



HB 0033

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A bill to be entitled
 An act relating to the lottery; amending s. 24.121, F.S.;
 providing for deduction of a portion of Florida Lotto
 rollover jackpots to be used to enhance funding for public
 schools; amending s. 1010.70, F.S.; revising provisions
 relating to revenues deposited in the Educational
 Enhancement Trust Fund, to update and conform; providing
 an effective date.

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

Section 1. Section 24.121, Florida Statutes, is amended to
 read:

24.121 Allocation of revenues and expenditure of funds for
 public education.—

(1) As nearly as practical, at least 50 percent of the
 gross revenue from the sale of on-line lottery tickets and
 variable percentages, as determined by the department, of the
 gross revenue from the sale of instant lottery tickets,
excluding funds deducted from Florida Lotto rollover jackpots
under subsection (6), shall be returned to the public in the
 form of prizes paid by the department or retailers as authorized
 by this act. The variable percentages of gross revenue from the
 sale of instant tickets returned to the public in the form of
 prizes shall be established by the department in a manner
 designed to maximize the amount of funds deposited under
 subsection (2).

(2) Each fiscal year, at least 38 percent of the gross
 revenue from the sale of on-line lottery tickets, variable
 percentages of the gross revenue from the sale of instant



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31 lottery tickets as determined by the department consistent with
32 subsection (1), funds deducted from Florida Lotto rollover
33 jackpots under subsection (6), and other earned revenue,
34 excluding application processing fees, shall be deposited in the
35 Educational Enhancement Trust Fund, which is hereby created in
36 the State Treasury to be administered by the Department of
37 Education. The Department of the Lottery shall transfer moneys
38 to the Educational Enhancement Trust Fund at least once each
39 quarter. Funds in the Educational Enhancement Trust Fund shall
40 be used to the benefit of public education in accordance with
41 the provisions of this act. Notwithstanding any other provision
42 of law, a maximum of \$180 million of lottery revenues
43 transferred to the Educational Enhancement Trust Fund in fiscal
44 year 1997-1998 and for 30 years thereafter shall be reserved as
45 needed and used to meet the requirements of the documents
46 authorizing the bonds issued by the state pursuant to s. 1013.68
47 or s. 1013.70 or distributed to school districts for the
48 Classrooms First Program as provided in s. 1013.68. Such lottery
49 revenues are hereby pledged to the payment of debt service on
50 bonds issued by the state pursuant to s. 1013.68 or s. 1013.70.
51 Debt service payable on bonds issued by the state pursuant to s.
52 1013.68 or s. 1013.70 shall be payable from the first lottery
53 revenues transferred to the Educational Enhancement Trust Fund
54 in each fiscal year. Amounts distributable to school districts
55 that request the issuance of bonds pursuant to s. 1013.68(3) are
56 hereby pledged to such bonds pursuant to s. 11(d), Art. VII of
57 the State Constitution. The amounts distributed through the
58 Classrooms First Program shall equal \$145 million in each fiscal
59 year. These funds are intended to provide up to \$2.5 billion for
60 public school facilities.



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61 (3) The funds remaining in the Administrative Trust Fund
62 after transfers to the Educational Enhancement Trust Fund shall
63 be used for the payment of administrative expenses of the
64 department. These expenses shall include all costs incurred in
65 the operation and administration of the lottery and all costs
66 resulting from any contracts entered into for the purchase or
67 lease of goods or services required by the lottery, including,
68 but not limited to:

69 (a) The compensation paid to retailers;

70 (b) The costs of supplies, materials, tickets, independent
71 audit services, independent studies, data transmission,
72 advertising, promotion, incentives, public relations,
73 communications, security, bonding for retailers, printing,
74 distribution of tickets, and reimbursing other governmental
75 entities for services provided to the lottery; and

76 (c) The costs of any other goods and services necessary
77 for effectuating the purposes of this act.

78 (4) The unencumbered balance which remains in the
79 Administrative Trust Fund at the end of each fiscal year shall
80 be transferred to the Educational Enhancement Trust Fund.

