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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 the payment of expenses; requiring the establishment of revenue accounts; requiring the district to provide care and services for the medically indigent; providing for liberal construction; exempting property of the district from taxation; requiring an annual financial audit of the books and records of the district; providing for employee benefits; providing for competitive bidding; providing an alternative to bidding procedure; providing an exception; authorizing the board to designate a direct-support



29 organization; providing for severability; repealing  
 30 chapters 79-577, 79-578, 84-539, 89-409, and 91-352, Laws  
 31 of Florida; providing an effective date.

32  
 33 Be It Enacted by the Legislature of the State of Florida:

34  
 35 Section 1. Pursuant to section 189.429, Florida Statutes,  
 36 this act constitutes the codification of all special acts  
 37 relating to the Halifax Hospital Medical Center special tax  
 38 district. It is the intent of the Legislature to provide a  
 39 single, comprehensive special act charter for said district,  
 40 including all current legislative authority granted to the  
 41 district by its several legislative enactments and any  
 42 additional authority granted by this act and chapter 189,  
 43 Florida Statutes, as they may be amended from time to time. It  
 44 is further the intent of this act to preserve all district  
 45 authority.

46 Section 2. Chapters 79-577, 79-578, 84-539, 89-409, and  
 47 91-352, Laws of Florida, relating to the Halifax Hospital  
 48 Medical Center special tax district are codified, reenacted,  
 49 amended, and repealed as herein provided.

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

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

56



57 Beginning at the point of intersection of the main  
 58 channel of Mosquito Inlet and the Atlantic Ocean,  
 59 thence run Southeasterly with the shore of the  
 60 Atlantic Ocean to the point of intersection with the  
 61 South line of Township 19S, thence West with said  
 62 Township line to the Southwest corner of Section 34,  
 63 Township 19S, Range 33E, thence North to the Northwest  
 64 corner of Section 3, Township 19S, Range 33E, thence  
 65 West along the South line of Township 18S, Range 33E,  
 66 to the Southwest corner of said Township 18S, Range  
 67 33E, thence north with West line of Township 18S,  
 68 Range 33E, to the Northwest corner of said Township  
 69 18S, Range 33E, thence West along line between  
 70 Townships 17S and 18S to the Southwest corner of  
 71 Township 17S, Range 32E, thence along the Range line  
 72 between Ranges 31E and 32E North to the Northwest  
 73 corner of Township 17S, Range 32E, thence East along  
 74 the North line of Township 17S, Range 32E to the point  
 75 of intersection with the South fork of Spruce Creek,  
 76 thence Northerly and Easterly along Spruce Creek to  
 77 the point of intersection with the main channel of the  
 78 Halifax River, thence Southerly and Easterly along the  
 79 main channel of the Halifax River and the main channel  
 80 of Mosquito Inlet to the point of beginning. All the  
 81 above described property lying and being in County of  
 82 Volusia, State of Florida.  
 83



84 Commencing at a point on the East Shore of Lake George  
 85 where same is intersected by the Putnam-Volusia County  
 86 line and run Northeasterly with said line to be the  
 87 Southernmost point of Lake Crescent; thence East with  
 88 shore line of Lake Crescent to the mouth of Hawk  
 89 Creek; thence up said Creek to its intersection with  
 90 the East line of Range 28 East; run thence South with  
 91 said Range line (it being the Flagler-Volusia County  
 92 line) to the Northwest corner of Section 30, Township  
 93 14 South, Range 29 East; thence run East 12 miles to  
 94 the Northeast corner of Section 25, Township 14 South,  
 95 Range 30 East; thence run South two miles to the  
 96 Southeast corner of Township 14 South, Range 30 East;  
 97 thence run West along said Township line to the  
 98 Northeast corner of Township 15 South, Range 30 East;  
 99 thence run South with the range line between Ranges 30  
 100 and 31 East about six miles to the Southeast corner of  
 101 Township 15 South, Range 30 East, run thence East  
 102 along the North line of Township 16 South, Range 31  
 103 East about six miles to the Northeast corner of said  
 104 Township 16 South, Range 31 East; run thence South on  
 105 the range line between Ranges 31 and 32 East about  
 106 twelve miles to the Southeast corner of Township 17  
 107 South, Range 31 East; run thence East with the line  
 108 between Township 17 and 18 South to the Northeast  
 109 corner of Township 18 South, Range 32 East; run thence  
 110 South on the range line between Ranges 32 and 33 East  
 111 to the Southeast corner of Township 18 South, Range 32



