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SENATE BILL NO. 2792

Originated in Senate  Secretary

SENATE BILL NO. 2792

AN ACT TO AMEND SECTION 37-15-38, MISSISSIPPI CODE OF 1972, TO AUTHORIZE STUDENTS TO DUALY ENROLL IN THEIR HOME HIGH SCHOOL AND A LOCAL COMMUNITY COLLEGE IN A DUAL CREDIT PROGRAM CONSISTING OF HIGH SCHOOL COMPLETION COURSES AND A WORK SKILLS CERTIFICATE PROGRAM; TO ESTABLISH THIS DUAL CREDIT OPTION ON A PILOT PROGRAM BASIS TO BE IMPLEMENTED STATEWIDE IN THE 2013-2014 SCHOOL YEAR; TO PRESCRIBE THE COMPONENTS OF THE DUAL CREDIT OPTION PROGRAM; TO AMEND SECTIONS 37-151-5 AND 37-151-7, MISSISSIPPI CODE OF 1972, TO PROVIDE STATE FUNDING UNDER THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM FOR THE DUAL CREDIT PROGRAM; TO REQUIRE THE COUNTY TAX ASSESSORS TO ANNUALLY SUBMIT TO THE STATE DEPARTMENT OF EDUCATION CERTAIN INFORMATION RELATING TO THE ASSESSED VALUE OF PROPERTY WHICH IS USED BY THE DEPARTMENT IN DETERMINING THE AMOUNT THAT EACH SCHOOL DISTRICT MUST CONTRIBUTE TOWARD THE COST OF THE MISSISSIPPI ADEQUATE EDUCATION PROGRAM; TO REQUIRE THE STATE DEPARTMENT OF EDUCATION TO MAKE A FORM AVAILABLE TO THE TAX ASSESSORS FOR THE SUBMISSION OF THE REPORTS; AND FOR RELATED PURPOSES.

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

SECTION 1. 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 State Board for

Community * * * Colleges 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 boards of trustees of the community and junior college districts 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 average daily attendance credit.** When dually enrolled, the student may be counted, for adequate education program funding purposes, in the average daily attendance 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 and high school 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) **Ineligible courses for dual credit programs.** Any course that is required for subject area testing as a requirement

for graduation from a public school in Mississippi is not eligible for dual credit.

(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. 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 State Board for Community and Junior Colleges 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 State Board for Community and Junior Colleges 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 adequate education program funding purposes, in the average daily attendance of the public school district in which the student attends high school, as provided in Section 37-151-7(1)(a). 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 2. Section 37-151-5, Mississippi Code of 1972, is amended as follows:

37-151-5. As used in Sections 37-151-5 and 37-151-7:

(a) "Adequate program" or "adequate education program" or "Mississippi Adequate Education Program (MAEP)" shall mean the program to establish adequate current operation funding levels necessary for the programs of such school district to meet at least a successful Level III rating of the accreditation system as established by the State Board of Education using current statistically relevant state assessment data.

(b) "Educational programs or elements of programs not included in the adequate education program calculations, but which may be included in appropriations and transfers to school districts" shall mean:

(i) "Capital outlay" shall mean those funds used for the constructing, improving, equipping, renovating or major

repairing of school buildings or other school facilities, or the cost of acquisition of land whereon to construct or establish such school facilities.

(ii) "Pilot programs" shall mean programs of a pilot or experimental nature usually designed for special purposes and for a specified period of time other than those included in the adequate education program.

(iii) "Adult education" shall mean public education dealing primarily with students above eighteen (18) years of age not enrolled as full-time public school students and not classified as students of technical schools, colleges or universities of the state.

(iv) "Food service programs" shall mean those programs dealing directly with the nutritional welfare of the student, such as the school lunch and school breakfast programs.

(c) "Base student" shall mean that student classification that represents the most economically educated pupil in a school system meeting the definition of successful, as determined by the State Board of Education.

(d) "Base student cost" shall mean the funding level necessary for providing an adequate education program for one (1) base student, subject to any minimum amounts prescribed in Section 37-151-7(1).

(e) "Add-on program costs" shall mean those items which are included in the adequate education program appropriations and are outside of the program calculations:

(i) "Transportation" shall mean transportation to and from public schools for the students of Mississippi's public schools provided for under law and funded from state funds.

(ii) "Vocational or technical education program" shall mean a secondary vocational or technical program approved by the State Department of Education and provided for from state funds.