81 (5) (a) Public educational programs and purposes funded by
82 the Educational Enhancement Trust Fund may include, but are not
83 limited to, endowment, scholarship, matching funds, direct
84 grants, research and economic development related to education,
85 salary enhancement, contracts with independent institutions to
86 conduct programs consistent with the state master plan for
87 postsecondary education, or any other educational program or
88 purpose deemed desirable by the Legislature.



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89 (b) Except as provided in paragraphs (c), (d), and (e),
 90 the Legislature shall equitably apportion moneys in the trust
 91 fund among public schools, community colleges, and universities.

92 (c) A portion of such net revenues, as determined annually
 93 by the Legislature, and those funds deducted from Florida Lotto
 94 rollover jackpots under subsection (6) shall be distributed to
 95 each school district and shall be made available to each public
 96 school in the district for enhancing school performance through
 97 development and implementation of a school improvement plan
 98 pursuant to s. 1001.42(16). A portion of these moneys, as
 99 determined annually in the General Appropriations Act, must be
 100 allocated to each school in an equal amount for each student
 101 enrolled. These moneys may be expended only on programs or
 102 projects selected by the school advisory council or by a parent
 103 advisory committee created pursuant to this paragraph. If a
 104 school does not have a school advisory council, the district
 105 advisory council must appoint a parent advisory committee
 106 composed of parents of students enrolled in that school, which
 107 committee is representative of the ethnic, racial, and economic
 108 community served by the school, to advise the school's principal
 109 on the programs or projects to be funded. A principal may not
 110 override the recommendations of the school advisory council or
 111 the parent advisory committee. These moneys may not be used for
 112 capital improvements, nor may they be used for any project or
 113 program that has a duration of more than 1 year; however, a
 114 school advisory council or parent advisory committee may
 115 independently determine that a program or project formerly
 116 funded under this paragraph should receive funds in a subsequent
 117 year.



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118 (d) No funds shall be released for any purpose from the
119 Educational Enhancement Trust Fund to any school district in
120 which one or more schools do not have an approved school
121 improvement plan pursuant to s. 1001.42(16) or do not comply
122 with school advisory council membership composition requirements
123 pursuant to s. 1001.452(1) ~~229.58(1)~~. Effective July 1, 2002,
124 the Commissioner of Education shall withhold disbursements from
125 the trust fund to any school district that fails to adopt the
126 performance-based salary schedule required by s. 1012.22(1).

127 (e) All components of the Florida Bright Futures
128 Scholarship Program shall be funded annually from the
129 Educational Enhancement Trust Fund. Funds shall be allocated to
130 this program prior to application of the formula for equitable
131 distribution to public schools, community colleges, and state
132 universities. If shortages require reductions in estimated
133 distributions from the Educational Enhancement Trust Fund, funds
134 for the Florida Bright Futures Scholarship Program shall be
135 reduced only after reductions in all other distributions are
136 made.

137 (f) Each school district shall, on a quarterly basis, make
138 available to the public and distribute, in an easy to understand
139 format, the expenditures of lottery funds allocated to the
140 school district.

141 (6) After each Florida Lotto drawing in which the initial
142 jackpot rolls over, \$1 million shall be deducted from the
143 original jackpot prior to the advertisement of the next
144 projected jackpot. After each succeeding Florida Lotto
145 rollover, an amount equal to double the amount of the
146 immediately preceding deduction shall be deducted from the
147 jackpot prior to the advertisement of the next projected



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148 jackpot. The funds deducted under this subsection shall be
149 deposited in the Educational Enhancement Trust Fund as provided
150 in subsection (2) and shall be used to enhance funding for
151 public schools as provided in paragraph (5) (c).

152 Section 2. Section 1010.70, Florida Statutes, is amended
153 to read:

154 1010.70 Educational Enhancement Trust Fund.—Each fiscal
155 year, at least 38 percent of the gross revenue from the sale of
156 lottery tickets, variable percentages of the gross revenue from
157 the sale of instant lottery tickets as determined by the
158 department, funds deducted from Florida Lotto rollover jackpots,
159 and other earned revenue, excluding application processing fees,
160 shall be deposited in the Educational Enhancement Trust Fund as
161 provided in s. 24.121.

162 Section 3. This act shall take effect July 1, 2003.