

By: Senator(s) Tollison

To: Education

SENATE BILL NO. 2392

1 AN ACT TO AMEND SECTION 37-7-104.3, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE STARKVILLE-OKTIBBEHA CONSOLIDATED SCHOOL DISTRICT
3 AND MISSISSIPPI STATE UNIVERSITY TO ENTER INTO AN AGREEMENT FOR
4 CONSTRUCTING AND OPERATING A MODEL RURAL EDUCATION SCHOOL FOR
5 SIXTH AND SEVENTH GRADE STUDENTS FROM OKTIBBEHA COUNTY; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** Section 37-7-104.3, Mississippi Code of 1972, is
9 amended as follows:

10 37-7-104.3. (1) In Oktibbeha County, Mississippi, in which
11 are located, as of January 1, 2013, two (2) school districts,
12 there shall be an administrative consolidation of all of those
13 school districts in the county into one (1) new countywide
14 municipal separate school district to be designated as
15 Starkville-Oktibbeha Consolidated School District which shall
16 consist of the territory of the former Oktibbeha County School
17 District and the Starkville School District, effective on July 1,
18 2015. Until June 30, 2015, preceding the effective date of the
19 required administrative consolidation of school districts in the
20 county, the Oktibbeha County School District shall remain in



21 conservatorship, under the authority and control of the
22 Mississippi Recovery School District of the State Department of
23 Education. At such time that the administrative consolidation
24 becomes effective, the central administrative office of the
25 Starkville-Oktibbeha Consolidated School District shall be located
26 in Starkville, Mississippi.

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

32 (b) In the new consolidated school district there shall
33 be a countywide municipal separate school district board of
34 trustees, which shall consist of the existing members of the Board
35 of Trustees of the Starkville School District. However, upon the
36 first occurrence of a vacancy on the board as a result of an
37 expired term of an appointed board member, that vacancy shall
38 become an elected position and shall be filled by the election of
39 a board member as follows: the 2016 expiring term board member
40 shall remain in office until January 1, 2017. In November 2016,
41 an election will be held for a board member who resides outside of
42 the incorporated municipal limits in the manner prescribed in
43 Section 37-7-203, and the elected board member will take office
44 for a five-year term beginning January 1, 2017. Subsequent board
45 members shall be selected in the manner prescribed in Section



46 37-7-203. The Board of Supervisors of Oktibbeha County shall
47 publish notice of the school board elections in some newspaper of
48 general circulation in the county for at least three (3)
49 consecutive weeks.

50 (c) Any school district affected by the required
51 administrative consolidation in the county that does not
52 voluntarily consolidate as ordered by the State Board of Education
53 shall be administratively consolidated by the State Board of
54 Education, to be effective immediately upon action of the State
55 Board of Education. The State Board of Education shall promptly
56 move on its own motion to administratively consolidate a school
57 district which does not voluntarily consolidate in order to enable
58 the affected school districts to reasonably accomplish the
59 resulting administrative consolidation into one (1) consolidated
60 school district by July 1 following the motion to consolidate.
61 The affected school districts shall comply with any consolidation
62 order issued by the State Board of Education.

63 (3) On July 1, 2015, following the motion of State Board of
64 Education to consolidate school districts in Oktibbeha County, the
65 Oktibbeha County School District shall be abolished. All real and
66 personal property which is owned or titled in the name of the
67 school district located in such former school district shall be
68 transferred to the Starkville-Oktibbeha Consolidated School
69 District as of July 1, 2015. The Conservator of the Oktibbeha
70 County School District is authorized and directed to execute and



