

By: Representative Barker

To: Education

HOUSE BILL NO. 572
(As Sent to Governor)

1 AN ACT TO ESTABLISH A COMMISSION ON HOLMES-DURANT
2 CONSOLIDATED SCHOOL DISTRICT STRUCTURE TO MAKE RECOMMENDATIONS TO
3 THE 2016 REGULAR SESSION OF THE LEGISLATURE REGARDING THE METHOD
4 FOR CONSOLIDATING THE COUNTY INTO ONE SCHOOL DISTRICT WITH ONE
5 LOCAL SCHOOL BOARD; TO BRING FORWARD SECTION 37-7-103, MISSISSIPPI
6 CODE OF 1972, FOR PURPOSE OF POSSIBLE AMENDMENTS; TO AMEND SECTION
7 37-7-104.3, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE SPECIAL
8 AD VALOREM TAXES LEVIED BY THE BOARD OF SUPERVISORS OF OKTIBBEHA
9 COUNTY TO PAY THE PRINCIPAL AND INTEREST ON CERTAIN NOTES AND
10 BONDS ISSUED AFTER JULY 1, 2015, FOR EQUIPMENT AND SCHOOL FACILITY
11 CAPITAL IMPROVEMENTS IN THE FORMER OKTIBBEHA COUNTY SCHOOL
12 DISTRICT SHALL BE ON ALL TAXABLE PROPERTY OF THE NEW
13 STARKVILLE-OKTIBBEHA CONSOLIDATED SCHOOL DISTRICT; AND FOR RELATED
14 PURPOSES.

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

16 **SECTION 1.** (1) There is hereby created and established an
17 advisory council to be known as the Commission on Holmes-Durant
18 Consolidated School District Structure. It shall be the
19 responsibility of the Commission on Holmes-Durant Consolidated
20 School District Structure to review the current structure of the
21 school districts and schools in Durant, Mississippi, and in Holmes
22 County, Mississippi, and make recommendations on future actions of
23 the provision and transition of service of the newly consolidated
24 school district in order to improve both the quality of education



25 and the efficiency with which it is delivered. The commission
26 shall be composed of ten (10) members as follows:

27 (a) The State Superintendent of Education, or his
28 designee, who shall serve as Chairman of the Commission;

29 (b) Two (2) representatives of the Holmes County School
30 District appointed by the Board of Education of the Holmes County
31 School District and who may be members of the board;

32 (c) Two (2) representatives of the Durant Public School
33 District to be appointed by the State Superintendent of Education
34 who may be members of the school board;

35 (d) The Superintendents of Schools of the Holmes County
36 School District and the Durant Public School District;

37 (e) The Mayor of the City of Durant, or his designee;

38 (f) One (1) member of the Holmes County Board of
39 Supervisors; and

40 (g) One (1) member who shall be a parent of a student
41 enrolled in the Durant Public School District to be appointed by
42 the Mayor of Durant.

43 The Commission on Holmes-Durant Consolidated School District
44 Structure shall meet within thirty (30) days of passage of this
45 act upon the call of the State Superintendent of Education and
46 shall hold hearings and meet as necessary and develop a report to
47 the Legislature, the Governor and the State Board of Education on
48 or before January 1, 2016, with recommendations to accomplish the
49 following:



50 (a) Review the current structure of school districts
51 and the location of schools in Durant, Mississippi, and Holmes
52 County, Mississippi, and recommend how they can be consolidated
53 into one (1) school district in order to improve both the quality
54 of education and the efficiency at which it is delivered.

55 (b) Review the capital facility needs of both school
56 districts and recommend methods of financing necessary
57 improvements, including the possibility of pledging Mississippi
58 Adequate Education Program funds for capital improvement purposes.

59 (c) Detail in the report how best to implement
60 consolidation and make any other recommendations on how to
61 maximize education quality in Durant and Holmes County while
62 eliminating duplicative and wasteful administrative spending.

