

By the Committee on Government Efficiency Appropriations; and
Senator Bennett

593-1903-05

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A bill to be entitled
An act relating to use of school district
millage; amending ss. 200.065 and 1011.71,
F.S.; expanding authorized school board millage
levy funding to include payment of premiums for
property and casualty insurance necessary to
insure school district educational plants;
limiting the use of certain operating revenues;
providing an effective date.

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

Section 1. Paragraph (a) of subsection (9) of section
200.065, Florida Statutes, is amended to read:

200.065 Method of fixing millage.--

(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;

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

13
14 NOTICE OF TAX FOR SCHOOL
15 CAPITAL OUTLAY
16

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

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

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

27
28 (list of capital outlay projects)
29

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

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

3 Section 2. Paragraph (j) is added to subsection (2) of
4 section 1011.71, Florida Statutes, and paragraph (a) of
5 subsection (5) of that section is amended, to read:

6 1011.71 District school tax.--

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

11 (j) Payment of premiums for property and casualty
12 insurance necessary to insure the educational plants of the
13 school district.

14
15 Violations of these expenditure provisions shall result in an
16 equal dollar reduction in the Florida Education Finance
17 Program (FEFP) funds for the violating district in the fiscal
18 year following the audit citation.

19 (5)(a) It is the intent of the Legislature that, by
20 July 1, 2003, revenue generated by the millage levy authorized
21 by subsection (2) should be used only for the costs of
22 construction, renovation, remodeling, maintenance, and repair
23 of the educational plant; for the purchase, lease, or
24 lease-purchase of equipment, educational plants, and
25 construction materials directly related to the delivery of
26 student instruction; for the rental or lease of existing
27 buildings, or space within existing buildings, originally
28 constructed or used for purposes other than education, for
29 conversion to use as educational facilities; for payment of
30 premiums for property and casualty insurance necessary to
31 insure the educational plants of the school district; for the

1 opening day collection for the library media center of a new
2 school; for the purchase, lease-purchase, or lease of school
3 buses or the payment to a private entity to offset the cost of
4 school buses pursuant to paragraph (2)(i); and for servicing
5 of payments related to certificates of participation issued
6 for any purpose prior to the effective date of this act. Costs
7 associated with the lease-purchase of equipment, educational
8 plants, and school buses may include the issuance of
9 certificates of participation on or after the effective date
10 of this act and the servicing of payments related to
11 certificates so issued. For purposes of this section,
12 "maintenance and repair" is defined in s. 1013.01. Each year
13 that operating revenues are made available through the payment
14 of property and casualty insurance premiums from revenues
15 generated under this subsection or subsection (2), such
16 operating revenues may be expended only for nonrecurring
17 operational expenditures of the school district.

18
19 A district that violates these expenditure restrictions shall
20 have an equal dollar reduction in funds appropriated to the
21 district under s. 1011.62 in the fiscal year following the
22 audit citation. The expenditure restrictions do not apply to
23 any school district that certifies to the Commissioner of
24 Education that all of the district's instructional space needs
25 for the next 5 years can be met from capital outlay sources
26 that the district reasonably expects to receive during the
27 next 5 years or from alternative scheduling or construction,
28 leasing, rezoning, or technological methodologies that exhibit
29 sound management.

30 Section 3. This act shall take effect July 1, 2005.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
SB 1294

CS for SB 1294 requires that 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.