

By Senator Mitchell

4-607-01

See HB

1 A bill to be entitled
2 An act relating to Citrus County; amending
3 chapter 99-442, Laws of Florida, the charter of
4 the Citrus County Hospital Board; reducing the
5 time a member may hold office on the board;
6 revising borrowing authority of the board;
7 revising provisions relating to indebtedness of
8 the board; revising a provision relating to
9 outstanding bonds payable from ad valorem
10 taxes; repealing an obsolete provision;
11 providing an effective date.

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

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15 Section 1. Paragraph (b) of section 3 of chapter
16 99-442, Laws of Florida, is amended to read:

17 Section 3.

18 (b) The trustees of said board shall elect from its
19 members a chair, a vice chair, and a secretary-treasurer who
20 shall each hold office for a period of one (1) year ~~two (2)~~
21 ~~years~~. Each trustee shall execute a bond in the penal sum of
22 five thousand dollars (\$5,000) with two (2) good and
23 sufficient sureties of a surety company authorized under the
24 laws of the state to become surety, payable to the Citrus
25 County Hospital Board, conditioned upon the faithful
26 performance of the duties of the officer, which bonds shall be
27 approved by the remaining trustees of the board and which
28 shall be filed with the Board of County Commissioners of
29 Citrus County. The premiums on said bonds shall be paid by
30 the hospital board.

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1 Section 2. Section 14 of chapter 99-442, Laws of
2 Florida, is amended to read:

3 Section 14. In addition to all other implied and
4 express powers contained herein, the board shall have the
5 express authority to borrow money, with or without issuing
6 notes therefor, for the purpose or purposes of constructing,
7 maintaining, repairing, altering, expanding, equipping,
8 leasing, and operating county hospitals, medical nursing
9 homes, convalescent homes, medical care facilities, clinics,
10 and all other types of allied medical care units. The board's
11 authority to borrow money, with or without issuing notes,
12 shall be subject to the conditions of this act, applying to
13 the board's right to issue revenue certificates. ~~However, the~~
14 ~~board shall not be required to have any type of validation~~
15 ~~suit or court approval to borrow money when the amount of the~~
16 ~~loan or loans does not exceed an amount equal to two times the~~
17 ~~annual hospital tax, assuming said tax is based upon the~~
18 ~~yearly millage of three (3) mills, and the term of the loan~~
19 ~~does not exceed five (5) years.~~

20 Section 3. Section 16 of chapter 99-442, Laws of
21 Florida, is amended to read:

22 Section 16. (a) Said bonds, federal or state hospital
23 loans, notes, or revenue certificates shall mature within
24 thirty (30)~~twenty (20)~~ years from the year in which they are
25 issued or made, and shall be payable in such years and amounts
26 as shall be approved by the board ~~mature in equal amounts each~~
27 ~~year including the interest. The aggregate amount of all~~
28 ~~bonds, revenue certificates, and federal or state hospital~~
29 ~~loans issued and outstanding at any one time shall not exceed~~
30 ~~an amount equal to five (5) times the annual hospital tax at~~
31 ~~the date of issue, assuming said tax is based upon the yearly~~

1 ~~millage of three (3) mills. Said bonds and interest thereon~~
2 ~~shall be payable solely from a millage not to exceed one and~~
3 ~~one half (1 1/2) mills per year. Said millage is included in~~
4 ~~the maximum millage of three (3) mills per year. The loans,~~
5 ~~notes and revenue certificates, together with the interest,~~
6 ~~shall be payable from the gross receipts of the hospital~~
7 ~~and/or medical nursing home.~~

8 ~~(b) The full faith and credit of Citrus County shall~~
9 ~~be pledged for the payment of the bonds and interest, but the~~
10 ~~full faith and credit of Citrus County shall not be pledged~~
11 ~~for the payment of the loans, notes, or revenue certificates~~
12 ~~and interest unless voted upon and approved by the voters of~~
13 ~~said county.~~

14 ~~(c) Whenever this board shall pass a resolution~~
15 ~~approving the issuance of said bonds, the board of county~~
16 ~~commissioners shall immediately thereafter pass a resolution~~
17 ~~approving the bond issue and calling an election and, subject~~
18 ~~to said election, permitting the repayment of the bonds out of~~
19 ~~the annual levy of three (3) mills per year. The bonds or~~
20 ~~revenue certificates shall not be issued until after the same~~
21 ~~have been approved in a validation suit.~~