63 The commission shall have the authority to raise and to
64 expend nonstate funds. The State Department of Education shall
65 provide staff and such other support as the commission deems
66 appropriate. After submitting its report on or before January 1,
67 2016, the commission shall be dissolved.

68 **SECTION 2.** Section 37-7-103, Mississippi Code of 1972, is
69 brought forward as follows:

70 37-7-103. From and after July 1, 1987, the school board of
71 any school district shall have full jurisdiction, power and
72 authority, at any regular meeting thereof or at any special
73 meeting called for that purpose, to abolish such existing
74 district, or to reorganize, change or alter the boundaries of any



75 such district. In addition thereto, with the consent of the
76 school board of the school district involved, the school board may
77 add to such school district any part of the school district
78 adjoining same, and with the consent of the school board of the
79 school district involved, may detach territory from such school
80 district and annex same to an adjoining district. Provided,
81 however, that the consent of the school board of the school
82 districts involved in implementing the provisions of **Section**
83 **37-7-104 or Section 37-7-104.2** or Section 37-7-104.3 shall not be
84 required for the administrative consolidation of such school
85 districts pursuant to the order of the State Board of Education.

86 **SECTION 3.** Section 37-7-104.3, Mississippi Code of 1972, is
87 amended as follows:

88 37-7-104.3. (1) In Oktibbeha County, Mississippi, in which
89 are located, as of January 1, 2013, two (2) school districts,
90 there shall be an administrative consolidation of all of those
91 school districts in the county into one (1) new countywide
92 municipal separate school district to be designated as
93 Starkville-Oktibbeha Consolidated School District which shall
94 consist of the territory of the former Oktibbeha County School
95 District and the Starkville School District, effective on July 1,
96 2015. Until June 30, 2015, preceding the effective date of the
97 required administrative consolidation of school districts in the
98 county, the Oktibbeha County School District shall remain in
99 conservatorship, under the authority and control of the



100 Mississippi Recovery School District of the State Department of
101 Education. At such time that the administrative consolidation
102 becomes effective, the central administrative office of the
103 Starkville-Oktibbeha Consolidated School District shall be located
104 in Starkville, Mississippi.

105 (2) (a) On or before July 1, 2014, the State Board of
106 Education shall serve the local school board of the Starkville
107 School District with notice and instructions regarding the
108 timetable for action to be taken to comply with the administrative
109 consolidation required in this section.

110 (b) In the new consolidated school district there shall
111 be a countywide municipal separate school district board of
112 trustees, which shall consist of the existing members of the Board
113 of Trustees of the Starkville School District. However, upon the
114 first occurrence of a vacancy on the board as a result of an
115 expired term of an appointed board member, that vacancy shall
116 become an elected position and shall be filled by the election of
117 a board member as follows: the 2016 expiring term board member
118 shall remain in office until January 1, 2017. In November 2016,
119 an election will be held for a board member who resides outside of
120 the incorporated municipal limits in the manner prescribed in
121 Section 37-7-203, and the elected board member will take office
122 for a five-year term beginning January 1, 2017. Subsequent board
123 members shall be selected in the manner prescribed in Section
124 37-7-203. The Board of Supervisors of Oktibbeha County shall



125 publish notice of the school board elections in some newspaper of
126 general circulation in the county for at least three (3)
127 consecutive weeks.

128 (c) Any school district affected by the required
129 administrative consolidation in the county that does not
130 voluntarily consolidate as ordered by the State Board of Education
131 shall be administratively consolidated by the State Board of
132 Education, to be effective immediately upon action of the State
133 Board of Education. The State Board of Education shall promptly
134 move on its own motion to administratively consolidate a school
135 district which does not voluntarily consolidate in order to enable
136 the affected school districts to reasonably accomplish the
137 resulting administrative consolidation into one (1) consolidated
138 school district by July 1 following the motion to consolidate.
139 The affected school districts shall comply with any consolidation
140 order issued by the State Board of Education.