(iii) "Special education program" shall mean a program for exceptional children as defined and authorized by Sections 37-23-1 through 37-23-9, and approved by the State Department of Education and provided from state funds.

(iv) "Gifted education program" shall mean those programs for the instruction of intellectually or academically gifted children as defined and provided for in Section 37-23-175 et seq.

(v) "Alternative school program" shall mean those programs for certain compulsory-school-age students as defined and provided for in Sections 37-13-92 and 37-19-22.

(vi) "Extended school year programs" shall mean those programs authorized by law which extend beyond the normal school year.

(vii) "University-based programs" shall mean those university-based programs for handicapped children as defined and provided for in Section 37-23-131 et seq.

(viii) "Bus driver training" programs shall mean those driver training programs as provided for in Section 37-41-1.

(f) "Teacher" shall include any employee of a local school who is required by law to obtain a teacher's license from the State Board of Education and who is assigned to an instructional area of work as defined by the State Department of Education.

(g) "Principal" shall mean the head of an attendance center or division thereof.

(h) "Superintendent" shall mean the head of a school district.

(i) "School district" shall mean any type of school district in the State of Mississippi, and shall include agricultural high schools.

(j) "Minimum school term" shall mean a term of at least one hundred eighty (180) days of school in which both teachers and

pupils are in regular attendance for scheduled classroom instruction for not less than sixty percent (60%) of the normal school day. It is the intent of the Legislature that any tax levies generated to produce additional local funds required by any school district to operate school terms in excess of one hundred seventy-five (175) days shall not be construed to constitute a new program for the purposes of exemption from the limitation on tax revenues as allowed under Sections 27-39-321 and 37-57-107 for new programs mandated by the Legislature.

(k) The term "transportation density" shall mean the number of transported children in average daily attendance per square mile of area served in a school district, as determined by the State Department of Education.

(l) The term "transported children" shall mean children being transported to school who live within legal limits for transportation and who are otherwise qualified for being transported to school at public expense as fixed by Mississippi state law.

(m) The term "year of teaching experience" shall mean nine (9) months of actual teaching in the public or private schools. In no case shall more than one (1) year of teaching experience be given for all services in one (1) calendar or school year. In determining a teacher's experience, no deduction shall be made because of the temporary absence of the teacher because of illness or other good cause, and the teacher shall be given credit therefor. Beginning with the 2003-2004 school year, the State Board of Education shall fix a number of days, not to exceed forty-five (45) consecutive school days, during which a teacher may not be under contract of employment during any school year and still be considered to have been in full-time employment for a regular scholastic term. If a teacher exceeds the number of days established by the State Board of Education that a teacher may not be under contract but may still be employed, that teacher shall

not be credited with a year of teaching experience. In determining the experience of school librarians, each complete year of continuous, full-time employment as a professional librarian in a public library in this or some other state shall be considered a year of teaching experience. If a full-time school administrator returns to actual teaching in the public schools, the term "year of teaching experience" shall include the period of time he or she served as a school administrator. In determining the salaries of teachers who have experience in any branch of the military, the term "year of teaching experience" shall include each complete year of actual classroom instruction while serving in the military. In determining the experience of speech-language pathologists and audiologists, each complete year of continuous full-time post master's degree employment in an educational setting in this or some other state shall be considered a year of teaching experience. Provided, however, that school districts are authorized, in their discretion, to negotiate the salary levels applicable to certificated employees employed after July 1, 2009, who are receiving retirement benefits from the retirement system of another state, and the annual experience increment provided in Section 37-19-7 shall not be applicable to any such retired certificated employee.

(n) The term "average daily attendance" shall be the figure which results when the total aggregate attendance during the period or months counted is divided by the number of days during the period or months counted upon which both teachers and pupils are in regular attendance for scheduled classroom instruction less the average daily attendance for self-contained special education classes and, prior to full implementation of the adequate education program the department shall deduct the average daily attendance for the alternative school program provided for in Section 37-19-22.

(o) The term "local supplement" shall mean the amount paid to an individual teacher over and above the adequate education program salary schedule for regular teaching duties.

(p) The term "aggregate amount of support from ad valorem taxation" shall mean the amounts produced by the district's total tax levies for operations.

(q) The term "adequate education program funds" shall mean all funds, both state and local, constituting the requirements for meeting the cost of the adequate program as provided for in Section 37-151-7.

(r) "Department" shall mean the State Department of Education.