22 ~~(d) Said loans, notes, bonds, or revenue certificates~~
23 ~~shall not bear interest in excess of six percent (6%) per year~~
24 ~~and such lesser amounts that may be available in the open~~
25 ~~market. The interest rate may be increased as provided in~~
26 ~~subsection (h).~~

27 ~~(b)(e)~~ (b) The board shall determine the form of the
28 loans, notes, bonds, and revenue certificates, including any
29 interest coupons to be attached thereto, and the manner of
30 executing it, shall fix the denomination or denominations
31 thereof and the place or places of payment of principal and

1 interest which may be at any bank or trust company within or
2 without the state. In case an officer whose signature or a
3 facsimile of whose signature shall appear on any loan, note,
4 bond, or revenue certificate or coupon shall cease to be such
5 officer before the delivery thereof, such signature or
6 facsimile shall nevertheless be valid and sufficient for all
7 purposes the same as if the officer had remained in office
8 until such delivery. All loan agreements, notes, bonds, and
9 revenue certificates issued hereunder shall have and are
10 hereby declared to have all the qualities and incidents of
11 negotiable instruments under the negotiable instruments law of
12 the state.

13 (c) Whenever the board shall pass a resolution
14 approving the issuance of the bonds, the Board of County
15 Commissioners shall immediately thereafter pass a resolution
16 approving the bond issue and calling an election and, subject
17 to that election, permitting the repayment of the bonds out of
18 an annual levy not to exceed one and one-half (1 1/2) mills
19 per year. This millage is included in the maximum millage of
20 three (3) mills per year. Subject to such limitations, the
21 bonds shall be payable from the full faith and credit of
22 Citrus County.

23 (d) The loans, notes, and revenue certificates,
24 together with the interest, shall be payable from gross or net
25 receipts of the hospital board or any portion thereof.

26 (e) These loans, notes, bonds, or revenue certificates
27 shall not bear interest in excess of the maximum rate
28 permitted by the laws of the State of Florida.

29 (f) The board may sell bonds, loans, notes, or revenue
30 certificates in such manner, either at public or private sale,
31 and for such price as it may determine to be for the best

1 interest of the hospital board, ~~but no such sale shall be made~~
2 ~~at a price so low as to require the payment of interest on the~~
3 ~~money received therefor of more than six percent (6%) per~~
4 ~~annum. The interest rate may be increased as provided in~~
5 ~~subsection (h).~~

6 (g) The board of county commissioners during any
7 period that bonds payable from ad valorem taxation are
8 outstanding ~~said period~~ shall, in addition to the maximum of
9 one and one-half ~~one-half~~ (1 1/2) mills ~~levy~~ above authorized
10 for the repayment of the bonds and interest, levy annually the
11 remainder of the hospital tax in the amount up to one and
12 one-half ~~one-half~~ (1 1/2) mills on the dollar for the purpose
13 of maintaining and operating the county hospitals, medical
14 nursing homes, and convalescent homes.

15 (h) ~~In the event the maturity date of the debt is more~~
16 ~~than two (2) years after the date the debt is created, the~~
17 ~~maximum interest rate that can be applied to said debt or debt~~
18 ~~paper obligation shall not exceed six percent (6%) or one~~
19 ~~percent (1%) less than the "prime interest rate," as~~
20 ~~established by the Chase Manhattan Bank, National Association,~~
21 ~~whichever is the higher, on the date the agreement to create~~
22 ~~the debt is executed by the board and the lender. This shall~~
23 ~~apply only to debts created or incurred subsequent to the~~
24 ~~effective date of this amendment. The term debt paper~~
25 ~~obligation shall include notes, bonds, and revenue bonds and~~
26 ~~certificates.~~

27 Section 4. Section 17 of chapter 99-442, Laws of
28 Florida, is amended to read:

29 Section 17. The total amount of outstanding bonds
30 ~~indebtedness~~ of said hospital payable from ad valorem taxation
31 at any one time shall not exceed an amount equal to six (6)

1 times the annual hospital tax, assuming said tax is based upon
2 the yearly millage of three mills.

3 Section 5. Section 18 of chapter 99-442, Laws of
4 Florida, is repealed.

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

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