71 record all documents and conveyances necessary to convey title to
72 all real and personal property of the Oktibbeha County School
73 District to the Starkville-Oktibbeha Consolidated School District.
74 The conservator is further authorized and directed to sign all
75 documents and to take all actions necessary to assign contracts
76 and other property, contract rights and obligations of the
77 Oktibbeha County School District to the Starkville-Oktibbeha
78 Consolidated School District. The Board of Trustees of the
79 Starkville School District shall be responsible for establishing
80 the contracts for operations, teachers, principals, clerical and
81 administrative staff personnel for the 2015-2016 school year prior
82 to July 1, 2015, and shall consult with the conservator for the
83 establishment of contracts for teachers, principals, clerical and
84 administrative staff personnel located in the former Oktibbeha
85 County School District for the 2015-2016 school year. In order to
86 prepare for the efficient staffing of the Starkville-Oktibbeha
87 Consolidated School District, the Conservator of the Oktibbeha
88 County School District and the Superintendent of the Starkville
89 School District shall have full authority to nonrenew the
90 employment contract of any teacher, principal, clerical or
91 administrative staff located within their respective school
92 districts for the 2015-2016 school year. The superintendent and
93 assistant superintendent(s) of schools of the former Starkville
94 School District shall continue to serve in like administrative
95 capacities of the Starkville-Oktibbeha Consolidated School



96 District, but in no instance shall the administrative leadership
97 of the Starkville-Oktibbeha Consolidated School District exceed
98 three (3) assistant superintendents to be appointed by the
99 superintendent of the former Starkville School District. No
100 superintendent serving in the former Oktibbeha County School
101 District shall be eligible for appointment as a superintendent or
102 assistant superintendent in the Starkville-Oktibbeha Consolidated
103 School District. Likewise, no trustee serving in the former
104 Oktibbeha County School District shall be eligible for election to
105 the new Board of Trustees of the Starkville-Oktibbeha Consolidated
106 School District. It shall be the responsibility of the board of
107 trustees to prepare and approve the budget of the respective new
108 reorganized district, and the board of trustees may use staff from
109 the former school district to prepare the budget. Any transfer of
110 the assets, real or personal property of the Oktibbeha County
111 School District mandated by this section shall be final and
112 conclusive for the purposes of the transfer of property required
113 by this section to effectuate the administrative consolidation.

114 (4) Nothing in this section shall be construed to require
115 the closing of any school or school facility, unless the facility
116 is an unneeded administrative office located within a school
117 district which has been abolished under the provisions of this
118 section. All administrative consolidations under this section
119 shall be accomplished so as not to delay or in any manner



120 negatively affect the desegregation of another school district in
121 the county pursuant to court order.

122 (5) The State Board of Education shall promulgate rules and
123 regulations to facilitate the administrative consolidation of the
124 school districts in Oktibbeha County pursuant to the requirements
125 of this section. Beginning with the insurance cafeteria plan year
126 of November 1, 2014, the consolidated districts shall fall under
127 all insurance plans and policies elected by the Starkville Public
128 School District, including the group term life insurance described
129 in Section 25-15-9(7).

130 (6) For the initial three (3) years following the
131 administrative consolidation required by this section, the State
132 Department of Education shall grant a waiver of accountability and
133 state assessment requirements to the Starkville-Oktibbeha
134 Consolidated School District, subject to the approval of the State
135 Board of Education.

136 (7) As soon as practicable after March 31, 2015, the
137 Conservator of the Oktibbeha County School District shall initiate
138 the issuance of notes or certificates of indebtedness of the
139 Oktibbeha County School District for the purpose of purchasing
140 school buses, textbooks, computers and software and other
141 equipment and fixtures for school facilities, and for any purposes
142 enumerated in Section 37-59-3, Mississippi Code of 1972, and
143 making repairs, alterations, utility upgrades and additions to two
144 (2) elementary school buildings located in the Oktibbeha County