141 (3) On July 1, 2015, following the motion of State Board of
142 Education to consolidate school districts in Oktibbeha County, the
143 Oktibbeha County School District shall be abolished. All real and
144 personal property which is owned or titled in the name of the
145 school district located in such former school district shall be
146 transferred to the Starkville-Oktibbeha Consolidated School
147 District as of July 1, 2015. The Conservator of the Oktibbeha
148 County School District is authorized and directed to execute and
149 record all documents and conveyances necessary to convey title to



150 all real and personal property of the Oktibbeha County School
151 District to the Starkville-Oktibbeha Consolidated School District.
152 The conservator is further authorized and directed to sign all
153 documents and to take all actions necessary to assign contracts
154 and other property, contract rights and obligations of the
155 Oktibbeha County School District to the Starkville-Oktibbeha
156 Consolidated School District. The Board of Trustees of the
157 Starkville School District shall be responsible for establishing
158 the contracts for operations, teachers, principals, clerical and
159 administrative staff personnel for the 2015-2016 school year prior
160 to July 1, 2015, and shall consult with the conservator for the
161 establishment of contracts for teachers, principals, clerical and
162 administrative staff personnel located in the former Oktibbeha
163 County School District for the 2015-2016 school year. In order to
164 prepare for the efficient staffing of the Starkville-Oktibbeha
165 Consolidated School District, the Conservator of the Oktibbeha
166 County School District and the Superintendent of the Starkville
167 School District shall have full authority to nonrenew the
168 employment contract of any teacher, principal, clerical or
169 administrative staff located within their respective school
170 districts for the 2015-2016 school year. The superintendent and
171 assistant superintendent(s) of schools of the former Starkville
172 School District shall continue to serve in like administrative
173 capacities of the Starkville-Oktibbeha Consolidated School
174 District, but in no instance shall the administrative leadership



175 of the Starkville-Oktibbeha Consolidated School District exceed
176 three (3) assistant superintendents to be appointed by the
177 superintendent of the former Starkville School District. No
178 superintendent serving in the former Oktibbeha County School
179 District shall be eligible for appointment as a superintendent or
180 assistant superintendent in the Starkville-Oktibbeha Consolidated
181 School District. Likewise, no trustee serving in the former
182 Oktibbeha County School District shall be eligible for election to
183 the new Board of Trustees of the Starkville-Oktibbeha Consolidated
184 School District. It shall be the responsibility of the board of
185 trustees to prepare and approve the budget of the respective new
186 reorganized district, and the board of trustees may use staff from
187 the former school district to prepare the budget. Any transfer of
188 the assets, real or personal property of the Oktibbeha County
189 School District mandated by this section shall be final and
190 conclusive for the purposes of the transfer of property required
191 by this section to effectuate the administrative consolidation.

192 (4) Nothing in this section shall be construed to require
193 the closing of any school or school facility, unless the facility
194 is an unneeded administrative office located within a school
195 district which has been abolished under the provisions of this
196 section. All administrative consolidations under this section
197 shall be accomplished so as not to delay or in any manner
198 negatively affect the desegregation of another school district in
199 the county pursuant to court order.



200 (5) The State Board of Education shall promulgate rules and
201 regulations to facilitate the administrative consolidation of the
202 school districts in Oktibbeha County pursuant to the requirements
203 of this section. Beginning with the insurance cafeteria plan year
204 of November 1, 2014, the consolidated districts shall fall under
205 all insurance plans and policies elected by the Starkville Public
206 School District, including the group term life insurance described
207 in Section 25-15-9(7).

208 (6) For the initial three (3) years following the
209 administrative consolidation required by this section, the State
210 Department of Education shall grant a waiver of accountability and
211 state assessment requirements to the Starkville-Oktibbeha
212 Consolidated School District, subject to the approval of the State
213 Board of Education.

