

STORAGE NAME: h0801z.ca
DATE: May 12, 2000

****AS PASSED BY THE LEGISLATURE****
CHAPTER #: 00-387, Laws of Florida

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
COMMUNITY AFFAIRS
FINAL ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 801

RELATING TO: Hernando County School Board

SPONSOR(S): Representative Russell

TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMUNITY AFFAIRS (PRC) YEAS 8 NAYS 0
 - (2) EDUCATION APPROPRIATIONS (FRC) YEAS 12 NAYS 0
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

This bill amends a special act relating to Hernando County, allowing for re-issuance of certificates of indebtedness for pari-mutuel (race track) funds by the Hernando County school board. This bill also contains a technical change which references general law regarding limitations on bond interest rates.

This bill will enable the school district to reissue or refinance its pari-mutuel bonds. Refinancing of the bond issue should result in some local fiscal savings from reduced interest rates.

The bill provides for an effective date upon becoming a law.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

The 1979 Florida Legislature adopted a special act (Chapter 79-471, Laws of Florida), which provides the School Board of Hernando County with authority to purchase and construct school buildings and to refund certificates of indebtedness. The monies come from race track funds.

The current special act provides that certificates of indebtedness can bear the rate of interest allowed under s. 215.685, Florida Statutes. This section is no longer in statute. This current special act also limits the aggregate principal, interest rate, and maturity dates of these certificates.

C. EFFECT OF PROPOSED CHANGES:

This bill allows the school board greater flexibility in refinancing, so they can take advantage of lower interest rates when available.

This bill also removes a specific statutory reference and provides instead that interest accrual cannot exceed that allowed under general law.

D. SECTION-BY-SECTION ANALYSIS:

Section 1 -- Amends Section 1 of Chapter 79-471, L.O.F to revise current provision relating to certificates of indebtedness to specify that the Board may issue them at any time; amends provision relating to interest accrual by removing specific reference to statute and providing more broadly that the rate may not exceed maximum permitted under general law.

Section 2 -- Provides for an effective date upon becoming a law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? October 27, 1999

WHERE? Hernando Times

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

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Staff Director:

Joan Highsmith-Smith

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FINAL ANALYSIS PREPARED BY THE COMMITTEE ON COMMUNITY AFFAIRS:

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