2006 CS

CHAMBER ACTION

1 The PreK-12 Committee recommends the following: 2 3 Council/Committee Substitute Remove the entire bill and insert: 4 A bill to be entitled 5 6 An act relating to use of school district millage; 7 amending ss. 200.065 and 1011.71, F.S.; expanding authorized school board millage levy funding to include 8 payment of premiums for property and casualty insurance 9 10 necessary to insure school district educational plants; limiting expenditures of operating revenues; providing a 11 contingent effective date. 12 13 14 Be It Enacted by the Legislature of the State of Florida: 15 Section 1. Paragraph (a) of subsection (9) of section 16 17 200.065, Florida Statutes, is amended to read: 200.065 Method of fixing millage.--18 In addition to the notice required in subsection 19 (9)(a) (3), a district school board shall publish a second notice of 20 intent to levy additional taxes under s. 1011.71(2). Such notice 21 shall specify the projects or number of school buses anticipated 22 23 to be funded by such additional taxes and shall be published in Page 1 of 5

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24 the size, within the time periods, adjacent to, and in 25 substantial conformity with the advertisement required under 26 subsection (3). The projects shall be listed in priority within 27 each category as follows: construction and remodeling; maintenance, renovation, and repair; motor vehicle purchases; 28 29 new and replacement equipment; payments for educational facilities and sites due under a lease-purchase agreement; 30 payments for renting and leasing educational facilities and 31 sites; payments of loans approved pursuant to ss. 1011.14 and 32 1011.15; payment of costs of compliance with environmental 33 statutes and regulations; payment of premiums for property and 34 casualty insurance necessary to insure the educational plants of 35 36 the school district; payment of costs of leasing relocatable 37 educational facilities; and payments to private entities to 38 offset the cost of school buses pursuant to s. 1011.71(2)(i). 39 The additional notice shall be in the following form, except that if the district school board is proposing to levy the same 40 millage under s. 1011.71(2) which it levied in the prior year, 41 42 the words "continue to" shall be inserted before the word "impose" in the first sentence, and except that the second 43 sentence of the second paragraph shall be deleted if the 44 45 district is advertising pursuant to paragraph (3)(e): 46 NOTICE OF TAX FOR SCHOOL 47 CAPITAL OUTLAY 48 49

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50 (name of school district) will soon consider a The measure to impose a (number) mill property tax for the 51 capital outlay projects listed herein. 52 53 This tax is in addition to the school board's proposed tax of (number) mills for operating expenses and is proposed 54 solely at the discretion of the school board. THE PROPOSED 55 COMBINED SCHOOL BOARD TAX INCREASE FOR BOTH OPERATING EXPENSES 56 57 AND CAPITAL OUTLAY IS SHOWN IN THE ADJACENT NOTICE. The capital outlay tax will generate approximately \$ 58 (amount) , to be used for the following projects: 59 60 (list of capital outlay projects) 61 62 All concerned citizens are invited to a public hearing to 63 64 be held on (date and time) at (meeting place) A DECISION on the proposed CAPITAL OUTLAY TAXES will be 65 66 made at this hearing. 67 Section 2. Paragraph (j) is added to subsection (2) of 68 section 1011.71, Florida Statutes, and paragraph (a) of subsection (5) of that section is amended, to read: 69 1011.71 District school tax.--70 71 (2) In addition to the maximum millage levy as provided in subsection (1), each school board may levy not more than 2 mills 72 73 against the taxable value for school purposes to fund: 74 (j) Payment of premiums for property and casualty 75 insurance necessary to insure the educational plants of the 76 school district. 77

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78 Violations of these expenditure provisions shall result in an 79 equal dollar reduction in the Florida Education Finance Program 80 (FEFP) funds for the violating district in the fiscal year 81 following the audit citation.

(5)(a) It is the intent of the Legislature that, by July 82 83 1, 2003, revenue generated by the millage levy authorized by subsection (2) should be used only for the costs of 84 construction, renovation, remodeling, maintenance, and repair of 85 the educational plant; for the purchase, lease, or lease-86 purchase of equipment, educational plants, and construction 87 88 materials directly related to the delivery of student instruction; for the rental or lease of existing buildings, or 89 90 space within existing buildings, originally constructed or used for purposes other than education, for conversion to use as 91 92 educational facilities; for payment of premiums for property and casualty insurance necessary to insure the educational plants of 93 94 the school district; for the opening day collection for the library media center of a new school; for the purchase, lease-95 96 purchase, or lease of school buses or the payment to a private entity to offset the cost of school buses pursuant to paragraph 97 (2)(i); and for servicing of payments related to certificates of 98 99 participation issued for any purpose prior to the effective date 100 of this act. Costs associated with the lease-purchase of equipment, educational plants, and school buses may include the 101 issuance of certificates of participation on or after the 102 effective date of this act and the servicing of payments related 103 to certificates so issued. For purposes of this section, 104 "maintenance and repair" is defined in s. 1013.01. Each year 105 Page 4 of 5

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106 operating revenues are made available through the payment of 107 property and casualty insurance premiums from revenues generated 108 under this subsection or subsection (2), such operating revenues 109 may be expended only for nonrecurring operational expenditures 110 of the school district.

112 A district that violates these expenditure restrictions shall 113 have an equal dollar reduction in funds appropriated to the 114 district under s. 1011.62 in the fiscal year following the audit citation. The expenditure restrictions do not apply to any 115 116 school district that certifies to the Commissioner of Education that all of the district's instructional space needs for the 117 next 5 years can be met from capital outlay sources that the 118 district reasonably expects to receive during the next 5 years 119 120 or from alternative scheduling or construction, leasing, rezoning, or technological methodologies that exhibit sound 121 122 management.

Section 3. This act shall take effect July 1, 2006, only if House Joint Resolution 447 is adopted in the same legislative session or an extension thereof.

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