

By the Committee on Education; and Senator Clary

304-2203-03

1                                   A bill to be entitled  
2           An act relating to funding for school  
3           districts; authorizing district school boards  
4           to expend in their operating budgets nonvoted  
5           capital improvement millage; specifying certain  
6           conditions and restrictions; providing for  
7           transfer of proceeds by budget amendment  
8           approved by the district school board;  
9           providing an effective date.

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11 Be It Enacted by the Legislature of the State of Florida:

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13           Section 1. (1) Notwithstanding any other provision of  
14 law, if a district school board or the governing authority in  
15 a county is levying, or in the past 10 years has levied, at  
16 least a 0.5-percent sales surtax for public school capital  
17 outlay authorized by section 212.055, Florida Statutes, the  
18 district school board is authorized to expend in its operating  
19 budget as nonrecurring funds up to 2 mills of its nonvoted  
20 capital improvement millage levied pursuant to section  
21 1011.71(2), Florida Statutes, to fund up to the state average  
22 of per-student funding. This authorized use of proceeds from  
23 the millage levy is in addition to the authorized uses set  
24 forth in section 1011.71, Florida Statutes. Any proceeds from  
25 this millage levy shall be transferred by budget amendment  
26 approved by the district school board at a regular meeting of  
27 the district school board.

28           (2) A district school board shall be authorized to  
29 expend in its operating budget the nonvoted capital  
30 improvement millage specified in subsection (1) for 10 years  
31 after the date the sales surtax specified in subsection (1)

1 expires. Such expenditures are restricted to those that will  
2 not constitute a recurring obligation following the 10-year  
3 period. For each year the school district board expends in  
4 its operating budget the nonvoted capital improvement millage  
5 specified in subsection (1), the district school board shall  
6 submit to the Department of Education certified notice that  
7 such recurring obligation has not been entered into.

8 (3) The district school board shall also submit to the  
9 Department of Education certified notice that, for 5 years  
10 following each year it expends in its operating budget the  
11 nonvoted capital improvement millage specified in subsection  
12 (1), the district school board will fulfill its obligation  
13 needs as delineated through the district 5-year work plan and  
14 required for purposes of compliance with the class size  
15 reduction schedule as enacted by the Legislature through a  
16 combination of the district's share of legislative  
17 appropriations as appropriated to all districts, locally voted  
18 and nonvoted revenues, and bonds or certificates of  
19 participation financed through locally generated revenue. If a  
20 school received a grade of "F" the previous year, the district  
21 school board of the school district in which the school is  
22 located may not use the proceeds from the millage levy  
23 pursuant to subsection (1).

24 (4) To use the proceeds from the millage levy pursuant  
25 to subsection (1), the population of a county in which the  
26 school district is located must not exceed 500,000.

27 Section 2. This act shall take effect July 1, 2003.  
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
COMMITTEE SUBSTITUTE FOR  
Senate Bill 1418

The Committee Substitute limits the amount of nonvoted millage that can be transferred to the operating budget. Only funds sufficient to raise the per-student funding to the state average may be transferred.

The school district is required to certify to the State Board of Education that the transfer does not create a recurring obligation on the district. The district must also certify that it will still be able to meet the facilities obligations of the district. These obligations include accomplishing the projects on the district's 5-year work plan and remaining in compliance with the constitutional class size schedule adopted by the Legislature.

Restrictions are placed on districts that may participate. If a district has an "F" school or if the district population exceeds 500,000, the district may not transfer funds from the nonvoted millage to the operating budget.