(s) "Commission" shall mean the Mississippi Commission on School Accreditation created under Section 37-17-3.

(t) The term "successful school district" shall mean a Level III school district as designated by the State Board of Education using current statistically relevant state assessment data.

(u) "Dual enrollment-dual credit programs" shall mean programs for potential or recent high school student dropouts to dually enroll in their home high school and a local community college in a dual credit program consisting of high school completion coursework and a credential, certificate or degree program at the community college, as provided in Section 37-15-38(19).

SECTION 3. Section 37-151-7, Mississippi Code of 1972, is amended as follows:

37-151-7. The annual allocation to each school district for the operation of the adequate education program shall be determined as follows:

(1) **Computation of the basic amount to be included for current operation in the adequate education program.** The

following procedure shall be followed in determining the annual allocation to each school district:

(a) **Determination of average daily attendance.**

Effective with fiscal year 2011, the State Department of Education shall determine the percentage change from the prior year of each year of each school district's average of months two (2) and three (3) average daily attendance (ADA) for the three (3) immediately preceding school years of the year for which funds are being appropriated. For any school district that experiences a positive growth in the average of months two (2) and three (3) ADA each year of the three (3) years, the average percentage growth over the three-year period shall be multiplied times the school district's average of months two (2) and three (3) ADA for the year immediately preceding the year for which MAEP funds are being appropriated. The resulting amount shall be added to the school district's average of months two (2) and three (3) ADA for the year immediately preceding the year for which MAEP funds are being appropriated to arrive at the ADA to be used in determining a school district's MAEP allocation. Otherwise, months two (2) and three (3) ADA for the year immediately preceding the year for which MAEP funds are being appropriated will be used in determining a school district's MAEP allocation. In any fiscal year prior to 2010 in which the MAEP formula is not fully funded, for those districts that do not demonstrate a three-year positive growth in months two (2) and three (3) ADA, months one (1) through nine (9) ADA of the second preceding year for which funds are being appropriated or months two (2) and three (3) ADA of the preceding year for which funds are being appropriated, whichever is greater, shall be used to calculate the district's MAEP allocation. The district's average daily attendance shall be computed and currently maintained in accordance with regulations promulgated by the State Board of Education. The district's average daily attendance shall include any student enrolled in a

Dual Enrollment-Dual Credit Program as defined and provided in Section 37-15-38(19). The State Department of Education shall make payments for Dual Enrollment-Dual Credit Programs to the home school in which the student is enrolled, in accordance with regulations promulgated by the State Board of Education. The community college providing services to students in a Dual Enrollment-Dual Credit Program shall require payment from the home school district for services provided to such students at a rate of one hundred percent (100%) of ADA. All MAEP/state funding shall cease upon completion of high school graduation requirements.

(b) **Determination of base student cost.** Effective with fiscal year 2011 and every fourth fiscal year thereafter, the State Board of Education, on or before August 1, with adjusted estimate no later than January 2, shall submit to the Legislative Budget Office and the Governor a proposed base student cost adequate to provide the following cost components of educating a pupil in a successful school district: (i) Instructional Cost; (ii) Administrative Cost; (iii) Operation and Maintenance of Plant; and (iv) Ancillary Support Cost. For purposes of these calculations, the Department of Education shall utilize financial data from the second preceding year of the year for which funds are being appropriated.

For the instructional cost component, the Department of Education shall select districts that have been identified as instructionally successful and have a ratio of a number of teachers per one thousand (1,000) students that is between one (1) standard deviation above the mean and two (2) standard deviations below the mean of the statewide average of teachers per one thousand (1,000) students. The instructional cost component shall be calculated by dividing the latest available months one (1) through nine (9) ADA into the instructional 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 1110-1199 Objects 100-999, Functions 1210, 1220, 2150-2159 Objects 210 and 215;

Fund 1130 All Functions, Object Code 210 and 215;

Fund 2001 Functions 1110-1199 Objects 100-999;

Fund 2070 Functions 1110-1199 Objects 100-999;

Fund 2420 Functions 1110-1199 Objects 100-999;

Fund 2711 All Functions, Object Code 210 and 215.

Prior to the calculation of the instructional cost component, there shall be subtracted from the above expenditures any revenue received for Chickasaw Cession payments, Master Teacher Certification payments and the district's portion of state revenue received from the MAEP at-risk allocation.

