

1 A bill to be entitled
 2 An act relating to school district flexibility; amending
 3 ss. 200.065 and 1011.71, F.S.; including property and
 4 casualty insurance premium costs as authorized uses of
 5 school district millage; limiting the use of certain
 6 operating revenues made available through payment of
 7 certain insurance premiums from certain optional district
 8 school tax revenues; specifying nonapplication of certain
 9 expenditure restrictions to school districts meeting
 10 certain class size reduction requirements and financial
 11 and audit criteria; providing an effective date.

12
 13 Be It Enacted by the Legislature of the State of Florida:

14
 15 Section 1. Paragraph (a) of subsection (9) of section
 16 200.065, Florida Statutes, is amended to read:

17 200.065 Method of fixing millage.--

18 (9)(a) In addition to the notice required in subsection
 19 (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 to be funded by such additional taxes and shall be published in
 23 the size, within the time periods, adjacent to, and in
 24 substantial conformity with the advertisement required under
 25 subsection (3). The projects shall be listed in priority within
 26 each category as follows: construction and remodeling;
 27 maintenance, renovation, and repair; motor vehicle purchases;
 28 new and replacement equipment; payments for educational

29 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 the school district; payment of costs of leasing relocatable
 36 educational facilities; and payments to private entities to
 37 offset the cost of school buses pursuant to s. 1011.71(2)(i).
 38 The additional notice shall be in the following form, except
 39 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 the words "continue to" shall be inserted before the word
 42 "impose" in the first sentence, and except that the second
 43 sentence of the second paragraph shall be deleted if the
 44 district is advertising pursuant to paragraph (3)(e):

45
 46 NOTICE OF TAX FOR SCHOOL
 47 CAPITAL OUTLAY
 48

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

52 This tax is in addition to the school board's proposed tax
 53 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 AND CAPITAL OUTLAY IS SHOWN IN THE ADJACENT NOTICE.

57 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 be held on (date and time) at (meeting place) .

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

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

69 1011.71 District school tax.--

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

75 (j) Payment of premiums for property and casualty
 76 insurance necessary to insure the educational plants of the
 77 school district.

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

83 (5) (a) It is the intent of the Legislature that, by July
 84 1, 2003, revenue generated by the millage levy authorized by

CS/HB 511

2007

85 subsection (2) should be used only for the costs of
86 construction, renovation, remodeling, maintenance, and repair of
87 the educational plant; for the purchase, lease, or lease-
88 purchase of equipment, educational plants, and construction
89 materials directly related to the delivery of student
90 instruction; for the rental or lease of existing buildings, or
91 space within existing buildings, originally constructed or used
92 for purposes other than education, for conversion to use as
93 educational facilities; for payment of premiums for property and
94 casualty insurance necessary to insure the educational plants of
95 the school district; for the opening day collection for the
96 library media center of a new school; for the purchase, lease-
97 purchase, or lease of school buses or the payment to a private
98 entity to offset the cost of school buses pursuant to paragraph
99 (2) (i); and for servicing of payments related to certificates of
100 participation issued for any purpose prior to the effective date
101 of this act. Costs associated with the lease-purchase of
102 equipment, educational plants, and school buses may include the
103 issuance of certificates of participation on or after the
104 effective date of this act and the servicing of payments related
105 to certificates so issued. For purposes of this section,
106 "maintenance and repair" is defined in s. 1013.01. Each year
107 operating revenues are made available through the payment of
108 property and casualty insurance premiums from revenues generated
109 under this subsection or subsection (2), such operating revenues
110 may be expended only for nonrecurring, operational expenditures
111 of the school district.

112 (b) For purposes not delineated in paragraph (a) for which

113 proceeds received from millage levied under subsection (2) may
 114 be legally expended, a district school board may spend no more
 115 than the following percentages of the amount the district spent
 116 for these purposes in fiscal year 1995-1996:

- 117 1. In fiscal year 2000-2001, 40 percent.
- 118 2. In fiscal year 2001-2002, 25 percent.
- 119 3. In fiscal year 2002-2003, 10 percent.

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

123 (d) Notwithstanding any other provision of this
 124 subsection, if through its adopted educational facilities plan a
 125 district has clearly identified the need for an ancillary plant,
 126 has provided opportunity for public input as to the relative
 127 value of the ancillary plant versus an educational plant, and
 128 has obtained public approval, the district may use revenue
 129 generated by the millage levy authorized by subsection (2) for
 130 the acquisition, construction, renovation, remodeling,
 131 maintenance, or repair of an ancillary plant.

132
 133 A district that violates these expenditure restrictions shall
 134 have an equal dollar reduction in funds appropriated to the
 135 district under s. 1011.62 in the fiscal year following the audit
 136 citation. The expenditure restrictions do not apply to any
 137 school district that has met the reduction requirements
 138 regarding class size for the current year pursuant to s.
 139 1003.03, has received an unqualified opinion on its financial
 140 statements for the preceding 3 years, has no material weaknesses

CS/HB 511

2007

141 or instances of material noncompliance noted in an audit for the
142 preceding 3 years, and certifies to the Commissioner of
143 Education that all of the district's instructional space needs
144 for the next 5 years can be met from capital outlay sources that
145 the district reasonably expects to receive during the next 5
146 years or from alternative scheduling or construction, leasing,
147 rezoning, or technological methodologies that exhibit sound
148 management.

149 Section 3. This act shall take effect July 1, 2007.