



CHAMBER ACTION

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The Committee on Local Government & Veterans' Affairs recommends the following:

**Committee Substitute**

Remove the entire bill and insert:

A bill to be entitled

An act relating to Halifax Hospital Medical Center, Volusia County; codifying, reenacting, and amending the charter of the Halifax Hospital Medical Center special tax district; providing for boundaries of the district; establishing a Board of Commissioners; providing for membership and appointment; providing powers and duties of the board; providing for meetings of the board; authorizing the district to establish, construct, operate, and maintain hospitals, medical facilities, and services; providing that the district shall have the power of eminent domain; authorizing the district to perform certain functions in order to carry out the purposes of the act; providing for the issuance of bonds and procedures relating thereto; authorizing the district to levy and collect certain taxes; authorizing officers of the district to sign checks and warrants; providing procedure for levy and collection of taxes; providing for



HB 1457

2003  
CS

29 | the payment of expenses; requiring the establishment of  
30 | revenue accounts; requiring the district to provide care  
31 | and services for the medically indigent; providing for  
32 | liberal construction; exempting property of the district  
33 | from taxation; requiring an annual financial audit of the  
34 | books and records of the district; providing for employee  
35 | benefits; providing for competitive bidding; providing an  
36 | alternative to bidding procedure; providing an exception;  
37 | authorizing the board to designate a direct-support  
38 | organization; providing for severability; repealing  
39 | chapters 79-577, 79-578, 84-539, 89-409, and 91-352, Laws  
40 | of Florida; providing an effective date.

41

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

43

44 |       Section 1. Pursuant to section 189.429, Florida Statutes,  
45 | this act constitutes the codification of all special acts  
46 | relating to the Halifax Hospital Medical Center special tax  
47 | district. It is the intent of the Legislature to provide a  
48 | single, comprehensive special act charter for said district,  
49 | including all current legislative authority granted to the  
50 | district by its several legislative enactments and any  
51 | additional authority granted by this act and chapter 189,  
52 | Florida Statutes, as they may be amended from time to time. It  
53 | is further the intent of this act to preserve all district  
54 | authority.

55

56 |       Section 2. Chapters 79-577, 79-578, 84-539, 89-409, and  
91-352, Laws of Florida, relating to the Halifax Hospital



57 Medical Center special tax district are codified, reenacted,  
 58 amended, and repealed as herein provided.

59 Section 3. The charter for the Halifax Hospital Medical  
 60 Center special tax district is re-created and reenacted to read:

61 Section 1. A special tax district is hereby created to be  
 62 known as "Halifax Hospital Medical Center" in Volusia County,  
 63 Florida, which district shall include all of Volusia County  
 64 except those parts described below:

65  
 66 Beginning at the point of intersection of the main  
 67 channel of Mosquito Inlet and the Atlantic Ocean,  
 68 thence run Southeasterly with the shore of the  
 69 Atlantic Ocean to the point of intersection with the  
 70 South line of Township 19S, thence West with said  
 71 Township line to the Southwest corner of Section 34,  
 72 Township 19S, Range 33E, thence North to the Northwest  
 73 corner of Section 3, Township 19S, Range 33E, thence  
 74 West along the South line of Township 18S, Range 33E,  
 75 to the Southwest corner of said Township 18S, Range  
 76 33E, thence north with West line of Township 18S,  
 77 Range 33E, to the Northwest corner of said Township  
 78 18S, Range 33E, thence West along line between  
 79 Townships 17S and 18S to the Southwest corner of  
 80 Township 17S, Range 32E, thence along the Range line  
 81 between Ranges 31E and 32E North to the Northwest  
 82 corner of Township 17S, Range 32E, thence East along  
 83 the North line of Township 17S, Range 32E to the point  
 84 of intersection with the South fork of Spruce Creek,



85 thence Northerly and Easterly along Spruce Creek to  
 86 the point of intersection with the main channel of the  
 87 Halifax River, thence Southerly and Easterly along the  
 88 main channel of the Halifax River and the main channel  
 89 of Mosquito Inlet to the point of beginning. All the  
 90 above described property lying and being in County of  
 91 Volusia, State of Florida.