For the administrative cost component, the Department of Education shall select districts that have been identified as instructionally successful and have a ratio of an administrative staff to nonadministrative staff between one (1) standard deviation above the mean and two (2) standard deviations below the mean of the statewide average administrative staff to nonadministrative staff. The administrative cost component shall be calculated by dividing the latest available months one (1) through nine (9) ADA of the selected districts into the administrative 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 2300-2599, Functions 2800-2899, Objects 100-999;

Fund 2711 Functions 2300-2599, Functions 2800-2899, Objects 100-999.

For the plant and maintenance cost component, the Department of Education shall select districts that have been identified as instructionally successful and 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) ADA 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.

For the ancillary support cost component, the Department of Education shall select districts that have been identified as instructionally successful and have a ratio of a number of librarians, media specialists, guidance counselors and psychologists per one thousand (1,000) students that is between one (1) standard deviation above the mean and two (2) standard deviations below the mean of the statewide average of librarians, media specialists, guidance counselors and psychologists per one thousand (1,000) students. The ancillary cost component shall be calculated by dividing the latest available months one (1) through nine (9) ADA into the ancillary expenditures instructional 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 2110-2129, Objects 100-999;

Fund 1120 Functions 2140-2149, Objects 100-999;

Fund 1120 Functions 2220-2229, Objects 100-999;

Fund 2001 Functions 2100-2129, Objects 100-999;

Fund 2001 Functions 2140-2149, Objects 100-999;

Fund 2001 Functions 2220-2229, Objects 100-999.

The total base cost for each year shall be the sum of the instructional cost component, administrative cost component, plant and maintenance cost component and ancillary support cost component, and any estimated adjustments for additional state requirements as determined by the State Board of Education. Provided, however, that the base student cost in fiscal year 1998 shall be Two Thousand Six Hundred Sixty-four Dollars (\$2,664.00).

For each of the fiscal years between the recalculation of the base student cost under the provisions of this paragraph (b), the base student cost shall be increased by an amount equal to forty percent (40%) of the base student cost for the previous fiscal year, multiplied by the latest annual rate of inflation for the State of Mississippi as determined by the State Economist, plus any adjustments for additional state requirements such as, but not limited to, teacher pay raises and health insurance premium increases.

(c) **Determination of the basic adequate education program cost.** The basic amount for current operation to be included in the Mississippi Adequate Education Program for each school district shall be computed as follows:

Multiply the average daily attendance of the district by the base student cost as established by the Legislature, which yields the total base program cost for each school district.

(d) **Adjustment to the base student cost for at-risk pupils.** The amount to be included for at-risk pupil programs for each school district shall be computed as follows: Multiply the base student cost for the appropriate fiscal year as determined under paragraph (b) by five percent (5%), and multiply that product by the number of pupils participating in the federal free

school lunch program in such school district, which yields the total adjustment for at-risk pupil programs for such school district.

(e) **Add-on program cost.** The amount to be allocated to school districts in addition to the adequate education program cost for add-on programs for each school district shall be computed as follows:

(i) Transportation cost shall be the amount allocated to such school district for the operational support of the district transportation system from state funds.

(ii) Vocational or technical education program cost shall be the amount allocated to such school district from state funds for the operational support of such programs.

(iii) Special education program cost shall be the amount allocated to such school district from state funds for the operational support of such programs.

(iv) Gifted education program cost shall be the amount allocated to such school district from state funds for the operational support of such programs.

(v) Alternative school program cost shall be the amount allocated to such school district from state funds for the operational support of such programs.

(vi) Extended school year programs shall be the amount allocated to school districts for those programs authorized by law which extend beyond the normal school year.

(vii) University-based programs shall be the amount allocated to school districts for those university-based programs for handicapped children as defined and provided for in Section 37-23-131 et seq., Mississippi Code of 1972.

(viii) Bus driver training programs shall be the amount provided for those driver training programs as provided for in Section 37-41-1, Mississippi Code of 1972.

The sum of the items listed above (i) transportation, (ii) vocational or technical education, (iii) special education, (iv) gifted education, (v) alternative school, (vi) extended school year, (vii) university-based, and (viii) bus driver training shall yield the add-on cost for each school district.

(f) Total projected adequate education program cost.

The total Mississippi Adequate Education Program cost shall be the sum of the total basic adequate education program cost (paragraph (c)), and the adjustment to the base student cost for at-risk pupils (paragraph (d)) for each school district. In any year in which the MAEP is not fully funded, the Legislature shall direct the Department of Education in the K-12 appropriation bill as to how to allocate MAEP funds to school districts for that year.

