

By the Committee on Education; and Senator Bennett

304-2002-04

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A bill to be entitled  
An act relating to district school taxation;  
amending s. 1011.71, F.S.; authorizing certain  
expenditures from district school tax revenues  
to pay insurance premiums; providing  
limitations; providing for legislative review;  
amending s. 200.065, F.S., relating to the  
method of fixing millage, to conform; providing  
an effective date.

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

Section 1. Subsection (2) and paragraph (a) of  
subsection (5) of section 1011.71, Florida Statutes, as  
amended by sections 17 and 18 of chapter 2003-399, Laws of  
Florida, are amended to read:

1011.71 District school tax.--

(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:

(a) New construction and remodeling projects, as set  
forth in s. 1013.64(3)(b) and (6)(b) and included in the  
district's educational plant survey pursuant to s. 1013.31,  
without regard to prioritization, sites and site improvement  
or expansion to new sites, existing sites, auxiliary  
facilities, athletic facilities, or ancillary facilities.

(b) Maintenance, renovation, and repair of existing  
school plants or of leased facilities to correct deficiencies  
pursuant to s. 1013.15(2).

1           (c) The purchase, lease-purchase, or lease of school  
2 buses; drivers' education vehicles; motor vehicles used for  
3 the maintenance or operation of plants and equipment; security  
4 vehicles; or vehicles used in storing or distributing  
5 materials and equipment.

6           (d) The purchase, lease-purchase, or lease of new and  
7 replacement equipment.

8           (e) Payments for educational facilities and sites due  
9 under a lease-purchase agreement entered into by a district  
10 school board pursuant to s. 1003.02(1)(f) or s. 1013.15(2),  
11 not exceeding, in the aggregate, an amount equal to  
12 three-fourths of the proceeds from the millage levied by a  
13 district school board pursuant to this subsection.

14           (f) Payment of loans approved pursuant to ss. 1011.14  
15 and 1011.15.

16           (g) Payment of costs directly related to complying  
17 with state and federal environmental statutes, rules, and  
18 regulations governing school facilities.

19           (h) Payment of costs of leasing relocatable  
20 educational facilities, of renting or leasing educational  
21 facilities and sites pursuant to s. 1013.15(2), or of renting  
22 or leasing buildings or space within existing buildings  
23 pursuant to s. 1013.15(4).

24           (i) Payment of premiums for property and casualty  
25 insurance necessary to insure the educational facilities of  
26 the school district.

27  
28 Violations of these expenditure provisions shall result in an  
29 equal dollar reduction in the Florida Education Finance  
30 Program (FEFP) funds for the violating district in the fiscal  
31 year following the audit citation. The Legislature shall

1 review by June 30, 2006, the restrictions on expenditures  
2 which are provided in this subsection.

3           (5)(a) It is the intent of the Legislature that, by  
4 July 1, 2003, revenue generated by the millage levy authorized  
5 by subsection (2) should be used only for the costs of  
6 construction, renovation, remodeling, maintenance, and repair  
7 of the educational plant; for the purchase, lease, or  
8 lease-purchase of equipment, educational plants, and  
9 construction materials directly related to the delivery of  
10 student instruction; for the rental or lease of existing  
11 buildings, or space within existing buildings, originally  
12 constructed or used for purposes other than education, for  
13 conversion to use as educational facilities; for property and  
14 casualty insurance premiums necessary to insure the  
15 educational facilities of the school district;for the opening  
16 day collection for the library media center of a new school;  
17 for the purchase, lease-purchase, or lease of school buses;  
18 and for servicing of payments related to certificates of  
19 participation issued for any purpose prior to the effective  
20 date of this act. Costs associated with the lease-purchase of  
21 equipment, educational plants, and school buses may include  
22 the issuance of certificates of participation on or after the  
23 effective date of this act and the servicing of payments  
24 related to certificates so issued. For purposes of this  
25 section, "maintenance and repair" is defined in s. 1013.01. If  
26 operating revenues are made available through the payment of  
27 property and casualty insurance premiums from revenues  
28 generated under subsection (2), such operating revenues may be  
29 expended only for nonrecurring operational expenditures of the  
30 school district. The Legislature shall review this paragraph  
31 by June 30, 2006.

