Florida Senate - 2006

By Senator Atwater

25-1500-06

1	A bill to be entitled
2	An act relating to the restoration of
3	educational facilities damaged by hurricanes in
4	2005; creating the Educational Facilities
5	Hurricane Restoration Cash Flow Loan Program
6	for the purpose of assisting district school
7	boards in making timely payments in restoring
8	educational facilities; providing eligibility
9	requirements for receiving a cash flow loan;
10	requiring the Department of Education to
11	administer the loan program and distribute loan
12	funds; requiring the Department of Community
13	Affairs to notify the Department of Education
14	when certain federal payments have been
15	distributed; providing an appropriation;
16	providing an effective date.
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18	WHEREAS, educational facilities in this state
19	experienced widespread damage as a result of hurricanes during
20	2005, and
21	WHEREAS, anticipated funds from insurance settlements
22	and federal disaster assistance payments are expected to cover
23	most of the cost of restoring affected educational facilities,
24	and
25	WHEREAS, damaged educational facilities must be
26	restored to safe and satisfactory use as soon as possible, and
27	WHEREAS, due to the widespread nature of the damage,
28	additional time is required to complete damage assessments,
29	settle insurance claims, and determine the amount of federal
30	disaster assistance payments, and
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SB 2488

1	WHEREAS, some school districts have experienced much
2	greater damage than others, and
3	WHEREAS, the Legislature determines that it is in the
4	best interest of the state to establish a loan program to
5	expedite the reconstruction of public educational facilities
6	while insurance settlements and federal disaster assistance
7	payments are being processed, NOW, THEREFORE,
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9	Be It Enacted by the Legislature of the State of Florida:
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11	Section 1. There is established for the 2006-2007
12	fiscal year an Educational Facilities Hurricane Restoration
13	Cash Flow Loan Program. District school boards that need
14	assistance with cash flow in order to make timely payments to
15	contractors and suppliers in restoring educational facilities
16	damaged by a hurricane or tropical storm during the 2005
17	hurricane season may apply to the Department of Education for
18	a cash flow loan. The amount of the loan may not exceed the
19	amount the district needs to meet timely payments to
20	contractors and suppliers for the restoration of damaged
21	facilities. To be eligible for a cash flow loan, a district
22	school board must:
23	(1) Have one or more educational facilities damaged or
24	destroyed by a named hurricane or tropical storm during the
25	2005 hurricane season;
26	(2) Have an agreement to pay contractors or suppliers
27	for the restoration of the damaged facilities but have
28	insufficient cash flow to make timely payments;
29	(3) Agree to repay, from funds received from insurance
30	claims, Federal Emergency Management Agency payments, or other
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1 sources, the full amount of the funds received from the cash 2 flow loan; and 3 (4) Agree that, if repayment is not timely made, the 4 Department of Education shall withhold future distribution of 5 public education capital outlay funds, or other fixed capital 6 outlay funds, until the department receives repayment. 7 Section 2. The Department of Education shall provide information and instructions for applying for a cash flow loan 8 9 and shall administer the loans in accordance with this act. The department shall distribute loan funds based on the 10 district superintendent's certification of the amount needed 11 12 for payments that are due during the following 30 days. All 13 funds repaid shall be deposited unallocated into the General Revenue Fund within 30 days after receipt by the department. 14 Section 3. The Department of Community Affairs shall 15 notify the Department of Education when payments from the 16 17 Federal Emergency Management Agency for the 2005 storms have 18 been distributed to a district school board that has received an educational facilities hurricane restoration cash flow 19 2.0 <u>loan.</u> 21 Section 4. The sum of \$100 million is appropriated from nonrecurring revenues in the General Revenue Fund to the 2.2 23 Department of Education for the 2006-2007 fiscal year for the sole purpose of making educational facilities hurricane 2.4 restoration cash flow loans to eligible district school boards 25 in accordance with this act. 26 27 Section 5. This act shall take effect upon becoming a 2.8 law. 29 30 31

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Florida Senate - 2006 25-1500-06 SB 2488

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2	SENATE SUMMARY
3	Creates the Educational Facilities Hurricane Restoration
4	Cash Flow Loan Program for the purpose of assisting district school boards in making timely payments in restoring educational facilities damaged by hurricanes in
5	2005. Provides eligibility requirements for receiving a cash flow loan. Requires the Department of Education to
6	administer the loan program and distribute loan funds. Requires the Department of Community Affairs to notify
7	the Department of Education when certain federal payments have been distributed. Provides an appropriation.
8	have been distributed. Hovides an appropriation.
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