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

133  
134 Section 2. (1) The governing body of the district shall  
135 be a Board of Commissioners which shall consist of seven  
136 members, each of whom shall be a resident of the district and  
137 appointed by the Governor. Except with respect to those  
138 appointees who shall be appointed to serve terms ending on the  
139 dates specified herein, each commissioner shall be appointed for



140 a term of 4 years. The appointments which must be made with  
141 respect to the four commissioners whose terms end in May of 1985  
142 shall be made with two commissioners being appointed for terms  
143 ending May 23, 1986, and two commissioners being appointed for  
144 regular 4-year terms. With respect to the appointments which  
145 must be made for the three commissioners whose terms end in May  
146 1987, two commissioners shall be appointed for regular 4-year  
147 terms and one commissioner shall be appointed for a term ending  
148 May 23, 1988.

149 (2) The Governor may suspend a commissioner pursuant to  
150 section 7, Article IV of the State Constitution. Each  
151 commissioner shall give bond to the Governor conditioned on the  
152 officer's faithful performance of the duties of his or her  
153 office, in the sum of \$5,000, with a surety company approved by  
154 the district and qualified to do business in Florida. The bond  
155 shall be approved and filed with the Clerk of the Circuit Court  
156 of Volusia County. The premiums on each bond shall be paid by  
157 the district.

158 Section 3. The district shall have all powers of a body  
159 corporate, including, but not limited to, the power to sue and  
160 be sued; to enter into contracts; to adopt and use a common  
161 seal; to establish corporations pursuant to chapter 617, Florida  
162 Statutes, under the control of the district; to enter into  
163 capital or operating leases; and to acquire, purchase, hold,  
164 lease, and convey such real and personal property as may be  
165 proper or expedient to carry out the purposes of this act. The  
166 district shall have the power to employ a chief executive  
167 officer or such other agents and employees as it deems may be



168 advisable to operate and manage the district's facilities; to  
169 borrow money and issue notes, bonds, and other evidences of  
170 indebtedness to carry out the provisions of this act; to foster  
171 community redevelopment within the district through financial  
172 contribution with the community redevelopment trust fund; and to  
173 accept promissory notes and voluntary liens to evidence and  
174 secure payment for health care services rendered to patients  
175 whenever patients are unable to pay their bills in full when  
176 payment is due.

177 Section 4. Four of the commissioners shall constitute a  
178 quorum, but no action, except to recess or adjourn, shall be  
179 effective unless four of the commissioners concur therein. The  
180 Board of Commissioners shall keep true and accurate minutes and  
181 records of all business transacted by it. The minutes, records,  
182 and books of account shall at all reasonable times be open and  
183 subject to inspection and copying by the public, pursuant to  
184 section 119.07, Florida Statutes.

185 Section 5. The district may establish, construct, operate,  
186 and maintain such hospitals, medical facilities, and other  
187 health care facilities and services as are necessary. The  
188 hospitals, medical facilities, and other health care facilities  
189 and services shall be established, constructed, operated, and  
190 maintained by the district for the preservation of the public  
191 health, for the public good, and for the use of the public of  
192 the district. Maintenance of such hospitals, medical facilities,  
193 and other health care facilities and services in the district is  
194 hereby found and declared to be a public purpose and necessary  
195 for the general welfare of the residents of the district.



