

**HOUSE OF REPRESENTATIVES  
FINAL BILL ANALYSIS**

<b>BILL #:</b>	HB 1317	<b>FINAL HOUSE FLOOR ACTION:</b>		
<b>SUBJECT/SHORT TITLE</b>	North Lake County Hospital District, Lake County	115	Y's 1	N's
<b>SPONSOR(S):</b>	Metz	<b>GOVERNOR'S ACTION:</b>		Approved
<b>COMPANION BILLS:</b>	N/A			

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**SUMMARY ANALYSIS**

HB 1317 passed the House on April 27, 2017, and subsequently passed the Senate on May 4, 2017.

The bill aligns the law with the results of a 2016 referendum. It extends the expiration date of the North Lake County Hospital District (district) to the end of its fiscal year in 2027 without further legislative action, and provides for a referendum which would be held on November 3, 2026, or such other general election date as provided by general law.

The district is an independent special district that was created by the Florida Legislature in ch. 95-508, Laws of Florida, to provide a means to pay for indigent care delivered by local hospitals and clinics.

Chapter 2012-258, Laws of Florida, revised and codified the district's charter to, among other matters, sunset the district in 2017 unless a majority of Lake County voters approved its continuation through a referendum placed on the ballot in the 2016 general election. If approved, the district would be subject to a continuation vote every 10 years thereafter.

On November 8, 2016, a referendum on the continuation of the North Lake Hospital District was placed on the general election ballot for Lake County. Lake County voters approved the continuation of the district for an additional 10 years.

The bill was approved by the Governor on June 6, 2017, ch. 2017-219, L.O.F., and became effective on that date.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### Present Situation

##### *Special Districts*

A "special district" is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law,<sup>1</sup> special act,<sup>2</sup> local ordinance,<sup>3</sup> or by rule of the Governor and Cabinet.<sup>4</sup> A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.<sup>5</sup>

An "independent special district" is characterized by having a governing board comprised of members which are not identical in membership to, nor all appointed by, nor any removable at will by, the governing body of a single county or municipality, and the district budget cannot be affirmed or vetoed by the governing body of a single county or municipality.<sup>6</sup> Additionally, a district that includes more than one county is an independent special district unless the district lies wholly within the boundaries of a single municipality.

##### *North Lake County Hospital District*

The North Lake County Hospital District (district) is an independent special district that was created by the Florida Legislature in ch. 95-508, Laws of Florida. This special act ratified the merger of the Northwest Lake County Hospital District (created by ch. 78-546, Laws of Florida) and the Northeast Lake County Hospital District (created by ch. 63-1509, Laws of Florida), which were combined into a single independent taxing district by concurrent resolutions on February 9, 1990.<sup>7</sup> The district has the authority to levy an ad valorem tax each year not to exceed 1 mill,<sup>8</sup> to fund the indigent care to qualified residents.<sup>9</sup>

In 2012, the district's charter was codified and revised.<sup>10</sup> The purpose of the district is to:<sup>11</sup>

...provide a means to pay for indigent care. Indigent care may be provided to residents of the district through the use of health care facilities not owned and operated by the board of trustees. The provision of such indigent care<sup>12</sup> is found

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<sup>1</sup> Section 189.031(3), F.S.

<sup>2</sup> *Id.*

<sup>3</sup> Section 189.02(1), F.S.

<sup>4</sup> Section 190.005(1), F.S. *See, generally, s. 189.012(6), F.S.*

<sup>5</sup> *2017 – 2018 Local Gov't Formation Manual*, p. 67, available at

<http://www.myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=2911> (last viewed March 1, 2017).

<sup>6</sup> Section 189.012(3), F.S.

<sup>7</sup> In 1989, the Uniform Special District Accountability Act provided for the merger of special districts through adoption of concurrent resolutions by the governing bodies of each special district pursuant to s. 189.073, F.S.

<sup>8</sup> A mill rate (millage rate), is a figure representing the amount per \$1,000 of the assessed value of property. In this, case \$1.00 per \$1,000.

<sup>9</sup> Email from Jerry Foster, Assistant Supervisor of Elections, Lake County Supervisor of Elections, RE: Requested Ballot Language (March 17, 2017) on file with the Health Quality Subcommittee staff.

<sup>10</sup> Ch. 2012-258, Laws of Fla.

<sup>11</sup> Ch. 2012-258, Section 3, Laws of Fla.

<sup>12</sup> Ch. 2012-258, Laws of Fla., The Charter defines "indigent care" as medically necessary health care provided to residents of the North Lake County Hospital District who are determined to be qualified pursuant to the provisions of the Florida Health Care Responsibility Act (section 154.304(9), F.S.) and the Florida Health Care Indigency Eligibility Certification Standards (49H-1.0035(30), F.A.C.), except that the poverty rate standard shall be 200 percent of the federal poverty level.

and declared to be a public purpose and necessary for the preservation of the public health of the residents of the district.

The district is governed by an elected, unpaid board of six members who reside in the district and may serve a maximum of two 4-year terms.<sup>13</sup>

Chapter 2012-258, Laws of Florida, required the district to expire and dissolve at the end of the 2017 fiscal year without further action by the Legislature, unless continued by a referendum approved in the 2016 general election. On November 8, 2016, a referendum<sup>14</sup> was held in Lake County, and the electors voted<sup>15</sup> to continue the district for 10 years.

The district is subject to a continuation vote every 10 years thereafter. If the district is dissolved without further action by the Legislature as provided in the act, all property owned by the district is transferred to, and all indebtedness of the district is assumed by, the Lake County Board of County Commissioners. This provision is in keeping with s. 189.076(2), F.S., which provides for financial allocations when a special district is dissolved.

### **Effect of the Bill**

The bill aligns the law with the results of the 2016 referendum. It extends the expiration date of the district to the end of its fiscal year in 2027 without further legislative action and provides for a referendum which would be held on November 3, 2026, or such other general election date as provided by general law.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

None.

### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED?      Yes  No

D. NOTICE PUBLISHED?      Yes  No

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<sup>13</sup> Ch. 2012-258, Section 4, Laws of Fla.

<sup>14</sup> *Supra*, at FN 9.

<sup>15</sup> Lake County Supervisor of Elections, *Election Results, 2016 General Election, 2017*, available at <https://www.lakevotes.com/information/results> (last viewed March 17, 2017).

IF YES, WHEN? February 2, 2017

WHERE? *Daily Commercial*, published in Lake County, Florida

E. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN? November 3, 2026