CHAMBER ACTION

The Committee on Education K-20 recommends the following:

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Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the district school tax; amending s. 1011.71, F.S.; continuing indefinitely a provision, previously applicable only in the 2003-2004 fiscal year, which allows a specified tax levy to be used to offset the cost of school buses purchased through contracts with private providers; amending s. 200.065, F.S., relating to the method of fixing millage, to conform; providing an effective date.

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

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18 19 Section 1. Paragraph (i) is added to subsection (2) of section 1011.71, Florida Statutes, and paragraph (a) of subsection (5) of said section is amended, to read:

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1011.71 District school tax.--

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(2) In addition to the maximum millage levy as provided in subsection (1), each school board may levy not more than 2 mills against the taxable value for school purposes to fund:

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(i) Payment of the cost of school buses when a school district contracts with a private entity to provide student transportation services if the district meets the requirements of this paragraph.

- 1. The district's contract must require that the private entity purchase, lease-purchase, or lease, and operate and maintain, one or more school buses of a specific type and size that meet the requirements of s. 1006.25.
- 2. Each such school bus must be used for the daily transportation of public school students in the manner required by the school district.
- 3. Annual payment for each such school bus may not exceed

 10 percent of the purchase price of the state pool bid.
- 4. The proposed expenditure of the funds for this purpose must have been included in the district school board's notice of proposed tax for school capital outlay as provided in s. 200.065(9).

Violations of these expenditure provisions shall result in an equal dollar reduction in the Florida Education Finance Program (FEFP) funds for the violating district in the fiscal year following the audit citation.

(5)(a) It is the intent of the Legislature that, by July 1, 2003, revenue generated by the millage levy authorized by subsection (2) should be used only for the costs of construction, renovation, remodeling, maintenance, and repair of the educational plant; for the purchase, lease, or lease-purchase of equipment, educational plants, and construction

materials directly related to the delivery of student instruction; for the rental or lease of existing buildings, or space within existing buildings, originally constructed or used for purposes other than education, for conversion to use as educational facilities; for the opening day collection for the library media center of a new school; for the purchase, leasepurchase, or lease of school buses or the payment to a private entity to offset the cost of school buses pursuant to paragraph (2)(i); and for servicing of payments related to certificates of participation issued for any purpose prior to the effective date of this act. Costs associated with the lease-purchase of equipment, educational plants, and school buses may include the issuance of certificates of participation on or after the effective date of this act and the servicing of payments related to certificates so issued. For purposes of this section, "maintenance and repair" is defined in s. 1013.01.

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A district that violates these expenditure restrictions shall have an equal dollar reduction in funds appropriated to the district under s. 1011.62 in the fiscal year following the audit citation. The expenditure restrictions do not apply to any school district that certifies to the Commissioner of Education that all of the district's instructional space needs for the next 5 years can be met from capital outlay sources that the district reasonably expects to receive during the next 5 years or from alternative scheduling or construction, leasing, rezoning, or technological methodologies that exhibit sound management.

Section 2. Paragraph (a) of subsection (9) of section 200.065, Florida Statutes, is amended to read:
200.065 Method of fixing millage.--

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(9)(a) In addition to the notice required in subsection (3), a district school board shall publish a second notice of intent to levy additional taxes under s. 1011.71(2). Such notice shall specify the projects or number of school buses anticipated to be funded by such additional taxes and shall be published in the size, within the time periods, adjacent to, and in substantial conformity with the advertisement required under subsection (3). The projects shall be listed in priority within each category as follows: construction and remodeling; maintenance, renovation, and repair; motor vehicle purchases; new and replacement equipment; payments for educational facilities and sites due under a lease-purchase agreement; payments for renting and leasing educational facilities and sites; payments of loans approved pursuant to ss. 1011.14 and 1011.15; payment of costs of compliance with environmental statutes and regulations; and payment of costs of leasing relocatable educational facilities; and payments to private entities to offset the cost of school buses pursuant to s. 1011.71(2)(i). The additional notice shall be in the following form, except that if the district school board is proposing to levy the same millage under s. 1011.71(2) which it levied in the prior year, the words "continue to" shall be inserted before the word "impose" in the first sentence, and except that the second sentence of the second paragraph shall be deleted if the district is advertising pursuant to paragraph (3)(e):

108 NOTICE OF TAX FOR SCHOOL 109 110 CAPITAL OUTLAY 111 112 The . . . (name of school district) . . . will soon 113 consider a measure to impose a . . . (number) . . . mill property tax for the capital outlay projects listed herein. 114 115 This tax is in addition to the school board's proposed tax 116 of . . . (number) . . . mills for operating expenses and is proposed solely at the discretion of the school board. THE 117 118 PROPOSED COMBINED SCHOOL BOARD TAX INCREASE FOR BOTH OPERATING 119 EXPENSES AND CAPITAL OUTLAY IS SHOWN IN THE ADJACENT NOTICE. 120 The capital outlay tax will generate approximately \$. . . 121 (amount) . . . , to be used for the following projects: 122 . . . (list of capital outlay projects) . . . 123 124 All concerned citizens are invited to a public hearing to 125 be held on . . . (date and time) . . . at . . . (meeting 126 place) . . . 127 A DECISION on the proposed CAPITAL OUTLAY TAXES will be made at this hearing. 128 129 Section 3. This act shall take effect July 1, 2004.

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