145 School District in order to meet the same physical and educational
146 standards as the elementary school buildings in Starkville, and to
147 contribute funds to the Starkville School District for capital
148 improvements to accommodate county school district students and
149 increase capacity for the consolidation. The contribution of such
150 funds to the Starkville School District is hereby authorized.
151 Said notes or certificates of indebtedness shall be issued under
152 the authority of Sections 37-59-101 through 37-59-115, Mississippi
153 Code of 1972, including all notice requirements, however, the
154 resolution as to the necessity for the issuance of the notes and
155 the execution of the documents shall be made by the Conservator of
156 the Oktibbeha County School District. The term of any notes or
157 certificates of indebtedness issued under this section may not
158 exceed the useful life of the financed project as determined
159 according to the upper limit of useful life and depreciation
160 guidelines established under the United States Internal Revenue
161 Code and regulations. The levying authority for the Oktibbeha
162 County School District, and after July 1, 2015, the levying
163 authority for the Starkville-Oktibbeha Consolidated School
164 District, shall annually levy a special tax on all taxable
165 property of the former Oktibbeha County School District in an
166 amount sufficient to pay the principal of and interest on such
167 negotiable notes or certificates of indebtedness as the same shall
168 respectively mature and accrue. Said tax shall be levied as
169 provided in Section 37-59-107, Mississippi Code of 1972, except



170 that the levy shall not exceed three (3) mills on the dollar for
171 the payment of all notes that are subject to the levy under
172 Section 37-59-107. Any notes or certificates of indebtedness
173 issued pursuant to this subsection (7) shall become indebtedness
174 of the new Starkville-Oktibbeha Consolidated School District from
175 and after July 1, 2015, and the mandatory special ad valorem tax
176 levied to pay the notes or certificates of indebtedness by the
177 levying authority pursuant to Section 37-59-101, Mississippi Code
178 of 1972, shall be levied upon all of the taxable property within
179 the former Oktibbeha County School District.

180 (8) For a period beginning July 1, 2014, and ending June 30,
181 2015, the Conservator of the Oktibbeha County School District
182 shall issue negotiable bonds of the Oktibbeha County School
183 District for the purpose of purchasing school buses, textbooks,
184 computers and software and other equipment and fixtures for school
185 facilities, and making repairs, alterations and additions and
186 utility upgrades, and for any purposes allowed by Section 37-59-3,
187 Mississippi Code of 1972, to school facilities in the Oktibbeha
188 County School District and in the Starkville School District to
189 accommodate students in the former Oktibbeha County School
190 District who will be attending school in the new
191 Starkville-Oktibbeha Consolidated School District and the
192 increased capacity needs under the consolidation. Said bonds
193 shall be issued under the authority of Sections 37-59-1 through
194 37-59-45, however, the resolution as to the necessity for the



195 issuance of the bonds and execution of the documents may be made
196 by the Conservator of the Oktibbeha County School District.
197 Provided further, that the conservator shall publish notice of the
198 issuance of the bonds once each week for at least three (3)
199 consecutive weeks in a newspaper having general circulation in the
200 Oktibbeha County School District, with the first publication
201 thereof to be made not less than fifteen (15) days prior to the
202 date upon which the conservator is to take final action upon the
203 question of authorizing the issuance of said bonds. If no
204 petition requesting an election is filed prior to the date on
205 which the conservator is to take final action on the issuance of
206 the bonds, then the conservator shall authorize the issuance of
207 the bonds. If at any time prior to the date on which the
208 conservator takes final action upon the question of issuing such
209 bonds a petition signed by not less than twenty percent (20%) of
210 the qualified electors of the Oktibbeha County School District
211 shall be filed with the Conservator of the Oktibbeha County School
212 District requesting that an election be called on the question of
213 issuing the bonds, then the conservator shall either rescind the
214 resolution of intent or adopt a resolution calling an election to
215 be held within the territory of the Oktibbeha County School
216 District upon such question. The election shall be called and
217 held, and notice thereof shall be given, in the same manner for
218 elections upon the question of bond issues under Sections
219 37-59-13, 37-59-15 and 37-59-17, and the results thereof shall be