214 (7) As soon as practicable after * * * passage of this act,
215 the Conservator of the Oktibbeha County School District shall
216 initiate the issuance of notes or certificates of indebtedness of
217 the Oktibbeha County School District for the purpose of purchasing
218 school buses, textbooks, computers and software and other
219 equipment and fixtures for school facilities, and for any purposes
220 enumerated in Section 37-59-3, Mississippi Code of 1972, and
221 making repairs, alterations, utility upgrades and additions to two
222 (2) elementary school buildings located in the Oktibbeha County
223 School District in order to meet the same physical and educational
224 standards as the elementary school buildings in Starkville, and to



225 contribute funds to the Starkville School District for capital
226 improvements to accommodate county school district students and
227 increase capacity for the consolidation. The contribution of such
228 funds to the Starkville School District is hereby authorized.
229 Said notes or certificates of indebtedness shall be issued under
230 the authority of Sections 37-59-101 through 37-59-115, Mississippi
231 Code of 1972, including all notice requirements, however, the
232 resolution as to the necessity for the issuance of the notes and
233 the execution of the documents shall be made by the Conservator of
234 the Oktibbeha County School District. The term of any notes or
235 certificates of indebtedness issued under this section may not
236 exceed the useful life of the financed project as determined
237 according to the upper limit of useful life and depreciation
238 guidelines established under the United States Internal Revenue
239 Code and regulations. The levying authority for the Oktibbeha
240 County School District, and after July 1, 2015, the levying
241 authority for the Starkville-Oktibbeha Consolidated School
242 District, shall annually levy a special tax on all taxable
243 property of the former Oktibbeha County School District, and after
244 July 1, 2015, on all taxable property of the Starkville-Oktibbeha
245 Consolidated School District, in an amount sufficient to pay the
246 principal of and interest on such negotiable notes or certificates
247 of indebtedness as the same shall respectively mature and accrue.
248 Said tax shall be levied as provided in Section 37-59-107,
249 Mississippi Code of 1972, except that the levy shall not exceed



250 three (3) mills on the dollar for the payment of all notes that
251 are subject to the levy under Section 37-59-107. Any notes or
252 certificates of indebtedness issued pursuant to this subsection
253 (7) shall become indebtedness of the new Starkville-Oktibbeha
254 Consolidated School District from and after July 1, 2015, and the
255 mandatory special ad valorem tax levied to pay the notes or
256 certificates of indebtedness by the levying authority pursuant to
257 Section 37-59- * * *107, Mississippi Code of 1972, shall be levied
258 upon all of the taxable property within the * * *
259 Starkville-Oktibbeha * * * Consolidated School District.

260 (8) For a period beginning July 1, 2014, and ending June 30,
261 2015, the Conservator of the Oktibbeha County School District
262 shall issue negotiable bonds of the Oktibbeha County School
263 District for the purpose of purchasing school buses, textbooks,
264 computers and software and other equipment and fixtures for school
265 facilities, and making repairs, alterations and additions and
266 utility upgrades, and for any purposes allowed by Section 37-59-3,
267 Mississippi Code of 1972, to school facilities in the Oktibbeha
268 County School District and in the Starkville School District to
269 accommodate students in the former Oktibbeha County School
270 District who will be attending school in the new
271 Starkville-Oktibbeha Consolidated School District and the
272 increased capacity needs under the consolidation. Said bonds
273 shall be issued under the authority of Sections 37-59-1 through
274 37-59-45, however, * * * any resolutions as to the necessity for