92  
 93 Commencing at a point on the East Shore of Lake George  
 94 where same is intersected by the Putnam-Volusia County  
 95 line and run Northeasterly with said line to be the  
 96 Southernmost point of Lake Crescent; thence East with  
 97 shore line of Lake Crescent to the mouth of Hawk  
 98 Creek; thence up said Creek to its intersection with  
 99 the East line of Range 28 East; run thence South with  
 100 said Range line (it being the Flagler-Volusia County  
 101 line) to the Northwest corner of Section 30, Township  
 102 14 South, Range 29 East; thence run East 12 miles to  
 103 the Northeast corner of Section 25, Township 14 South,  
 104 Range 30 East; thence run South two miles to the  
 105 Southeast corner of Township 14 South, Range 30 East;  
 106 thence run West along said Township line to the  
 107 Northeast corner of Township 15 South, Range 30 East;  
 108 thence run South with the range line between Ranges 30  
 109 and 31 East about six miles to the Southeast corner of  
 110 Township 15 South, Range 30 East, run thence East  
 111 along the North line of Township 16 South, Range 31  
 112 East about six miles to the Northeast corner of said



113 Township 16 South, Range 31 East; run thence South on  
 114 the range line between Ranges 31 and 32 East about  
 115 twelve miles to the Southeast corner of Township 17  
 116 South, Range 31 East; run thence East with the line  
 117 between Township 17 and 18 South to the Northeast  
 118 corner of Township 18 South, Range 32 East; run thence  
 119 South on the range line between Ranges 32 and 33 East  
 120 to the Southeast corner of Township 18 South, Range 32  
 121 East; run thence East on the line between Township 18  
 122 South, Range 33 East and Township 19 South, Range 33  
 123 East about three miles to the Northeast corner of  
 124 Section 4 of Township 19 South, Range 33 East. Run  
 125 thence South on the East line of Sections 4-9-16-21-28  
 126 and 33. Township 19 South, Range 33 East to the  
 127 Southeast corner of Section 33, Township 19, South  
 128 Range 33 East; run thence East on the line between  
 129 Township 19 South, Range 33 East and Township 20  
 130 South, Range 33 East to the Northeast corner of  
 131 Township 20 South, Range 33 East; run thence South on  
 132 the East line of Township 20 South, Range 33 East and  
 133 along the East line of Township 21 South, Range 33  
 134 East to the Southeast corner of Section 36, Township  
 135 21 South, Range 33 East, run thence West along a South  
 136 line of Township 21 South, Range 33 East to the  
 137 intersection of said Township line with the St. Johns  
 138 River; thence run down the St. Johns River in a  
 139 generally Northwesterly direction to Lake George and



HB 1457

2003  
CS

140 with the East Shore line of said Lake George to the  
141 place of beginning.

142  
143 Section 2. (1) The governing body of the district shall  
144 be a Board of Commissioners which shall consist of seven  
145 members, each of whom shall be a resident of the district and  
146 appointed by the Governor. Except with respect to those  
147 appointees who shall be appointed to serve terms ending on the  
148 dates specified herein, each commissioner shall be appointed for  
149 a term of 4 years. The appointments which must be made with  
150 respect to the four commissioners whose terms end in May of 1985  
151 shall be made with two commissioners being appointed for terms  
152 ending May 23, 1986, and two commissioners being appointed for  
153 regular 4-year terms. With respect to the appointments which  
154 must be made for the three commissioners whose terms end in May  
155 1987, two commissioners shall be appointed for regular 4-year  
156 terms and one commissioner shall be appointed for a term ending  
157 May 23, 1988.

158 (2) The Governor may suspend a commissioner pursuant to  
159 section 7, Article IV of the State Constitution. Each  
160 commissioner shall give bond to the Governor conditioned on the  
161 officer's faithful performance of the duties of his or her  
162 office, in the sum of \$5,000, with a surety company approved by  
163 the district and qualified to do business in Florida. The bond  
164 shall be approved and filed with the Clerk of the Circuit Court  
165 of Volusia County. The premiums on each bond shall be paid by  
166 the district.



HB 1457

2003  
CS

167        Section 3. The district shall have all powers of a body  
168 corporate, including, but not limited to, the power to sue and  
169 be sued; to enter into contracts; to adopt and use a common  
170 seal; to establish corporations pursuant to chapter 617, Florida  
171 Statutes, under the control of the district; to enter into  
172 capital or operating leases; and to acquire, purchase, hold,  
173 lease, and convey such real and personal property as may be  
174 proper or expedient to carry out the purposes of this act. The  
175 district shall have the power to employ a chief executive  
176 officer or such other agents and employees as it deems may be  
177 advisable to operate and manage the district's facilities; to  
178 borrow money and issue notes, bonds, and other evidences of  
179 indebtedness to carry out the provisions of this act; to foster  
180 community redevelopment within the district through financial  
181 contribution with the community redevelopment trust fund; and to  
182 accept promissory notes and voluntary liens to evidence and  
183 secure payment for health care services rendered to patients  
184 whenever patients are unable to pay their bills in full when  
185 payment is due.