220 certified by the Oktibbeha County Election Commission to the
221 Conservator of the Oktibbeha County School District. If
222 three-fifths (3/5) of the qualified electors who voted in such
223 election vote in favor of the issuance of such bonds, then the
224 conservator shall authorize the Oktibbeha County School District
225 to issue such bonds. Notwithstanding any provision to the
226 contrary, the Oktibbeha County School District may issue bonds
227 pursuant to this subsection (8) in an amount which, when added to
228 all of the Oktibbeha County School District's then outstanding
229 bonded indebtedness, shall not result in the imposition on any of
230 the property in said district of an indebtedness for school
231 purposes of more than twenty percent (20%) of the assessed value
232 of the taxable property within said district, according to the
233 then last completed assessment for taxation. Any bonds issued
234 pursuant to this subsection (8) shall become indebtedness of the
235 new Starkville-Oktibbeha Consolidated School District from and
236 after July 1, 2015, and the mandatory special ad valorem tax to be
237 levied by the levying authority pursuant to Section 37-59-23,
238 Mississippi Code of 1972, to pay the bonds shall be levied only
239 upon the taxable real property that was within the former
240 Oktibbeha County School District. The tax for the bonds may not
241 be imposed on the real property within the former Starkville
242 School District.

243 (9) For a period beginning July 1, 2015, and ending July 1,
244 2024, the new Starkville-Oktibbeha Consolidated School District



245 Board of Trustees may issue negotiable bonds of the
246 Starkville-Oktibbeha Consolidated School District for the purpose
247 of purchasing school buses, textbooks, computers and software and
248 other equipment and fixtures for school facilities and for any
249 purposes enumerated in Section 37-59-3, Mississippi Code of 1972.
250 The term of any such bonds may not exceed the useful life of the
251 financed project as determined according to the upper limit of
252 useful life and depreciation guidelines established under the
253 United States Internal Revenue Code and regulations. Said bonds
254 shall be issued under the authority of Sections 37-59-1 through
255 37-59-45, including all notice and publication requirements,
256 however, the necessity for the issuance of the bonds shall be made
257 pursuant to a reverse referendum procedure to be followed by the
258 Starkville-Oktibbeha Consolidated School District Board of
259 Trustees as follows: the board of trustees shall publish notice
260 of the issuance of the bonds once each week for at least three (3)
261 consecutive weeks in a newspaper having general circulation in the
262 Starkville-Oktibbeha Consolidated School District, with the first
263 publication thereof to be made not less than fifteen (15) days
264 prior to the date on which the board of trustees is to take final
265 action authorizing the issuance of the bonds. If no petition
266 requesting an election is filed prior to the date on which the
267 board of trustees is to take final action on the issuance of the
268 bonds, the board of trustees shall authorize the issuance of the
269 bonds. If at any time prior to the date on which the board of



270 trustees is to take final action authorizing the issuance of the
271 bonds a petition signed by not less than twenty percent (20%) of
272 the qualified electors of the Starkville-Oktibbeha Consolidated
273 School District shall be filed with the Board of Trustees of
274 Starkville-Oktibbeha Consolidated School District requesting that
275 an election be called on the question of issuing the bonds, then
276 the board of trustees shall, not later than its next regular
277 meeting, adopt a resolution calling an election to be held within
278 the Starkville-Oktibbeha Consolidated School District upon such
279 question. The election shall be called and held, and notice
280 thereof shall be given, in the same manner for elections upon the
281 question of bond issues under Sections 37-59-13, 37-59-15 and
282 37-59-17, and the results there shall be certified to the
283 Starkville-Oktibbeha Consolidated School District Board of
284 Trustees, as the case may be. If three-fifths (3/5) of the
285 qualified electors who voted in such election vote in favor of the
286 issuance of such bonds, then the board of trustees shall issue
287 such bonds. Notwithstanding any provision to the contrary, the
288 Starkville-Oktibbeha Consolidated School District may issue bonds
289 pursuant to this subsection (9) in an amount which, when added to
290 all of the Starkville-Oktibbeha Consolidated School District's
291 then outstanding bonded indebtedness, shall not result in the
292 imposition on any of the property in said district of an
293 indebtedness for school purposes of more than twenty percent (20%)
294 of the assessed value of the taxable property within said



