

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Government Efficiency Appropriations Committee

BILL: CS/SB 1294

SPONSOR: Government Efficiency Appropriations Committee and Senator Bennett

SUBJECT: Use of School District Millage

DATE: April 4, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Woodruff	O'Farrell	ED	Favorable
2.	Fournier	Johansen	GE	Favorable/CS
3.			EA	
4.				
5.				
6.				

I. Summary:

Local school boards are permitted to levy not more than two mills against the taxable value of property in the county for non-operating purposes in addition to the required local effort millage and non-voted discretionary millage they are allowed to assess each year for current operating purposes. The committee substitute for SB 1294 would expand the list of approved expenditures of the two mill revenue identified in subsections 1011.71 (2) and (5), Florida Statutes, and the public notice requirement associated with that levy required by paragraph (a) of subsection 200.065 (9), Florida Statutes, to allow the payment of property and casualty insurance premiums on the educational plants of the school district. If a school district uses its discretionary millage to pay for property and casualty insurance premiums, it must use the additional operating revenue made available for nonrecurring operational expenditures.

This bill substantially amends sections 200.065 and 1011.71 of the Florida Statutes.

II. Present Situation:

Paragraph (a) of subsection 200.065(9), Florida Statutes, requires a district school board to publish a notice of its intent to levy additional taxes under subsection 1011.71 (2). The public notice must specify the projects to be funded from the revenue, and identify the projects in priority order within the authorized categories listed in that section. The payment of premiums for property and casualty insurance is not currently one of the authorized categories of expenditure.

Subsections 1011.71(2) and (5), Florida Statutes, identify the specific purposes for which a school district may expend funds collected through the levy of the non-operating discretionary

two mill levy. The payment of insurance premiums on the district's educational plant is not included. Currently, premiums are paid from a district's operating budget revenues.

III. Effect of Proposed Changes:

The public notice requirement in paragraph (a) of subsection 200.065 (9), Florida Statutes, associated with a school district's levy of the discretionary two mill tax is amended to include a category for the payment of property and casualty insurance premiums on the educational plants of the school district.

The list of approved expenditures from the proceeds of a district's discretionary two mill tax levy authorized by subsections 1011.71 (2) and (5), Florida Statutes, is expanded to include the payment of property and casualty insurance premiums to insure the educational plants of the school district. If a school district uses its discretionary millage to pay for property and casualty insurance premiums, it must use the additional operating revenue made available for nonrecurring operational expenditures.

The bill's effective date is July 1, 2005.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill would allow a school district to shift the source of funds used to pay property and casualty insurance premiums on the educational plants from revenues in the

operating budget to revenues generated from the two mill tax levy. If a school district uses its discretionary millage to pay for property and casualty insurance premiums, it must use the additional operating revenue made available for nonrecurring operational expenditures.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

VIII. Summary of Amendments:

None.

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