186        Section 4. Four of the commissioners shall constitute a  
187 quorum, but no action, except to recess or adjourn, shall be  
188 effective unless four of the commissioners concur therein. The  
189 Board of Commissioners shall keep true and accurate minutes and  
190 records of all business transacted by it. The minutes, records,  
191 and books of account shall at all reasonable times be open and  
192 subject to inspection and copying by the public, pursuant to  
193 section 119.07, Florida Statutes.



194        Section 5. The district may establish, construct, operate,  
 195 and maintain such hospitals, medical facilities, and other  
 196 health care facilities and services as are necessary. The  
 197 hospitals, medical facilities, and other health care facilities  
 198 and services shall be established, constructed, operated, and  
 199 maintained by the district for the preservation of the public  
 200 health, for the public good, and for the use of the public of  
 201 the district. Maintenance of such hospitals, medical facilities,  
 202 and other health care facilities and services in the district is  
 203 hereby found and declared to be a public purpose and necessary  
 204 for the general welfare of the residents of the district.

205        Section 6. The district shall have the power of eminent  
 206 domain, and it may condemn and acquire any real or personal  
 207 property within the district which the board may deem necessary  
 208 for the use of the district. The power of condemnation shall be  
 209 exercised in the same manner as is now or may be provided by  
 210 general law for the exercise of the power of eminent domain by  
 211 counties of the state, including the right to take possession  
 212 and title in advance of final judgment under the procedures set  
 213 forth in chapter 74, Florida Statutes.

214        Section 7. In order to carry out the purposes of this act:  
 215        (1) The district may borrow money and execute promissory  
 216 notes having a term of up to 7 years and may enter into credit  
 217 purchase agreements having a term of up to 7 years. The  
 218 district may determine with respect to such notes or credit  
 219 purchase agreements the initial principal amounts and may set  
 220 terms and rates of interest.





221       (2) The district may facilitate fair and consistent  
 222 delivery of health care services to indigent persons by charging  
 223 for indigent care services on the same sliding scale used by the  
 224 Volusia County Health Department.

225       (3) The district may form both not-for-profit and for-  
 226 profit corporations. The for-profit corporations may only  
 227 engage in health care-related activities. Only the not-for-  
 228 profit corporations may be capitalized by the district and  
 229 financially supported by the district. Neither the district nor  
 230 a not-for-profit corporation formed by the district may  
 231 capitalize for-profit corporations, but this shall not prohibit  
 232 the district or its not-for-profit corporations from entering  
 233 good faith agreements to receive from such for-profit  
 234 corporations services, goods, and facilities, as long as the  
 235 charge for such services, goods, and facilities is at fair  
 236 market value. The district shall not hold in its name corporate  
 237 stock issued by any for-profit corporation established by the  
 238 district, but the stock of such for-profit corporations may be  
 239 held by a not-for-profit corporation established by the district  
 240 or by a third party in trust for the district under a written  
 241 trust agreement.

242       (4) The not-for-profit corporations and the for-profit  
 243 corporations established by the district may be stockholders  
 244 which may enter into joint ventures and other cooperative  
 245 projects with third-party individuals and entities as long as:

246       (a) Any assets of the not-for-profit corporation which are  
 247 provided by the district are not liened, collateralized,



HB 1457

2003  
CS

248 | mortgaged, subject to a security interest, or otherwise put at  
249 | risk.

250 | (b) The district's credit is not pledged or lent to or for  
251 | the benefit of the joint venture or other cooperative projects.

252 | (c) The district itself is not directly involved as a  
253 | shareholder, joint venturer, or partner. The fact that a  
254 | corporation established by the district is a shareholder, joint  
255 | venturer, or other type of participant in a business or  
256 | cooperative project shall not, alone, subject that business or  
257 | cooperative project to requirements of chapter 119, Florida  
258 | Statutes, or chapter 286, Florida Statutes.

259 | (5) The district may issue tax anticipation notes and  
260 | neither validation proceedings nor referendum approval is  
261 | necessary with respect to tax anticipation notes with a maturity  
262 | date not more than 12 months after their date of issuance.

263 | (6) The district shall maintain commercial insurance,  
264 | establish a risk retention program consisting of self-insurance  
265 | plans, or utilize a combination of commercial insurance and  
266 | self-insurance plans to protect against those risks of less  
267 | commonly insured against by businesses and organizations  
268 | carrying out the health care functions provided by the district.  
269 | Such commercial insurance and/or self-insurance plans shall be  
270 | in such amounts as deemed prudent under the circumstances by the  
271 | district's insurance consultant. The district may develop a  
272 | risk retention program consisting of separate self-insurance  
273 | plans for the following risks: general liability, errors and  
274 | omissions, medical professional liability, including the  
275 | district's "shared risk" of joint and several liability with



HB 1457

2003  
CS

276 medical physicians, workers' compensation, and employee medical  
277 benefits.

