are not made available to finance all of the required educational services, the State Department of Education shall expend available funds in such a manner that it does not limit the availability of appropriate education to * * * students with disabilities more severely than it does to * * * students without disabilities.

(* * *2) The State Department of Education is hereby authorized to match * * * the total funding formula funds provided in this act and other funds allocated for provision of services to * * * students with disabilities with Division of Medicaid funds to provide language-speech services, physical therapy and

occupational therapy to * * * students with disabilities who meet State Department of Education or Division of Medicaid standards and who are Medicaid eligible. Provided further, that the State Department of Education is authorized to pay such funds as may be required as a match directly to the Division of Medicaid pursuant to an agreement to be developed between the State Department of Education and the Division of Medicaid.

* * *

(* * *3) When any children who are residents of the State of Mississippi and qualify under the provisions of Section 37-23-31 * * * shall be provided a program of education, instruction and training within a school under the provisions of said section, the State Department of Education shall allocate * * * funds equivalent to the full base student cost and all qualifying weighted adjustments as prescribed in Section 37-151-205 * * *. The university or college shall be eligible for state and federal funds for such programs on the same basis as local school districts. The university or college shall be responsible for providing for the additional costs of the program.

(* * *4) * * * A school district may provide a program of education and instruction to children ages five (5) years through twenty-one (21) years, who are resident citizens of the State of Mississippi, who cannot have their educational needs met in a regular public school program and who have not finished or graduated from high school, if those children are determined by

competent medical authorities and psychologists to need placement in a state licensed facility for inpatient treatment, day treatment or residential treatment or a therapeutic group home. Such program shall operate under rules, regulations, policies and standards of school districts as determined by the State Board of Education. If a private school approved by the State Board of Education is operated as an integral part of the state licensed facility that provides for the treatment of such children, the private school within the facility may provide a program of education, instruction and training to such children by requesting the State Department of Education to allocate *** * *** funds equivalent to the full base student cost and all qualifying weighted adjustments as prescribed in Section 37-151-205 for each student placed in such facility for each approved class. The facility shall be responsible for providing any additional costs of the program.

*** * ***

SECTION 115. Section 27-104-351, Mississippi Code of 1972, is amended as follows:

27-104-351. (1) This section shall be known and may be cited as the "Line-Item Appropriation Transparency Act."

(2) As used in this section, unless the context clearly indicates otherwise:

(a) "Local government entity" means any county, municipality, school district, public hospital or other political subdivision of the state.

(b) "Pass-through funding" means a line-item appropriation by the Legislature to a state agency that is itemized on a separate line in a state agency's appropriation bill and that is intended to be passed through the state agency to one or more:

(i) Local government entities;

(ii) Private organizations, including not-for-profit organizations; or

(iii) Persons in the form of a loan or grant.

"Pass-through funding" may be general funds, dedicated credits, or any combination of state funding sources, and may be ongoing or one-time.

(c) "Recipient entity" means a local government entity or private entity, including a nonprofit entity, that receives money by way of pass-through funding from a state agency.

(d) "State agency" shall have the same meaning as provided in Section 27-103-103, and shall include any other subagency or board under the supervision of that state agency.

(e) "State money" means funds in the State General Fund and all state-support special funds which are in the Budget Contingency Fund, Capital Expense Fund, Working-Cash Stabilization Reserve Fund, Education Enhancement Fund, Healthcare Expendable

Fund, Tobacco Control Program Fund, BP Settlement Fund, Gulf Coast Restoration Fund and any other special funds that are determined by the Joint Legislative Budget Committee to be a state-support special fund. "State money" does not include contributions or donations received by a state agency.

(f) "Department" means the Department of Finance and Administration.

(3) A state agency may not provide a recipient entity state money from pass-through funding unless:

(a) The state agency enters into a written agreement with the recipient entity, which details the criteria and reporting requirements as provided in this section; and

(b) The written agreement described in paragraph (a) of this subsection requires the recipient entity to provide to the state agency the following:

(i) A written description and an itemized report detailing the expenditure of state money or the intended expenditure of any state money that has not been spent. Such report shall be submitted at least quarterly on dates determined by the department; and

(ii) A final written itemized report when all the state money is spent.

Disbursements shall only be made after the written agreement described in paragraph (a) of this subsection has been signed and shall be contingent upon the recipient entity complying with the

quarterly reporting requirements required by paragraph (b) of this subsection.

(4) On or before June 30 of each year or a date determined by the department, a state agency shall provide to the department a copy of the written agreements, written descriptions, and reports of itemized expenditures required under subsection (3) of this section.

(5) The department is responsible for obtaining the written agreements, written descriptions, and itemized reports required by subsection (3) of this section from state agencies. The department is further responsible for consolidating and presenting a report on the previous fiscal year's pass-through expenditures and providing it to the Joint Legislative Budget Committee by October 1 of each year.

(6) The department shall create all of the following documents which shall be in such form and contain such information as the department prescribes:

(a) Written agreement as described in subsection (3)(a) of this section;

(b) Written description and itemized report as described in subsection (3)(b) of this section; and

(c) Final itemized report as described in subsection (3)(b) of this section.

A state agency shall utilize these documents when complying with the criteria set forth in this act.

(7) Notwithstanding subsection (3) of this section, a state agency is not required to comply with this section to the extent that the pass-through funding is issued:

(a) Under a competitive award process;

(b) In accordance with a formula enacted in statute;

(c) In accordance with a state program under parameters in statute or rule that guides the distribution of the pass-through funding;

(d) Under the authority of *** * ***this act; or

(e) In accordance with an appropriations act of the Legislature that specifically provides an exemption from the provisions of this section.

(8) Unless a recipient entity is required to comply with Section 31-7-1 et seq. because it is an agency or public body, the fact that it is a recipient entity does not create such an obligation.

SECTION 116. Section 37-13-153, Mississippi Code of 1972, which required state funding for home economics teachers to be included as a line item in the education appropriations bills for fiscal years 1995, 1996 and 1997, is repealed.

SECTION 117. Sections 37-151-1, 37-151-5, 37-151-6, 37-151-7, 37-151-7.1, 37-151-8, 37-151-10, 37-151-77, 37-151-79 and 37-151-83, Mississippi Code of 1972, which define certain terms and establish the formula to be used in determining the

annual allocation of funds to each school district under the Mississippi Adequate Education Program (MAEP), are repealed.

SECTION 118. Section 37-152-1, Mississippi Code of 1972, which creates the Commission on Restructuring the Mississippi Adequate Education Program (MAEP), is repealed.

SECTION 119. Sections 27-65-75(5), 37-47-7, and 37-47-24, Mississippi Code of 1972, which provide for the Educational Facilities Revolving Loan Fund and its funding mechanism, are hereby repealed.

SECTION 120. This act shall take effect and be in force from and after July 1, 2024.