

By the Committee on Education Pre-K - 12; and Senator Gaetz

581-2150-07

1 A bill to be entitled
2 An act relating to district school taxes;
3 amending ss. 200.065 and 1011.71, F.S.;
4 authorizing a district school board to levy
5 additional taxes, not to exceed 2 mills, to
6 fund property and casualty insurance costs of
7 the school district; limiting the use of
8 operating funds made available through such
9 expenditures of those revenues; providing
10 exemptions from certain expenditure
11 restrictions for school districts meeting
12 certain requirements related to class size and
13 audits; providing an effective date.

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

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17 Section 1. Paragraph (a) of subsection (9) of section
18 200.065, Florida Statutes, is amended to read:

19 200.065 Method of fixing millage.--

20 (9)(a) In addition to the notice required in
21 subsection (3), a district school board shall publish a second
22 notice of intent to levy additional taxes under s. 1011.71(2).
23 Such notice shall specify the projects or number of school
24 buses anticipated to be funded by such additional taxes and
25 shall be published in the size, within the time periods,
26 adjacent to, and in substantial conformity with the
27 advertisement required under subsection (3). The projects
28 shall be listed in priority within each category as follows:
29 construction and remodeling; maintenance, renovation, and
30 repair; motor vehicle purchases; new and replacement
31 equipment; payments for educational facilities and sites due

1 under a lease-purchase agreement; payments for renting and
 2 leasing educational facilities and sites; payments of loans
 3 approved pursuant to ss. 1011.14 and 1011.15; payment of costs
 4 of compliance with environmental statutes and regulations;
 5 payment of property and casualty insurance costs of the school
 6 district; payment of costs of leasing relocatable educational
 7 facilities; and payments to private entities to offset the
 8 cost of school buses pursuant to s. 1011.71(2)(i). The
 9 additional notice shall be in the following form, except that
 10 if the district school board is proposing to levy the same
 11 millage under s. 1011.71(2) which it levied in the prior year,
 12 the words "continue to" shall be inserted before the word
 13 "impose" in the first sentence, and except that the second
 14 sentence of the second paragraph shall be deleted if the
 15 district is advertising pursuant to paragraph (3)(e):

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 17 NOTICE OF TAX FOR SCHOOL
 18 CAPITAL OUTLAY
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20 The ...(name of school district)... will soon consider
 21 a measure to impose a ...(number)... mill property tax for the
 22 capital outlay projects listed herein.

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

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

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 31 ...(list of capital outlay projects)...

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

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

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

1011.71 District school tax.--

(2) In addition to the maximum millage levy as provided in subsection (1), each school board may levy not more than 2 mills against the taxable value for school purposes for district schools, including charter schools at the discretion of the school board, to fund:

(j) Property and casualty insurance costs of the school district.

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

(5)(a) It is the intent of the Legislature that, by July 1, 2003, revenue generated by the millage levy authorized by subsection (2) should be used only for the costs of construction, renovation, remodeling, maintenance, and repair of the educational plant; for the purchase, lease, or lease-purchase of equipment, educational plants, and construction materials directly related to the delivery of student instruction; for the rental or lease of existing buildings, or space within existing buildings, originally

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

20 (b) For purposes not delineated in paragraph (a) for
21 which proceeds received from millage levied under subsection
22 (2) may be legally expended, a district school board may spend
23 no more than the following percentages of the amount the
24 district spent for these purposes in fiscal year 1995-1996:

- 25 1. In fiscal year 2000-2001, 40 percent.
- 26 2. In fiscal year 2001-2002, 25 percent.
- 27 3. In fiscal year 2002-2003, 10 percent.

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

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1 (d) Notwithstanding any other provision of this
2 subsection, if through its adopted educational facilities plan
3 a district has clearly identified the need for an ancillary
4 plant, has provided opportunity for public input as to the
5 relative value of the ancillary plant versus an educational
6 plant, and has obtained public approval, the district may use
7 revenue generated by the millage levy authorized by subsection
8 (2) for the acquisition, construction, renovation, remodeling,
9 maintenance, or repair of an ancillary plant.

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11 A district that violates these expenditure restrictions shall
12 have an equal dollar reduction in funds appropriated to the
13 district under s. 1011.62 in the fiscal year following the
14 audit citation. The expenditure restrictions do not apply to
15 any school district that has met the reduction requirements
16 regarding class size for the current year pursuant to s.
17 1003.03, has received an unqualified opinion on its financial
18 statements for the preceding 3 years, has no material
19 weaknesses or instances of material noncompliance noted in an
20 audit for the preceding 3 years, and certifies to the
21 Commissioner of Education that all of the district's
22 instructional space needs for the next 5 years can be met from
23 capital outlay sources that the district reasonably expects to
24 receive during the next 5 years or from alternative scheduling
25 or construction, leasing, rezoning, or technological
26 methodologies that exhibit sound management.

27 Section 3. This act shall take effect July 1, 2007.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 1750

This committee substitute:

Restricts the use of the operating funds that are made available through this authority to nonrecurring operational expenditures; and

Modifies requirements for school districts to qualify for an exception to the expenditure restrictions to include, for the prior three years, both an unqualified opinion on the school district's financial statements, and a conclusion in a financial audit that the district has no material weaknesses or instances of material noncompliance.