278 (7) Each self-insurance plan established or sponsored by  
279 the district shall be funded on an annual basis in an amount at  
280 least equal to that sum jointly established by the hospital's  
281 CEO and the district's insurance consultant as needed to  
282 maintain the plan's solvency for the applicable plan year. In  
283 making such determination, the insurance consultant and the CEO  
284 shall include "incurred but not reported" claims in the reserves  
285 against claims. The self-insurance plans within the risk  
286 retention program may be established and funded utilizing a  
287 single trust as long as the cost of risk for each self-insurance  
288 plan is separately accounted for and reported. If necessary or  
289 beneficial for legal or actuarial purposes, the separate self-  
290 insurance plans within the risk retention program may be  
291 established utilizing separate trusts or separate not-for-profit  
292 corporations.

293 (8) Protecting the district and its assets through  
294 commercial insurance or through a risk retention program  
295 consisting of self-insurance plans or through a combination of  
296 commercial insurance and self-insurance plans is an essential  
297 governmental function. The fact that hospital employees, their  
298 beneficiaries, or other third parties receive incidental  
299 benefits as a result of the commercial insurance or self-  
300 insurance plans purchased, established, or sponsored by the  
301 district shall not be a basis for asserting such commercial  
302 insurance or such plan within the risk retention program is not  
303 primarily for the benefit of the district or is not an essential



HB 1457

2003  
CS

304 governmental function as long as any third party receiving such  
305 incidental benefit pays its fair and equitable share of the  
306 district's total costs for insuring or self-insuring the risks.

307 (9) Nothing herein shall be interpreted as prohibiting the  
308 district from purchasing other commercial insurance or  
309 establishing or sponsoring other self-insurance plans under its  
310 risk retention program.

311 Section 8. (1) The district may, by resolution of the  
312 board, authorize the issuance of bonds for the purposes set  
313 forth in this act, and for the acquisition and development of  
314 real property, including appurtenances, fixtures, and equipment,  
315 and for major repairs or renovations to real property which  
316 significantly extend its useful life or change its function, and  
317 for any necessary operating capital outlay to furnish and  
318 operate a new or improved facility. The bonds may be revenue  
319 bonds payable from ad valorem taxes, or bonds payable from a  
320 combination of the two; provided, however, that no bonds either  
321 pledging the full faith and credit of the district, or pledging  
322 the taxing power thereof, except refunding bonds issued at a  
323 lower net average interest cost rate, shall be issued unless the  
324 issuance has been approved in a referendum by a majority vote of  
325 the electors of the district voting on the question. Nothing  
326 herein shall limit any rights the district has or may have under  
327 general law.

328 (2) Pursuant to resolution of the board, such bonds may:

329 (a) Be issued in either coupon or registered form or both.

330 (b) Have dates of maturity not exceeding 40 years after  
331 the date of issuance.



332 (c) Bear interest at a rate to be determined by the board.

333 (d) Provide for registration of coupon bonds and  
 334 conversion and reconversion of bonds from coupon to registered  
 335 form or from registered form to coupon form.

336 (e) Provide for payment at maturity and redemption prior  
 337 to maturity at specified times and prices.

338 (f) Be payable at specified places within or without the  
 339 state.

340 (3) Bonds shall be signed by such officers of the board or  
 341 district as shall be required by resolution of the board. The  
 342 signatures may be manual or facsimile signatures, but at least  
 343 one of the signatures shall be a manual signature. The coupons  
 344 shall be signed with the facsimile signatures of such officials  
 345 of the board as the board shall determine. In case any officer  
 346 whose signature or facsimile of whose signature appears on any  
 347 bonds or coupons ceases to be such officer before delivery of  
 348 the bonds or coupons, his or her signature or facsimile  
 349 signature shall nevertheless be valid and sufficient for all  
 350 purposes as fully and to the same extent as if he or she had  
 351 remained in office until delivery.

352 (4) All bonds shall be exempt from all state, county, and  
 353 city taxation.

354 (5) All bonds issued pursuant to this act shall be and  
 355 have, and are hereby declared to be and have, all the qualities  
 356 and incidents of negotiable instruments under the Uniform  
 357 Commercial Code--Investment Securities Law of the state.

358 (6) The board may sell the bonds in such a manner and at  
 359 such prices as the board may determine to be in the best



HB 1457

2003  
CS

360 interest of the district, but not, however, at less than 95  
361 percent of par value.