295 district, according to the then last completed assessment for
296 taxation. Any bonds issued pursuant to this subsection (9) shall
297 be indebtedness of the new Starkville-Oktibbeha Consolidated
298 School District. The mandatory special ad valorem tax to be
299 levied by the levying authority pursuant to Section 37-59-23,
300 Mississippi Code of 1972, shall be levied on all taxable property
301 of the Starkville-Oktibbeha Consolidated School District.

302 (10) Notwithstanding any law or any provision of any law to
303 the contrary, from and after July 1, 2015, all outstanding debt of
304 the former Oktibbeha County School District and the former
305 Starkville School District shall be assumed by and become the debt
306 of the new Starkville-Oktibbeha Consolidated School District. Any
307 debt assumed by the Starkville-Oktibbeha Consolidated School
308 District secured by a special ad valorem tax shall be secured by
309 and payable from a special ad valorem tax levied on taxable
310 property in the former Starkville School District and the former
311 Oktibbeha County School District, by its respective levying
312 authority. All debt secured by a pledge by either district of its
313 education enhancement funds pursuant to Section 37-61-33,
314 Mississippi Code of 1972, or by a pledge of its Mississippi
315 Adequate Education Program funds will continue to be secured by
316 and payable from the same funds after the debt is assumed by the
317 Starkville-Oktibbeha Consolidated School District as of July 1,
318 2015. It is the intent of the Legislature that any such pledges
319 will remain in effect and that the pledged funds will be available



320 to the Starkville-Oktibbeha Consolidated School District to pay
321 its debt to which the funds are pledged.

322 (11) It shall be the responsibility of the Board of
323 Supervisors of Oktibbeha County to provide office, furnishing and
324 utilities for the administrative Office of the Superintendent of
325 the Starkville-Oktibbeha Consolidated School District.

326 (12) The new Starkville-Oktibbeha Consolidated School
327 District is authorized and encouraged to develop a partnership
328 with Mississippi State University to create a model rural
329 education school to serve all sixth- and seventh-grade students
330 from Oktibbeha County and a model prekindergarten program which
331 shall also serve as a model for the education of teachers and
332 administrators. The Starkville-Oktibbeha Consolidated School
333 District and Mississippi State University are authorized and
334 empowered, in each's discretion, to enter into an agreement for
335 the purpose of designing, constructing, maintaining and operating
336 a model rural education school to serve all sixth- and
337 seventh-grade students from Oktibbeha County. The
338 Starkville-Oktibbeha Consolidated School District and Mississippi
339 State University are further authorized and empowered, in each's
340 discretion, to transfer funds to the other and expend such funds
341 on mutually agreeable terms and conditions for the construction,
342 maintenance and operation of such school.



343 (13) The Board of Supervisors of Oktibbeha County shall be
344 the "levying authority" for the Starkville-Oktibbeha Consolidated
345 School District.

346 **SECTION 2.** Subject to the approval of the Board of Trustees
347 of State Institutions of Higher Learning, Mississippi State
348 University is authorized and empowered, in its discretion, to
349 lease to the Starkville-Oktibbeha Consolidated School District and
350 the Starkville-Oktibbeha Consolidated School District is
351 authorized and empowered, in its discretion, to lease from
352 Mississippi State University, upon mutually agreeable terms and
353 conditions, land suitable for a model rural education school to
354 serve all sixth- and seventh-grade students from Oktibbeha County
355 for a term not to exceed ninety-nine (99) years. Any such lease
356 shall not be cancelled by successor boards based on the binding
357 successor doctrine.

358 **SECTION 3.** This act shall take effect and be in force from
359 and after July 1, 2016.