275 the issuance of * * * any bonds and execution of the documents may
276 be made periodically by the Conservator of the Oktibbeha County
277 School District. Provided further, that the conservator shall
278 publish * * * each resolution of necessity and intent to issue any
279 bonds once each week for at least three (3) consecutive weeks in a
280 newspaper having general circulation in the Oktibbeha County
281 School District, with the first publication thereof to be made not
282 less than fifteen (15) days prior to the date upon which the
283 conservator is to take final action upon the question of
284 authorizing the issuance of said bonds. If no petition requesting
285 an election is filed prior to the date * * * and time of the
286 meeting at which the conservator is to take final action on the
287 issuance of * * * said bonds, then the conservator shall authorize
288 the issuance of the bonds. If at any time prior to the date * * *
289 and time of the meeting at which the conservator * * * is to take
290 final action upon the question of issuing such bonds a petition
291 signed by not less than twenty percent (20%) of the qualified
292 electors of the Oktibbeha County School District shall be filed
293 with the Conservator of the Oktibbeha County School District
294 requesting that an election be called on the question of issuing
295 the bonds, then the conservator shall either rescind the
296 applicable resolution of intent or adopt a resolution calling an
297 election to be held within the territory of the Oktibbeha County
298 School District upon such question. The election shall be called
299 and held, and notice thereof shall be given, in the same manner



300 for elections upon the question of bond issues under Sections
301 37-59-11, 37-59-13, 37-59-15 and 37-59-17, and the results thereof
302 shall be certified by the Oktibbeha County Election Commission to
303 the Conservator of the Oktibbeha County School District. If
304 three-fifths (3/5) of the qualified electors of the Oktibbeha
305 County School District who voted in such election vote in favor of
306 the issuance of such bonds, then the conservator shall authorize
307 the Oktibbeha County School District to issue such bonds.
308 Notwithstanding any provision to the contrary, the Oktibbeha
309 County School District may issue bonds pursuant to this subsection
310 (8) in an amount which, when added to all of the Oktibbeha County
311 School District's then outstanding bonded indebtedness, shall not
312 result in the imposition on any of the property in said district
313 of an indebtedness for school purposes of more than twenty percent
314 (20%) of the assessed value of the taxable property within said
315 district, according to the then last completed assessment for
316 taxation. Any bonds issued pursuant to this subsection (8) shall
317 become indebtedness of the new Starkville-Oktibbeha Consolidated
318 School District from and after July 1, 2015, and the mandatory
319 special ad valorem tax to be levied by the levying authority
320 pursuant to Section 37-59-23, Mississippi Code of 1972, to pay the
321 bonds shall be levied * * * upon * * * all taxable * * *
322 property * * * within the * * * Starkville-Oktibbeha * * *
323 Consolidated School District. * * *



324 (9) For a period beginning July 1, 2015, and ending July 1,
325 2024, the new Starkville-Oktibbeha Consolidated School District
326 Board of Trustees may periodically issue negotiable bonds in one
327 or more series of the Starkville-Oktibbeha Consolidated School
328 District for the purpose of purchasing school buses, textbooks,
329 computers and software and other equipment and fixtures for school
330 facilities and for any purposes enumerated in Section 37-59-3,
331 Mississippi Code of 1972. The term of any such bonds may not
332 exceed the useful life of the financed project as determined
333 according to the upper limit of useful life and depreciation
334 guidelines established under the United States Internal Revenue
335 Code and regulations. Said bonds shall be issued under the
336 authority of Sections 37-59-1 through 37-59-45, including all
337 notice and publication requirements, however, the necessity for
338 the issuance of the bonds shall be made pursuant to a reverse
339 referendum procedure to be followed by the Starkville-Oktibbeha
340 Consolidated School District Board of Trustees as follows: the
341 board of trustees shall publish * * * each resolution of necessity
342 and intent to issue bonds once each week for at least three (3)
343 consecutive weeks in a newspaper having general circulation in the
344 Starkville-Oktibbeha Consolidated School District, with the first
345 publication thereof to be made not less than fifteen (15) days
346 prior to the date on which the board of trustees is to take final
347 action authorizing the issuance of the bonds. If no petition
348 requesting an election is filed prior to the date * * * and time