362 (a) The bonds may be sold either at negotiated or public  
363 sale as determined by the board to be in the best interest of  
364 the district.

365 (b) If the bonds are to be sold at public sale:

366 1. Notice of the sale shall be published at least once at  
367 least 10 days prior to the date of sale in one or more  
368 newspapers or financial journals published within or without the  
369 state and shall contain such terms as the board shall deem  
370 advisable and proper under the circumstances; provided that if  
371 no bids are received at the time and place called for by the  
372 notice of sale, or if all bids received are rejected, the bonds  
373 may again be offered for sale upon a shorter period of  
374 reasonable notice provided for by resolution of the board.

375 2. All bids for the purchase of any bonds offered for sale  
376 by the board shall be opened in public. Such bonds shall be  
377 awarded by resolution of the board to the bidder offering to  
378 purchase such bonds at the lowest net interest cost, such cost  
379 to be determined by deducting the total amount of premium bid  
380 from or adding the total amount of discount bid to the aggregate  
381 amount of interest which will accrue on such bonds until their  
382 respective maturities, without reference to any provisions for  
383 prior redemption of such bonds.

384 3. No best bid from a reputable underwriter or team of  
385 underwriters which bid conforms to the notice of sale may be  
386 rejected unless all bids are rejected. If the bids rejected are  
387 legally acceptable bids under the notice of sale, such bonds



388 shall not be sold thereafter except upon public sale after  
 389 publication of notice of sale as provided herein.

390 (7) No bonds shall be issued by the district unless the  
 391 face or reverse thereof contains a certificate, executed either  
 392 manually or with the facsimile signature of the secretary or  
 393 assistant secretary of the board or district, to the effect that  
 394 the issuance of such bonds has been approved under the  
 395 provisions of this act by the board. The certificate shall be  
 396 conclusive evidence as to approval of the issuance of such bonds  
 397 by the district and that the requirements of this act and all of  
 398 the laws relating to such bonds are in full compliance.

399 (8) The district, by resolution of its board, shall have  
 400 the authority to issue bond anticipation notes in the name of  
 401 the district in anticipation of the receipt of the proceeds of  
 402 the bonds in the same manner and subject to the same limitations  
 403 and conditions provided by section 215.431, Florida Statutes.  
 404 The rights and remedies which they would have if they were the  
 405 holders of the definitive bonds in anticipation of which they  
 406 are issued, and all of the covenants, agreements, or other  
 407 proceedings relating to the definitive bonds in anticipation of  
 408 which such bond anticipation notes are issued shall be a part of  
 409 the proceedings relating to the issuance of the notes as fully  
 410 and to the same extent as if incorporated verbatim herein.

411 (9) Prior to the preparation of definitive bonds, the  
 412 district, pursuant to resolution of its board, may issue interim  
 413 receipts or temporary bonds, with or without coupons,  
 414 exchangeable for definitive bonds when such bonds have been  
 415 executed and are available for delivery under such terms and



HB 1457

2003  
CS

416 conditions as the board shall deem advisable. The resolution  
417 may also provide for the replacement of any bonds which shall  
418 become mutilated or be destroyed, stolen, or lost under such  
419 terms and conditions as the board shall deem advisable.

420 (10) Bonds issued under the provisions of this act may be  
421 validated in the manner provided in chapter 75, Florida  
422 Statutes.

423 Section 9. (1) Prior to the issuance of full faith and  
424 credit bonds, the Board of Commissioners shall determine the  
425 amount which, in the opinion of the board, will be necessary to  
426 be raised annually by taxation for the payment of the debt  
427 service on all such outstanding bonds and all such bonds  
428 proposed to be issued. Subject to the millage limitations  
429 authorized by law, the district shall provide for the levy and  
430 collection annually of a sufficient tax upon all the taxable  
431 property in the district to make the debt service payments on  
432 the bonds and debt service on notes, for expenses of operation,  
433 maintenance, construction, improvements, and repair of the  
434 hospitals or clinics, and for the payment of any indebtedness or  
435 other necessary expenses in carrying out the business of the  
436 district.

437 (2) The millage for the taxes assessed and levied against  
438 the taxable property within the district for the payment of debt  
439 service, including interest and principal of the bonds and notes  
440 issued by the district and for the operation, maintenance,  
441 improvement, and repair of the hospitals, medical facilities,  
442 clinics, or outpatient facilities and services, including, but  
443 not limited to, providing care to the indigent as provided in





HB 1457

2003  
CS

444 this act, or for the payment of any outstanding indebtedness  
445 authorized by this act, or for the payment of other necessary  
446 expenses in carrying on and transacting the business of the  
447 district, shall not exceed 4 mills on all the nonexempt property  
448 within the district, unless authorized by law and approved by a  
449 majority vote of the electors of the district voting on the  
450 issue.