(g) The State Auditor shall annually verify the State Board of Education's estimated calculations for the Mississippi Adequate Education Program that are submitted each year to the Legislative Budget Office on August 1 and the final calculation that is submitted on January 2.

(2) Computation of the required local revenue in support of the adequate education program. The amount that each district shall provide toward the cost of the adequate education program shall be calculated as follows:

(a) The State Department of Education shall certify to each school district that twenty-eight (28) mills, less the estimated amount of the yield of the School Ad Valorem Tax Reduction Fund grants as determined by the State Department of Education, is the millage rate required to provide the district required local effort for that year, or twenty-seven percent (27%) of the basic adequate education program cost for such school district as determined under paragraph (c), whichever is a lesser amount. In the case of an agricultural high school, the millage requirement shall be set at a level which generates an equitable amount per pupil to be determined by the State Board of Education.

(b) The State Department of Education shall determine the following from the annual assessment information submitted to the department by the tax assessors of the various counties: (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), Mississippi Code of 1972; (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), Mississippi Code of 1972; and (iv) the school district's homestead reimbursement revenues.

(c) The amount of the total adequate education program funding which shall be contributed by each school district shall be the sum of the ad valorem receipts generated by the millage required under this subsection plus the following local revenue sources for the appropriate fiscal year which are or may be available for current expenditure by the school district:

One hundred percent (100%) of Grand Gulf income as prescribed in Section 27-35-309.

One hundred percent (100%) of any fees in lieu of taxes as prescribed in Section 27-31-104.

(3) Computation of the required state effort in support of the adequate education program.

(a) The required state effort in support of the adequate education program shall be determined by subtracting the sum of the required local tax effort as set forth in subsection (2)(a) of this section and the other local revenue sources as set forth in subsection (2)(c) of this section in an amount not to exceed twenty-seven percent (27%) of the total projected adequate education program cost as set forth in subsection (1)(f) of this section from the total projected adequate education program cost as set forth in subsection (1)(f) of this section.

(b) Provided, however, that in fiscal year 1998 and in the fiscal year in which the adequate education program is fully funded by the Legislature, any increase in the said state contribution to any district calculated under this section shall be not less than eight percent (8%) in excess of the amount received by said district from state funds for the fiscal year immediately preceding. For purposes of this paragraph (b), state funds shall include minimum program funds less the add-on programs, State Uniform Millage Assistance Grant Funds, Education Enhancement Funds appropriated for Uniform Millage Assistance Grants and state textbook allocations, and State General Funds allocated for textbooks.

(c) 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 school term of a scholastic year as required in Section 37-13-63, Mississippi Code of 1972, due to an enemy attack, a man-made, technological or natural disaster in which the Governor has declared a disaster 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, said school board may notify the State Department of Education of such disaster and submit a plan for altering the school term. If the State Board of Education finds such disaster 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 declaration, it may permit said school board to operate the schools in its district for less than one hundred eighty (180) days and, in such case, the State Department of Education shall not reduce the state contributions to the adequate education program allotment for such district, because of the failure to operate said schools for one hundred eighty (180) days.

(4) The Interim School District Capital Expenditure Fund is hereby established in the State Treasury which shall be used to distribute any funds specifically appropriated by the Legislature to such fund to school districts entitled to increased allocations of state funds under the adequate education program funding formula prescribed in Sections 37-151-3 through 37-151-7, Mississippi Code of 1972, until such time as the said adequate education program is fully funded by the Legislature. The following percentages of the total state cost of increased allocations of funds under the adequate education program funding formula shall be appropriated by the Legislature into the Interim School District Capital Expenditure Fund to be distributed to all school districts under the formula: Nine and two-tenths percent (9.2%) shall be appropriated in fiscal year 1998, twenty percent (20%) shall be appropriated in fiscal year 1999, forty percent (40%) shall be appropriated in fiscal year 2000, sixty percent (60%) shall be appropriated in fiscal year 2001, eighty percent (80%) shall be appropriated in fiscal year 2002, and one hundred percent (100%) shall be appropriated in fiscal year 2003 into the State Adequate Education Program Fund. Until July 1, 2002, such money shall be used by school districts 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, school barns and garages for transportation vehicles, school athletic fields and necessary facilities connected therewith, and purchasing land therefor. Any such capital improvement project by a school district shall be approved by the State Board of Education, and based on an approved long-range plan. The State Board of Education shall promulgate minimum requirements for the approval of school district capital expenditure plans.

