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CHAMBER ACTION

1 The Education Appropriations Committee recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to uses of the district school tax;
7 amending ss. 200.065 and 1011.71, F.S.; including health,
8 property, and casualty insurance costs as authorized uses
9 of school district millage; specifying nonapplication of
10 certain expenditure restrictions to school districts
11 meeting certain class size requirements; providing an
12 effective date.

13
14 Be It Enacted by the Legislature of the State of Florida:

15
16 Section 1. Paragraph (a) of subsection (9) of section
17 200.065, Florida Statutes, is amended to read:

18 200.065 Method of fixing millage.--

19 (9) (a) In addition to the notice required in subsection
20 (3), a district school board shall publish a second notice of
21 intent to levy additional taxes under s. 1011.71(2). Such notice
22 shall specify the projects or number of school buses anticipated
23 to be funded by such additional taxes and shall be published in

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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;
28 | maintenance, renovation, and repair; motor vehicle purchases;
29 | new and replacement equipment; payments for educational
30 | facilities and sites due under a lease-purchase agreement;
31 | payments for renting and leasing educational facilities and
32 | sites; payments of loans approved pursuant to ss. 1011.14 and
33 | 1011.15; payment of costs of compliance with environmental
34 | statutes and regulations; payment of health, property, and
35 | casualty insurance costs of the school district; payment of
36 | costs of leasing relocatable educational facilities; and
37 | payments to private entities to offset the cost of school buses
38 | pursuant to s. 1011.71(2)(i). The additional notice shall be in
39 | the following form, except that if the district school board is
40 | proposing to levy the same millage under s. 1011.71(2) which it
41 | levied in the prior year, the words "continue to" shall be
42 | inserted before the word "impose" in the first sentence, and
43 | except that the second sentence of the second paragraph shall be
44 | deleted if the district is advertising pursuant to paragraph
45 | (3)(e):

46 |
47 | NOTICE OF TAX FOR SCHOOL
48 | CAPITAL OUTLAY
49 |

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

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

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

60
61 (list of capital outlay projects)

62
63 All concerned citizens are invited to a public hearing to
64 be held on (date and time) at (meeting place) .

65 A DECISION on the proposed CAPITAL OUTLAY TAXES will be
66 made at this hearing.

67 Section 2. Paragraph (j) is added to subsection (2) of
68 section 1011.71, Florida Statutes, and subsection (5) of that
69 section is amended, to read:

70 1011.71 District school tax.--

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

74 (j) Health, property, and casualty insurance costs of the
75 school district.

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

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

103 | (b) For purposes not delineated in paragraph (a) for which
104 | proceeds received from millage levied under subsection (2) may

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105 | be legally expended, a district school board may spend no more
106 | than the following percentages of the amount the district spent
107 | for these purposes in fiscal year 1995-1996:

- 108 | 1. In fiscal year 2000-2001, 40 percent.
- 109 | 2. In fiscal year 2001-2002, 25 percent.
- 110 | 3. In fiscal year 2002-2003, 10 percent.

111 | (c) Beginning July 1, 2003, revenue generated by the
112 | millage levy authorized by subsection (2) must be used only for
113 | the purposes delineated in paragraph (a).

114 | (d) Notwithstanding any other provision of this
115 | subsection, if through its adopted educational facilities plan a
116 | district has clearly identified the need for an ancillary plant,
117 | has provided opportunity for public input as to the relative
118 | value of the ancillary plant versus an educational plant, and
119 | has obtained public approval, the district may use revenue
120 | generated by the millage levy authorized by subsection (2) for
121 | the acquisition, construction, renovation, remodeling,
122 | maintenance, or repair of an ancillary plant.

123 |
124 | A district that violates these expenditure restrictions shall
125 | have an equal dollar reduction in funds appropriated to the
126 | district under s. 1011.62 in the fiscal year following the audit
127 | citation. The expenditure restrictions do not apply to any
128 | school district that has met the current year class size
129 | reduction requirements of s. 1003.03 and certifies to the
130 | Commissioner of Education that all of the district's
131 | instructional space needs for the next 5 years can be met from
132 | capital outlay sources that the district reasonably expects to

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133 | receive during the next 5 years or from alternative scheduling
134 | or construction, leasing, rezoning, or technological
135 | methodologies that exhibit sound management.

136 | Section 3. This act shall take effect July 1, 2006.