451 Section 10. The Board of Commissioners, the Chief  
452 Executive Officer, and the Chief Fiscal Officer of the district  
453 are hereby authorized to sign checks and warrants of the  
454 district by facsimile signature and to use and employ facsimile  
455 signature machines for that purpose. The stamping, printing, or  
456 lithographing of facsimile signatures of the Chief Executive  
457 Officer and Chief Fiscal Officer shall constitute sufficient  
458 signatures in compliance with Florida Statutes as to the  
459 withdrawal of district funds from a depository.

460 Section 11. The levy of the taxes authorized by any  
461 provision of this act shall be pursuant to a resolution of the  
462 board. Certified copies of the resolution executed in the name  
463 of the board by its chair, under its corporate seal, shall be  
464 made and delivered to the County Council of Volusia County, and  
465 to the Department of Revenue in the same manner and within the  
466 same time period as required of counties pursuant to general  
467 law. The County Council of Volusia County shall require the  
468 Director of the Finance Department of the county to collect the  
469 amount of taxes so assessed or levied by the district upon the  
470 nonexempt property in the district, at the rate of taxation as  
471 fixed, levied, and adopted by the Board of Commissioners of the



HB 1457

2003  
CS

472 district for the year and included in the warrant of the  
473 Property Appraiser and attached to the assessment roll of taxes  
474 for the county each year. The Director of the Finance  
475 Department of Volusia County shall collect the tax as levied by  
476 the district in the same manner as other taxes are collected,  
477 and he or she shall remit the taxes collected to the district  
478 within the time and in the manner prescribed by law for the  
479 collection and handling of county taxes to the county  
480 depository. All revenues so collected shall be held, used,  
481 invested, and disbursed by the district as provided in this act  
482 or as otherwise provided by law.

483 Section 12. The district is authorized to pay from the  
484 funds of the district all expenses necessarily incurred in the  
485 formation of the district and all other reasonable and necessary  
486 expenses, including, but not limited to, those expenses of the  
487 type normally incurred in the establishment, operation, repair,  
488 maintenance, expansion, and diversification of a modern  
489 integrated system for the delivery of health care services  
490 consisting of hospitals, clinics, health maintenance  
491 organizations, ambulatory care facilities, managed care  
492 facilities, other alternative delivery systems, self-insurance,  
493 risk retention programs, captive insurance companies, and  
494 support organizations. This section shall not be construed to  
495 restrict any of the powers vested in the district by any other  
496 provision of this act or any provision of general law.

497 Section 13. (1) The district shall create two separate  
498 revenue accounts. One account shall be the Ad Valorem Tax  
499 Revenue Account which shall be a separate account into which all



HB 1457

2003  
CS

500 ad valorem tax revenues are deposited, and the other account  
501 shall be the General Revenue Account into which all other  
502 district revenues are deposited.

503 (2) Each corporation established and controlled by the  
504 district shall utilize a bookkeeping and financial management  
505 system which identifies all of that corporation's revenues  
506 generated through operation of those assets which were obtained  
507 with ad valorem tax revenues.

508 (3) Annually the board shall publish in a newspaper of  
509 general circulation published in the district an audited  
510 consolidated financial statement of the district and its  
511 corporations. Such financial statements shall be prepared  
512 according to generally accepted accounting principles, shall  
513 specifically include a combined balance sheet and a combined  
514 statement of revenues and expenses, and shall show a complete  
515 statement of the financial conditions of the district as of the  
516 end of the fiscal year.

517 Section 14. The hospitals, medical facilities, clinics,  
518 and outpatient facilities established under this act or by a  
519 not-for-profit corporation formed by the district shall provide  
520 either independently or in cooperation with each other and/or in  
521 cooperation with the Volusia County Public Health Care Unit an  
522 appropriate location or locations for the delivery of quality  
523 hospital care and related services and treatment to patients who  
524 are determined according to criteria established by the board to  
525 be medically indigent. Persons so determined to be medically  
526 indigent shall receive such services at the locations  
527 established by the district or by a not-for-profit corporation



HB 1457

2003  
CS

528 formed by the district either for no charge or alternatively for  
529 a reduced charge according to the same sliding scale used by the  
530 Volusia County Health Department. Each hospital, medical  
531 facility, clinic, and outpatient facility established under this  
532 act shall collect such charges as the district may from time to  
533 time establish for hospital care, outpatient care, and related  
534 services and treatment. Except as is otherwise required by law  
535 or by agreement with the Volusia County Health Department, the  
536 district's ad valorem tax revenues shall be used to fund medical  
537 services to indigent persons only if such services are provided  
538 at facilities owned by the district or at facilities in which  
539 the district or a corporation established by the district holds  
540 an ownership interest. The district may extend the use of  
541 hospitals, clinics, and medical facilities of the district to  
542 nonresidents upon such terms and conditions as the district may  
543 from time to time by its rules provide. The medically indigent  
544 residents of the district wherein such hospital and clinic are  
545 located shall have priority to admission and outpatient  
546 services.