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

13 Section 2. Paragraph (a) of subsection (9) of section  
14 200.065, Florida Statutes, is amended to read:

15 200.065 Method of fixing millage.--

16 (9)(a) In addition to the notice required in  
17 subsection (3), a district school board shall publish a second  
18 notice of intent to levy additional taxes under s. 1011.71(2).  
19 Such notice shall specify the projects or number of school  
20 buses anticipated to be funded by such additional taxes and  
21 shall be published in the size, within the time periods,  
22 adjacent to, and in substantial conformity with the  
23 advertisement required under subsection (3). The projects  
24 shall be listed in priority within each category as follows:  
25 construction and remodeling; maintenance, renovation, and  
26 repair; motor vehicle purchases; new and replacement  
27 equipment; payments for educational facilities and sites due  
28 under a lease-purchase agreement; payments for renting and  
29 leasing educational facilities and sites; payments of loans  
30 approved pursuant to ss. 1011.14 and 1011.15; payment of costs  
31 of compliance with environmental statutes and regulations; ~~and~~

1 payment of costs of leasing relocatable educational  
2 facilities; and payment of premiums for property and casualty  
3 insurance necessary to insure the educational facilities of  
4 the school district. The additional notice shall be in the  
5 following form, except that if the district school board is  
6 proposing to levy the same millage under s. 1011.71(2) which  
7 it levied in the prior year, the words "continue to" shall be  
8 inserted before the word "impose" in the first sentence, and  
9 except that the second sentence of the second paragraph shall  
10 be deleted if the district is advertising pursuant to  
11 paragraph (3)(e):

12  
13 NOTICE OF TAX FOR SCHOOL  
14 CAPITAL OUTLAY  
15

16 The ...(name of school district)... will soon consider  
17 a measure to impose a ...(number)... mill property tax for the  
18 capital outlay projects listed herein.

19 This tax is in addition to the school board's proposed  
20 tax of ...(number)... mills for operating expenses and is  
21 proposed solely at the discretion of the school board. THE  
22 PROPOSED COMBINED SCHOOL BOARD TAX INCREASE FOR BOTH OPERATING  
23 EXPENSES AND CAPITAL OUTLAY IS SHOWN IN THE ADJACENT NOTICE.

24 The capital outlay tax will generate approximately  
25 \$...(amount)..., to be used for the following projects:

26  
27 ...(list of capital outlay projects)...

28  
29 All concerned citizens are invited to a public hearing  
30 to be held on ...(date and time)... at ...(meeting place)....  
31

1           A DECISION on the proposed CAPITAL OUTLAY TAXES will be  
2 made at this hearing.

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4           (b) In the event a school district needs to amend the  
5 list of capital outlay projects previously advertised and  
6 adopted, a notice of intent to amend the notice of tax for  
7 school capital outlay shall be published in conformity with  
8 the advertisement required in subsection (3). A public  
9 hearing to adopt the amended project list shall be held not  
10 less than 2 days nor more than 5 days after the day the  
11 advertisement is first published. The projects should be  
12 listed under each category of new, amended, or deleted  
13 projects in the same order as required in paragraph (a). The  
14 notice shall appear in the following form, except that any of  
15 the categories of new, amended, or deleted projects may be  
16 omitted if not appropriate for the changes proposed:

17  
18                                    AMENDED NOTICE OF TAX FOR  
19                                    SCHOOL CAPITAL OUTLAY  
20

21           The School Board of ...(name)... County will soon  
22 consider a measure to amend the use of property tax for the  
23 capital outlay projects previously advertised for the  
24 ...(year)... to ...(year)... school year.

25  
26           New projects to be funded:

27  
28                                   ...(list of capital outlay projects)...

29  
30           Amended projects to be funded:  
31

1                   ...(list of capital outlay projects)...

2

3           Projects to be deleted:

4

5                   ...(list of capital outlay projects)...

6

7           All concerned citizens are invited to a public hearing  
8 to be held on ...(date and time)... at ...(meeting place)....

9           A DECISION on the proposed amendment to the projects  
10 funded from CAPITAL OUTLAY TAXES will be made at this meeting.

11           Section 3. This act shall take effect July 1, 2004.

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13                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
14                   COMMITTEE SUBSTITUTE FOR  
15                   Senate Bill 546

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16 The Committee Substitute clarifies the authority of a school  
17 board to use a portion of the two mill tax to pay the costs of  
18 premiums for property and casualty insurance by placing the  
19 authorization in both (2) and (5)(a) of s. 1011.71, F.S.

19 The Committee Substitute also amends s. 200.065(9), F.S.,  
20 which requires a school board to notify the public of the  
21 proposed use of funds collected from the two mill levy. The  
22 Committee Substitute includes general language to be used in  
23 the required public notice before the levy of the tax. The new  
24 language identifies the payment of property and casualty  
25 insurance premiums as a general category for the public  
26 notice.

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