

Council Substitute for House Bill No. 511

An act relating to school districts; creating s. 1003.621, F.S.; providing criteria for designating academically high-performing school districts; providing exceptions for such districts to be exempt from certain statutes and rules; providing compliance requirements; providing for district governing boards; providing for reports; providing for a review by the State Board of Education of certain reporting requirements; amending s. 200.065, F.S.; providing for notice concerning property and casualty insurance costs; amending s. 1011.71, F.S., relating to the district school tax; providing criteria for using funds; authorizing the use of funds for specified purposes; eliminating restrictions on the use of funds; amending s. 1011.73, F.S.; conforming a cross-reference; providing an effective date.

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

Section 1. Section 1003.621, Florida Statutes, is created to read:

1003.621 Academically high-performing school districts.—It is the intent of the Legislature to recognize and reward school districts that demonstrate the ability to consistently maintain or improve their high-performing status. The purpose of this section is to provide high-performing school districts with flexibility in meeting the specific requirements in statute and rules of the State Board of Education.

(1) ACADEMICALLY HIGH-PERFORMING SCHOOL DISTRICT.—

(a) A school district is an academically high-performing school district if it meets the following criteria:

1.a. Beginning with the 2004-2005 school year, earns a grade of “A” under s. 1008.34(7) for 2 consecutive years; and

b. Has no district-operated school that earns a grade of “F” under s. 1008.34;

2. Complies with all class size requirements in s. 1, Art. IX of the State Constitution and s. 1003.03; and

3. Has no material weaknesses or instances of material noncompliance noted in the annual financial audit conducted pursuant to s. 218.39.

(b) Each school district that satisfies the eligibility criteria in this subsection shall be designated by the State Board of Education as an academically high-performing school district. With the exception of the statutes listed in subsection (2), upon designation as an academically high-performing school district, each such district is exempt from the provisions in chapters 1000 through 1013 which pertain to school districts and rules of the State Board of Education which implement these exempt provisions. This exemption

remains in effect during the time of the designation if the district continues to meet all eligibility criteria.

(c) The academically high-performing school district shall retain the designation as a high-performing school district for 3 years, at the end of which time the district may renew the designation if the district meets the requirements in this section. A school district that fails to meet the requirements in this section shall provide written notification to the State Board of Education that the district is no longer eligible to be designated as an academically high-performing school district.

(d) In order to maintain the designation as an academically high-performing school district pursuant to this section, a school district must meet the following requirements:

1. Comply with the provisions of subparagraphs(a)2. and 3.; and
2. Earn a grade of "A" under s. 1008.34(7) for 2 years within a 3-year period.

However, a district in which a district-operated school earns a grade of "F" under s. 1008.34 during the 3-year period may not continue to be designated as an academically high-performing school district during the remainder of that 3-year period. The district must meet the criteria in paragraph (a) in order to be redesignated as an academically high-performing school district.

(2) COMPLIANCE WITH STATUTES AND RULES.—Each academically high-performing school district shall comply with all of the provisions in chapters 1000 through 1013, and rules of the State Board of Education which implement these provisions, pertaining to the following:

(a) Those statutes pertaining to the provision of services to students with disabilities.

(b) Those statutes pertaining to civil rights, including s. 1000.05, relating to discrimination.

(c) Those statutes pertaining to student health, safety, and welfare.

(d) Those statutes governing the election or compensation of district school board members.

(e) Those statutes pertaining to the student assessment program and the school grading system, including chapter 1008.

(f) Those statutes pertaining to financial matters, including chapter 1010, except that s. 1010.20(3)(a)1., 2., and 3., relating to the required program expenditure levels, are eligible for exemption.

(g) Those statutes pertaining to planning and budgeting, including chapter 1011, except s. 1011.62(9)(d), relating to the requirement for a comprehensive reading plan. A district that is exempt from submitting this plan shall be deemed approved to receive the research-based reading instruction allocation.

(h) Sections 1012.22(1)(c) and 1012.27(2), relating to differentiated pay and performance-pay policies for school administrators and instructional personnel. Professional service contracts are subject to the provisions of ss. 1012.33 and 1012.34.

(i) Those statutes pertaining to educational facilities, including chapter 1013, except that s. 1013.20, relating to covered walkways for portables, and s. 1013.21, relating to the use of relocatable facilities that exceed 20 years of age, are eligible for exemption.

(j) Those statutes relating to instructional materials, except that s. 1006.37, relating to the requisition of state-adopted materials from the depository under contract with the publisher, and s. 1006.40(3)(a), relating to the use of 50 percent of the instructional materials allocation, shall be eligible for exemption.

(k) This section.

(3) GOVERNING BOARD.—The governing board of the academically high-performing school district shall be the duly elected district school board. The district school board shall supervise the academically high-performing school district.