547 Section 15. It is intended that the provisions of this act  
548 shall be liberally construed in order to accomplish the purposes  
549 of the act. Where strict construction of this act would result  
550 in the defeat of the accomplishment of any of the purposes of  
551 this act, and a liberal construction would permit or assist in  
552 the accomplishment thereof, the liberal construction shall be  
553 chosen.

554 Section 16. All property, real and personal, of the  
555 Halifax Hospital Medical Center, a special tax district in



HB 1457

2003  
CS

556 Volusia County, and all property, both real and personal, of the  
557 Board of Commissioners of the special tax district are hereby  
558 exempted from taxation pursuant to chapter 196, Florida  
559 Statutes.

560 Section 17. The district shall provide for an annual  
561 financial audit of its books and records in accordance with  
562 section 218.39, Florida Statutes.

563 Section 18. The district is authorized to:

564 (1) Provide and pay all or any part of the insurance  
565 expenses or premiums on its respective employees' insurance or  
566 self-insurance covering injuries received by such employees  
567 after working hours or covering illness of such employees and  
568 their dependents.

569 (2) Provide to employees and their dependents a discount  
570 on the cost of drugs, laboratory, X-ray work, or other hospital  
571 services.

572 (3) Provide and pay for employee benefits for group life  
573 insurance on employees of the district.

574 (4) Provide such other fringe benefits to district  
575 employees as it from time to time deems appropriate.

576 (5) Incur and pay reasonable expenditures for travel,  
577 physician recruiting, employee recruiting, hospitality,  
578 education, and marketing related to the furtherance of the  
579 district's objectives.

580 Section 19. (1) All purchases of supplies, commodities,  
581 equipment, and materials as well as the leasing of equipment for  
582 use in the operation and maintenance of the district, and all  
583 contracts for work, construction, repair, or replacement of



HB 1457

2003  
CS

584 buildings or other capital improvements to the district's  
585 property, the cost of which is in excess of \$10,000, shall be  
586 made or let by the district by contract to the lowest  
587 responsible bidder according to the written specifications  
588 previously prescribed therefor, and after publication in a  
589 newspaper of general circulation within the district, 1 day a  
590 week for 2 consecutive weeks, of an advertisement or notice  
591 calling for or inviting such bids.

592 (2) As an alternative to the procedure prescribed in  
593 subsection (1), whenever it reasonably appears to the Board of  
594 Commissioners of the district that by reason of an emergency or  
595 other unusual condition the compliance with the bidding  
596 procedure prescribed in subsection (1) would be detrimental to  
597 the interest of the district or its patients, or it appears to  
598 the Board of Commissioners that such supplies, commodities,  
599 equipment, and materials, and the leasing of equipment for the  
600 use in the operation or maintenance of the district are  
601 obtainable from only one source or supplier, the Board of  
602 Commissioners of the district may by appropriate resolution  
603 identify such emergency, unusual condition, or sole source  
604 situation and authorize the purchase, lease agreement, or  
605 contract without complying with the procedure prescribed in  
606 subsection (1).

607 (3) The bidding requirements in subsection (1) shall not  
608 apply to prosthetic devices, pacemakers, or other surgically  
609 implanted devices or materials if the delay incident to  
610 complying with such bidding requirements could adversely affect  
611 patient care or could cause the patient to elect to have the



HB 1457

2003  
CS

612 implant surgery performed at a private hospital which is not  
613 bound by such bidding requirements.

614 (4) All contracts between the district and a third party  
615 for construction, repair, or replacement of buildings,  
616 structures, or other capital improvements owned and operated by  
617 the district, the cost of which is in excess of \$25,000, shall  
618 be made or let to the lowest responsible bidder, unless:

619 (a) The construction is in conjunction with a design-build  
620 project, in which case the district shall comply with section  
621 287.055(9), Florida Statutes; or

622 (b) The lowest bidder refuses to enter into a contract  
623 which prohibits the contractor from claiming delay damages, in  
624 which case the district may contract with any qualified general  
625 contractor for the district's choice on the condition that the  
626 contract with such contractor prohibits the contractor claiming  
627 delay damages and the contract price does not exceed the bid  
628 from the lowest responsible bidder by more than 5 percent.

