

ENROLLED

HB 0011A

2004 Legislature

1 A bill to be entitled

2 An act relating to the restoration of educational
3 facilities damaged by hurricanes in 2004; creating the
4 Educational Facilities Hurricane Restoration Cash Flow Loan
5 Program for the purpose of assisting district school boards
6 in making timely payments in restoring educational
7 facilities; providing eligibility requirements for
8 receiving a cash flow loan; requiring the Department of
9 Education to administer the loan program and distribute
10 loan funds; requiring the Department of Community Affairs
11 to notify the Department of Education when certain federal
12 payments have been distributed; providing an appropriation;
13 providing an effective date.

14
15 WHEREAS, educational facilities in this state experienced
16 widespread damage as a result of hurricanes during 2004, and

17 WHEREAS, anticipated funds from insurance settlements and
18 federal disaster assistance payments are expected to cover most
19 of the cost of restoring affected educational facilities, and

20 WHEREAS, damaged educational facilities must be restored to
21 safe and satisfactory use as soon as possible, and

22 WHEREAS, due to the widespread nature of the damage,
23 additional time is required to complete damage assessments,
24 settle insurance claims, and determine the amount of federal
25 disaster assistance payments, and

26 WHEREAS, some school districts have experienced much
27 greater damage than others, and

28 WHEREAS, the Legislature determines that it is in the best
29 interest of the state to establish a loan program to expedite

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30 the reconstruction of public educational facilities while
31 insurance settlements and federal disaster assistance payments
32 are being processed, NOW, THEREFORE,

33

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

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36 Section 1. There is established for the 2004-2005 fiscal
37 year an Educational Facilities Hurricane Restoration Cash Flow
38 Loan Program. District school boards that need assistance with
39 cash flow in order to make timely payments to contractors and
40 suppliers in restoring educational facilities damaged by a
41 hurricane or tropical storm during the 2004 hurricane season may
42 apply to the Department of Education for a cash flow loan. The
43 amount of the loan may not exceed the amount the district needs
44 to meet timely payments to contractors and suppliers for the
45 restoration of damaged facilities. To be eligible for a cash
46 flow loan, a district school board must meet the following
47 requirements:

48 (1) Have one or more educational facilities damaged or
49 destroyed by a named hurricane or tropical storm during the 2004
50 hurricane season;

51 (2) Have an agreement to pay contractors or suppliers for
52 the restoration of the damaged facilities, but have insufficient
53 cash flow to make timely payments;

54 (3) Agree to repay, from funds received from insurance
55 claims, Federal Emergency Management Agency payments, or other
56 fund sources, the full amount of the funds received from the
57 cash flow loan; and

58 (4) Agree that if repayment is not made in a timely

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59 manner, the Department of Education shall withhold future
60 distribution of public education capital outlay funds, or other
61 fixed capital outlay funds, until repayment is received by the
62 department.

63 Section 2. The Department of Education shall provide
64 information and instructions for applying for a cash flow loan
65 and administer the loans in accordance with this act. The
66 department shall distribute loan funds based on the district
67 superintendent's certification of the amount needed for payments
68 that are due during the following 30 days. All funds repaid
69 shall be deposited unallocated into the General Revenue Fund
70 within 30 days after receipt by the department.

71 Section 3. The Department of Community Affairs shall
72 notify the Department of Education when payments from the
73 Federal Emergency Management Agency for the 2004 storms have
74 been distributed to a district school board that has received an
75 educational facilities hurricane restoration cash flow loan.

76 Section 4. The sum of \$100 million is appropriated from
77 nonrecurring revenues in the General Revenue Fund to the
78 Department of Education for the 2004-2005 fiscal year for the
79 sole purpose of making educational facilities hurricane
80 restoration cash flow loans to eligible district school boards
81 in accordance with the provisions of this act.

82 Section 5. This act shall take effect upon becoming a law.