(4) REPORTS.—The academically high-performing school district shall submit to the State Board of Education and the Legislature an annual report on December 1 which delineates the performance of the school district relative to the academic performance of students at each grade level in reading, writing, mathematics, science, and any other subject that is included as a part of the statewide assessment program in s. 1008.22. The annual report shall be submitted in a format prescribed by the Department of Education and shall include, but need not be limited to, the following:

(a) Longitudinal performance of students in mathematics, reading, writing, science, and any other subject that is included as a part of the statewide assessment program in s. 1008.22;

(b) Longitudinal performance of students by grade level and subgroup in mathematics, reading, writing, science, and any other subject that is included as a part of the statewide assessment program in s. 1008.22;

(c) Longitudinal performance regarding efforts to close the achievement gap;

(d)1. Number and percentage of students who take an Advanced Placement Examination; and

2. Longitudinal performance regarding students who take an Advanced Placement Examination by demographic group, specifically by age, gender, race, and Hispanic origin, and by participation in the National School Lunch Program;

(e) Evidence of compliance with subsection (1); and

(f) A description of each waiver and the status of each waiver.

Section 2. The State Board of Education shall identify any reporting requirements in state law which duplicate the requirements for reporting under the federal No Child Left Behind Act and make recommendations to the Legislature by December 1, 2007, for eliminating duplicative requirements in state law.

Section 3. Paragraph (a) of subsection (9) of section 200.065, Florida Statutes, is amended to read:

200.065 Method of fixing millage.—

(9)(a) In addition to the notice required in subsection (3), a district school board shall publish a second notice of intent to levy additional taxes under s. 1011.71(2). Such notice shall specify the projects or number of school buses anticipated to be funded by such additional taxes and shall be published in the size, within the time periods, adjacent to, and in substantial conformity with the advertisement required under subsection (3). The projects shall be listed in priority within each category as follows: construction and remodeling; maintenance, renovation, and repair; motor vehicle purchases; new and replacement equipment; payments for educational facilities and sites due under a lease-purchase agreement; payments for renting and leasing educational facilities and sites; payments of loans approved pursuant to ss. 1011.14 and 1011.15; payment of costs of compliance with environmental statutes and regulations; payment of premiums for property and casualty insurance necessary to insure the educational and ancillary plants of the school district; payment of costs of leasing relocatable educational facilities; and payments to private entities to offset the cost of school buses pursuant to s. 1011.71(2)(i). The additional notice shall be in the following form, except that if the district school board is proposing to levy the same millage under s. 1011.71(2) which it levied in the prior year, the words “continue to” shall be inserted before the word “impose” in the first sentence, and except that the second sentence of the second paragraph shall be deleted if the district is advertising pursuant to paragraph (3)(e):

NOTICE OF TAX FOR SCHOOL

CAPITAL OUTLAY

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

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

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

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

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 4. Section 1011.71, Florida Statutes, is amended to read:

1011.71 District school tax.—

(1) If the district school tax is not provided in the General Appropriations Act or the substantive bill implementing the General Appropriations Act, each district school board desiring to participate in the state allocation of funds for current operation as prescribed by s. 1011.62~~(11)~~~~(10)~~ shall levy on the taxable value for school purposes of the district, exclusive of millage voted under the provisions of s. 9(b) or s. 12, Art. VII of the State Constitution, a millage rate not to exceed the amount certified by the commissioner as the minimum millage rate necessary to provide the district required local effort for the current year, pursuant to s. 1011.62(4)(a)1. In addition to the required local effort millage levy, each district school board may levy a nonvoted current operating discretionary millage. The Legislature shall prescribe annually in the appropriations act the maximum amount of millage a district may levy.

(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:

(a) New construction and remodeling projects, as set forth in s. 1013.64(3)(b) and (6)(b) and included in the district's educational plant survey pursuant to s. 1013.31, without regard to prioritization, sites and site improvement or expansion to new sites, existing sites, auxiliary facilities, athletic facilities, or ancillary facilities.

(b) Maintenance, renovation, and repair of existing school plants or of leased facilities to correct deficiencies pursuant to s. 1013.15(2).

(c) ~~The purchase, lease-purchase, or lease of school buses; drivers' education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.~~

(d) The purchase, lease-purchase, or lease of new and replacement equipment.

(e) Payments for educational facilities and sites due under a lease-purchase agreement entered into by a district school board pursuant to s. 1003.02(1)(f) or s. 1013.15(2), not exceeding, in the aggregate, an amount equal to three-fourths of the proceeds from the millage levied by a district school board pursuant to this subsection.

(f) Payment of loans approved pursuant to ss. 1011.14 and 1011.15.

(g) Payment of costs directly related to complying with state and federal environmental statutes, rules, and regulations governing school facilities.

(h) Payment of costs of leasing relocatable educational facilities, of renting or leasing educational facilities and sites pursuant to s. 1013.15(2), or of renting or leasing buildings or space within existing buildings pursuant to s. 1013.15(4).