629 Section 20. (1) The Board of Commissioners may designate  
630 an organization as a Halifax Hospital Medical Center direct-  
631 support organization to provide assistance, funding, and support  
632 to the board in carrying out its powers and duties. For the  
633 purposes of this section, "Halifax Hospital Medical Center  
634 direct-support organization" means an organization which:

635 (a) Is a corporation not for profit which is incorporated  
636 under chapter 617, Florida Statutes.

637 (b) Is organized and operated exclusively to receive,  
638 hold, invest, and administer property and to make expenditures  
639 to, or for the benefit of, Halifax Hospital Medical Center,



HB 1457

2003  
CS

640 except that the organization may not receive funds from the  
641 board by grant, gift, or contract unless specifically authorized  
642 by the Legislature.

643 (c) Provides equal employment opportunities to all persons  
644 regardless of race, color, national origin, sex, age, or  
645 religion.

646 (d) Has been specifically certified as a Halifax Hospital  
647 Medical Center direct-support organization by a resolution  
648 adopted by the Board of Commissioners.

649 (2) The Board of Commissioners shall prescribe, by rule,  
650 procedures by which the Halifax Hospital Medical Center direct-  
651 support organization is to be governed and any conditions with  
652 which the organization must comply in order to use property,  
653 facilities, or personal services of the district without charge.  
654 "Personal services" include the services of full-time personnel  
655 and the services of part-time personnel. The rules shall  
656 provide:

657 (a) That the articles of incorporation and procedures for  
658 the governance of the direct-support organization must be  
659 approved by the board.

660 (b) That an annual budget must be submitted by the direct-  
661 support organization to the board for approval.

662 (c) That the chair of the Board of Commissioners or his or  
663 her designee must certify, after an annual financial and  
664 performance review, that the direct-support organization is  
665 operating in compliance with the provisions of the rules and in  
666 a manner consistent with the goals of the board and in the best  
667 interests of the state. Such certification shall be made to the





HB 1457

2003  
CS

668 board annually and reported in the official minutes of a meeting  
669 of the board.

670 (d) For procedures to be followed to revoke the  
671 designation of the nonprofit organization as a direct-support  
672 organization and for procedures for the reversion to the state  
673 of funds held in trust by the direct-support organization if  
674 such designation is revoked or, after notice of such revocation,  
675 procedures for expenditure of such funds for purposes approved  
676 by the board.

677 (e) That the fiscal year of the direct-support  
678 organization begins on July 1 each year and ends on June 30 next  
679 following.

680 (3) Before taking office, each member of the governing  
681 board of the Halifax Hospital Medical Center direct-support  
682 organization must be approved by the Board of Commissioners.  
683 The chair of the Board of Commissioners, or a board member  
684 designated by the chair, shall serve as a member of the  
685 governing board and of the executive committee of the direct-  
686 support organization.

687 (4) The Halifax Hospital Medical Center direct-support  
688 organization shall provide for an annual financial and  
689 compliance audit of its accounts and records, to be conducted by  
690 an independent certified public accountant in accordance with  
691 rules adopted by the Board of Commissioners. The annual audit  
692 report shall include a management letter and shall be filed as a  
693 public record with the district. The Board of Commissioners and  
694 the Auditor General may request, and shall receive from the  
695 direct-support organization or its auditor, any detail or



HB 1457

2003  
CS

696 supplemental data which relates to the operation of the  
697 organization.

698 (5) Meetings of the Halifax Hospital Medical Center  
699 direct-support organization are public meetings and shall be  
700 conducted in accordance with section 286.011, Florida Statutes.  
701 Records of the direct-support organization, except for records  
702 which identify donors or potential donors to the direct-support  
703 organization and which shall be confidential, are public records  
704 for the purposes of chapter 119, Florida Statutes. The  
705 confidentiality of records which identify donors or potential  
706 donors to the direct-support organization shall be maintained in  
707 the auditor's report.

708 Section 21. Nothing in this act may be interpreted or  
709 construed as eliminating or limiting any right, power, or  
710 authority which the district has under any other state law.

711 Section 4. If any provision of this act or the application  
712 thereof to any person or circumstance is held inoperative,  
713 unconstitutional, or invalid, it shall not affect other  
714 provisions or applications of the act which can be given effect  
715 without the invalid provision or application, and to this end  
716 the provisions of this act are declared severable.

717 Section 5. Chapters 79-577, 79-578, 84-539, 89-409, and  
718 91-352, Laws of Florida, are repealed.

719 Section 6. This act shall take effect upon becoming a law.  
720