724 (b) Providing necessary water, light, heating,
725 air-conditioning, and sewerage facilities for school buildings,
726 and purchasing land therefor.

727 (c) Paying debt service on existing capital improvement
728 debt of the district or refinancing outstanding debt of a district
729 if such refinancing will result in an interest cost savings to the
730 district.

731 (d) From and after October 1, 1997, through June 30,
732 1998, pursuant to a school district capital expenditure plan
733 approved by the State Department of Education, a school district
734 may pledge such funds until July 1, 2002, plus funds provided for
735 in paragraph (e) of this subsection (4) that are not otherwise
736 permanently pledged under such paragraph (e) to pay all or a
737 portion of the debt service on debt issued by the school district
738 under Sections 37-59-1 through 37-59-45, 37-59-101 through
739 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99,
740 37-7-301, 37-7-302 and 37-41-81, Mississippi Code of 1972, or debt
741 issued by boards of supervisors for agricultural high schools
742 pursuant to Section 37-27-65, Mississippi Code of 1972, or
743 lease-purchase contracts entered into pursuant to Section 31-7-13,
744 Mississippi Code of 1972, or to retire or refinance outstanding
745 debt of a district, if such pledge is accomplished pursuant to a
746 written contract or resolution approved and spread upon the
747 minutes of an official meeting of the district's school board or
748 board of supervisors. It is the intent of this provision to allow
749 school districts to irrevocably pledge their Interim School
750 District Capital Expenditure Fund allotments as a constant stream
751 of revenue to secure a debt issued under the foregoing code
752 sections. To allow school districts to make such an irrevocable
753 pledge, the state shall take all action necessary to ensure that
754 the amount of a district's Interim School District Capital
755 Expenditure Fund allotments shall not be reduced below the amount
756 certified by the department or the district's total allotment



under the Interim Capital Expenditure Fund if fully funded, so long as such debt remains outstanding.

(e) [Repealed]

(f) [Repealed]

(g) The State Board of Education may authorize the school district to expend not more than twenty percent (20%) of its annual allotment of such funds or Twenty Thousand Dollars (\$20,000.00), whichever is greater, for technology needs of the school district, including computers, software, telecommunications, cable television, interactive video, film, low-power television, satellite communications, microwave communications, technology-based equipment installation and maintenance, and the training of staff in the use of such technology-based instruction. Any such technology expenditure shall be reflected in the local district technology plan approved by the State Board of Education under Section 37-151-17, Mississippi Code of 1972.

(h) To the extent a school district has not utilized twenty percent (20%) of its annual allotment for technology purposes under paragraph (g), a school district may expend not more than twenty percent (20%) of its annual allotment or Twenty Thousand Dollars (\$20,000.00), whichever is greater, for instructional purposes. The State Board of Education may authorize a school district to expend more than said twenty percent (20%) of its annual allotment for instructional purposes if it determines that such expenditures are needed for accreditation purposes.

(i) The State Department of Education or the State Board of Education may require that any project commenced under this section with an estimated project cost of not less than Five Million Dollars (\$5,000,000.00) shall be done only pursuant to program management of the process with respect to design and construction. Any individuals, partnerships, companies or other

entities acting as a program manager on behalf of a local school district and performing program management services for projects covered under this subsection shall be approved by the State Department of Education.

Any interest accruing on any unexpended balance in the Interim School District Capital Expenditure Fund shall be invested by the State Treasurer and placed to the credit of each school district participating in such fund in its proportionate share.

The provisions of this subsection (4) shall be cumulative and supplemental to any existing funding programs or other authority conferred upon school districts or school boards.

SECTION 4. (1) Before February 1 of each year, the tax assessor of each county shall file a report or reports with the State Department of Education which provide information essential to the department in determining the amount that each school district shall be required to provide toward the cost of the Adequate Education Program Fund. 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:

(a) The total assessed valuation of nonexempt property for school purposes in the school district;

(b) The assessed value of exempt property owned by homeowners aged sixty-five (65) or older or disabled, as defined in Section 27-33-67(2), in the school district;

(c) 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

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

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

SECTION 5. This act shall take effect and be in force from
and after July 1, 2012.

PASSED BY THE SENATE
March 13, 2012



PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
April 5, 2012



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

5/14/12

11:38 am