(i) Payment of the cost of school buses when a school district contracts with a private entity to provide student transportation services if the district meets the requirements of this paragraph.

1. The district's contract must require that the private entity purchase, lease-purchase, or lease, and operate and maintain, one or more school buses of a specific type and size that meet the requirements of s. 1006.25.

2. Each such school bus must be used for the daily transportation of public school students in the manner required by the school district.

3. Annual payment for each such school bus may not exceed 10 percent of the purchase price of the state pool bid.

4. The proposed expenditure of the funds for this purpose must have been included in the district school board's notice of proposed tax for school capital outlay as provided in s. 200.065(9).

(j) Payment of the cost of the opening day collection for the library media center of a new school.

(3) A school district that has met the reduction requirements regarding class size for the current year pursuant to s. 1003.03, has received an unqualified opinion on its financial statements for the preceding 3 years, has no material weaknesses or instances of material noncompliance noted in an audit for the preceding 3 years, and certifies to the Commissioner of Education that all of the district's instructional space needs for the next 5 years can be met from capital outlay sources that the district reasonably expects to receive during the next 5 years from local revenues and from currently appropriated state facilities funding or from alternative scheduling or construction, leasing, rezoning, or technological methodologies that exhibit sound management may expend revenue generated by the millage levy authorized by subsection (2) to fund, in addition to expenditures authorized in paragraphs (2)(a)-(j), the following:

(a) The purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

(b) Payment of the cost of premiums for property and casualty insurance necessary to insure school district educational and ancillary plants. Operating revenues that are made available through the payment of property and casualty insurance premiums from revenues generated under this subsection may be expended only for nonrecurring operational expenditures of the school district.

(4) Violations of ~~the~~ these expenditure provisions in subsection (2) or subsection (3) shall result in an equal dollar reduction in the Florida Educa-

tion Finance Program (FEFP) funds for the violating district in the fiscal year following the audit citation.

~~(5)(3)~~ These taxes shall be certified, assessed, and collected as prescribed in s. 1011.04 and shall be expended as provided by law.

~~(6)(4)~~ Nothing in s. 1011.62(4)(a)1. shall in any way be construed to increase the maximum school millage levies as provided for in subsection (1).

~~(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 constructed or used for purposes other than education, for conversion to use as educational facilities; for the opening day collection for the library media center of a new school; for the purchase, lease-purchase, or lease of school buses or the payment to a private entity to offset the cost of school buses pursuant to paragraph (2)(i); and for servicing of payments related to certificates of participation issued for any purpose prior to the effective date of this act. Costs associated with the lease-purchase of equipment, educational plants, and school buses may include the issuance of certificates of participation on or after the effective date of this act and the servicing of payments related to certificates so issued. For purposes of this section, "maintenance and repair" is defined in s. 1013.01.

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

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

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

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

~~A district that violates these expenditure restrictions shall have an equal dollar reduction in funds appropriated to the district under s. 1011.62 in the~~

fiscal year following the audit citation. The expenditure restrictions do not apply to any school district that certifies to the Commissioner of Education that all of the district's instructional space needs for the next 5 years can be met from capital outlay sources that the district reasonably expects to receive during the next 5 years or from alternative scheduling or construction, leasing, rezoning, or technological methodologies that exhibit sound management.

~~(7)~~(6) In addition to the maximum millage levied under this section and the General Appropriations Act, a school district may levy, by local referendum or in a general election, additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under this section, does not exceed the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. Any such levy shall be for a maximum of 4 years and shall be counted as part of the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. Millage elections conducted under the authority granted pursuant to this section are subject to s. 1011.73. Funds generated by such additional millage do not become a part of the calculation of the Florida Education Finance Program total potential funds in 2001-2002 or any subsequent year and must not be incorporated in the calculation of any hold-harmless or other component of the Florida Education Finance Program formula in any year. If an increase in required local effort, when added to existing millage levied under the 10-mill limit, would result in a combined millage in excess of the 10-mill limit, any millage levied pursuant to this subsection shall be considered to be required local effort to the extent that the district millage would otherwise exceed the 10-mill limit.

Section 5. Subsection (2) of section 1011.73, Florida Statutes, is amended to read:

1011.73 District millage elections.—

(2) **MILLAGE AUTHORIZED NOT TO EXCEED 4 YEARS.**—The district school board, pursuant to resolution adopted at a regular meeting, shall direct the county commissioners to call an election at which the electors within the school district may approve an ad valorem tax millage as authorized under s. 1011.71~~(7)~~(6). Such election may be held at any time, except that not more than one such election shall be held during any 12-month period. Any millage so authorized shall be levied for a period not in excess of 4 years or until changed by another millage election, whichever is earlier. If any such election is invalidated by a court of competent jurisdiction, such invalidated election shall be considered not to have been held.

Section 6. This act shall take effect upon becoming a law.

Approved by the Governor June 19, 2007.

Filed in Office Secretary of State June 19, 2007.