



1           WHEREAS, some school districts have experienced much  
2 greater damage than others, and

3           WHEREAS, the Legislature determines that it is in the  
4 best interest of the state to establish a loan program to  
5 expedite the reconstruction of public educational facilities  
6 while insurance settlements and federal disaster assistance  
7 payments are being processed, NOW, THEREFORE,

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

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11           Section 1. There is established for the 2006-2007  
12 fiscal year an Educational Facilities Hurricane Restoration  
13 Cash Flow Loan Program. District school boards that need  
14 assistance with cash flow in order to make timely payments to  
15 contractors and suppliers in restoring educational facilities  
16 damaged by a hurricane or tropical storm during the 2005  
17 hurricane season may apply to the Department of Education for  
18 a cash flow loan. The amount of the loan may not exceed the  
19 amount the district needs to meet timely payments to  
20 contractors and suppliers for the restoration of damaged  
21 facilities. To be eligible for a cash flow loan, a district  
22 school board must:

23           (1) Have one or more educational facilities damaged or  
24 destroyed by a named hurricane or tropical storm during the  
25 2005 hurricane season;

26           (2) Have an agreement to pay contractors or suppliers  
27 for the restoration of the damaged facilities but have  
28 insufficient cash flow to make timely payments;

29           (3) Agree to repay, from funds received from insurance  
30 claims, Federal Emergency Management Agency payments, or other  
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1 sources, the full amount of the funds received from the cash  
2 flow loan; and

3 (4) Agree that, if repayment is not timely made, the  
4 Department of Education shall withhold future distribution of  
5 public education capital outlay funds, or other fixed capital  
6 outlay funds, until the department receives repayment.

7 Section 2. The Department of Education shall provide  
8 information and instructions for applying for a cash flow loan  
9 and shall administer the loans in accordance with this act.

10 The department shall distribute loan funds based on the  
11 district superintendent's certification of the amount needed  
12 for payments that are due during the following 30 days. All  
13 funds repaid shall be deposited unallocated into the General  
14 Revenue Fund within 30 days after receipt by the department.

15 Section 3. The Department of Community Affairs shall  
16 notify the Department of Education when payments from the  
17 Federal Emergency Management Agency for the 2005 storms have  
18 been distributed to a district school board that has received  
19 an educational facilities hurricane restoration cash flow  
20 loan.

21 Section 4. The sum of \$100 million is appropriated  
22 from nonrecurring revenues in the General Revenue Fund to the  
23 Department of Education for the 2006-2007 fiscal year for the  
24 sole purpose of making educational facilities hurricane  
25 restoration cash flow loans to eligible district school boards  
26 in accordance with this act.

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

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SENATE SUMMARY

Creates the Educational Facilities Hurricane Restoration Cash Flow Loan Program for the purpose of assisting district school boards in making timely payments in restoring educational facilities damaged by hurricanes in 2005. Provides eligibility requirements for receiving a cash flow loan. Requires the Department of Education to administer the loan program and distribute loan funds. Requires the Department of Community Affairs to notify the Department of Education when certain federal payments have been distributed. Provides an appropriation.

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