349 of the meeting at which the board of trustees is to take final
350 action on the issuance of the bonds, the board of trustees shall
351 authorize the issuance of the bonds. If at any time prior to the
352 date * * * and time of the meeting at which the board of trustees
353 is to take final action authorizing the issuance of the bonds a
354 petition signed by not less than twenty percent (20%) of the
355 qualified electors of the Starkville-Oktibbeha Consolidated School
356 District shall be filed with the Board of Trustees of the
357 Starkville-Oktibbeha Consolidated School District requesting that
358 an election be called on the question of issuing the bonds, then
359 the board of trustees shall, not later than its next regular
360 meeting, adopt a resolution calling an election to be held within
361 the Starkville-Oktibbeha Consolidated School District upon such
362 question. The election shall be called and held, and notice
363 thereof shall be given, in the same manner for elections upon the
364 question of bond issues under Sections 37-59-11, 37-59-13,
365 37-59-15 and 37-59-17, and the results thereof shall be certified
366 to the Starkville-Oktibbeha Consolidated School District Board of
367 Trustees, as the case may be. If three-fifths (3/5) of the
368 qualified electors of the Starkville-Oktibbeha Consolidated School
369 District who voted in such election vote in favor of the issuance
370 of such bonds, then the board of trustees shall issue such bonds.
371 Notwithstanding any provision to the contrary, the
372 Starkville-Oktibbeha Consolidated School District may issue bonds
373 pursuant to this subsection (9) in an amount which, when added to



374 all of the Starkville-Oktibbeha Consolidated School District's
375 then outstanding bonded indebtedness, shall not result in the
376 imposition on any of the property in said district of an
377 indebtedness for school purposes of more than twenty percent (20%)
378 of the assessed value of the taxable property within said
379 district, according to the then last completed assessment for
380 taxation. Any bonds issued pursuant to this subsection (9) shall
381 be indebtedness of the new Starkville-Oktibbeha Consolidated
382 School District. The mandatory special ad valorem tax to be
383 levied by the levying authority pursuant to Section 37-59-23,
384 Mississippi Code of 1972, shall be levied on all taxable property
385 of the Starkville-Oktibbeha Consolidated School District.

386 (10) Notwithstanding any law or any provision of any law to
387 the contrary, from and after July 1, 2015, all outstanding debt of
388 the former Oktibbeha County School District and the former
389 Starkville School District shall be assumed by and become the debt
390 of the new Starkville-Oktibbeha Consolidated School District. Any
391 debt assumed by the Starkville-Oktibbeha Consolidated School
392 District secured by a special ad valorem tax shall * * * become
393 secured by and payable from a mandatory, special ad valorem tax
394 which shall be levied on all taxable property in the * * *
395 Starkville-Oktibbeha Consolidated School District * * * by the
396 levying authority of the Starkville-Oktibbeha Consolidated School
397 District. All debt secured by a pledge by either district of its
398 education enhancement funds pursuant to Section 37-61-33,



399 Mississippi Code of 1972, or by a pledge of its Mississippi
400 Adequate Education Program funds will continue to be secured by
401 and payable from the same funds after the debt is assumed by the
402 Starkville-Oktibbeha Consolidated School District as of July 1,
403 2015. It is the intent of the Legislature that any such pledges
404 will remain in effect and that the pledged funds will be available
405 to the Starkville-Oktibbeha Consolidated School District to pay
406 its debt to which the funds are pledged.

407 (11) It shall be the responsibility of the Board of
408 Supervisors of Oktibbeha County to provide office, furnishing and
409 utilities for the administrative Office of the Superintendent of
410 the Starkville-Oktibbeha Consolidated School District.

411 (12) The new Starkville-Oktibbeha Consolidated School
412 District is authorized and encouraged to develop a partnership
413 with Mississippi State University to create a model rural
414 education school to serve all sixth- and seventh-grade students
415 from Oktibbeha County and a model prekindergarten program which
416 shall also serve as a model for the education of teachers and
417 administrators.

418 (13) The Board of Supervisors of Oktibbeha County shall be
419 the "levying authority" for the Starkville-Oktibbeha Consolidated
420 School District.

421 **SECTION 4.** This act shall take effect and be in force from
422 and after its passage.