196        Section 6. The district shall have the power of eminent  
197 domain, and it may condemn and acquire any real or personal  
198 property within the district which the board may deem necessary  
199 for the use of the district. The power of condemnation shall be  
200 exercised in the same manner as is now or may be provided by  
201 general law for the exercise of the power of eminent domain by  
202 counties of the state, including the right to take possession  
203 and title in advance of final judgment under the procedures set  
204 forth in chapter 74, Florida Statutes.

205        Section 7. In order to carry out the purposes of this act:

206        (1) The district may borrow money and execute promissory  
207 notes having a term of up to 7 years and may enter into credit  
208 purchase agreements having a term of up to 7 years. The  
209 district may determine with respect to such notes or credit  
210 purchase agreements the initial principal amounts and may set  
211 terms and rates of interest.

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

216        (3) The district may form both not-for-profit and for-  
217 profit corporations. The for-profit corporations may only  
218 engage in health care-related activities. Only the not-for-  
219 profit corporations may be capitalized by the district and  
220 financially supported by the district. Neither the district nor  
221 a not-for-profit corporation formed by the district may  
222 capitalize for-profit corporations, but this shall not prohibit  
223 the district or its not-for-profit corporations from entering





224 good faith agreements to receive from such for-profit  
225 corporations services, goods, and facilities, as long as the  
226 charge for such services, goods, and facilities is at fair  
227 market value. The district shall not hold in its name corporate  
228 stock issued by any for-profit corporation established by the  
229 district, but the stock of such for-profit corporations may be  
230 held by a not-for-profit corporation established by the district  
231 or by a third party in trust for the district under a written  
232 trust agreement.

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

237 (a) Any assets of the not-for-profit corporation which are  
238 provided by the district are not liened, collateralized,  
239 mortgaged, subject to a security interest, or otherwise put at  
240 risk.

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

243 (c) The district itself is not directly involved as a  
244 shareholder, joint venturer, or partner. The fact that a  
245 corporation established by the district is a shareholder, joint  
246 venturer, or other type of participant in a business or  
247 cooperative project shall not, alone, subject that business or  
248 cooperative project to requirements of chapter 119, Florida  
249 Statutes, or chapter 286, Florida Statutes.

250 (5) The district may issue tax anticipation notes and  
251 neither validation proceedings nor referendum approval is



252 necessary with respect to tax anticipation notes with a maturity  
253 date not more than 12 months after their date of issuance.

254 (6) The district shall maintain commercial insurance,  
255 establish a risk retention program consisting of self-insurance  
256 plans, or utilize a combination of commercial insurance and  
257 self-insurance plans to protect against those risks of less  
258 commonly insured against by businesses and organizations  
259 carrying out the health care functions provided by the district.  
260 Such commercial insurance and/or self-insurance plans shall be  
261 in such amounts as deemed prudent under the circumstances by the  
262 district's insurance consultant. The district may develop a  
263 risk retention program consisting of separate self-insurance  
264 plans for the following risks: general liability, errors and  
265 omissions, medical professional liability, including the  
266 district's "shared risk" of joint and several liability with  
267 medical physicians, workers' compensation, and employee medical  
268 benefits.

269 (7) Each self-insurance plan established or sponsored by  
270 the district shall be funded on an annual basis in an amount at  
271 least equal to that sum jointly established by the hospital's  
272 CEO and the district's insurance consultant as needed to  
273 maintain the plan's solvency for the applicable plan year. In  
274 making such determination, the insurance consultant and the CEO  
275 shall include "incurred but not reported" claims in the reserves  
276 against claims. The self-insurance plans within the risk  
277 retention program may be established and funded utilizing a  
278 single trust as long as the cost of risk for each self-insurance  
279 plan is separately accounted for and reported. If necessary or



280 beneficial for legal or actuarial purposes, the separate self-  
281 insurance plans within the risk retention program may be  
282 established utilizing separate trusts or separate not-for-profit  
283 corporations.

284 (8) Protecting the district and its assets through  
285 commercial insurance or through a risk retention program  
286 consisting of self-insurance plans or through a combination of  
287 commercial insurance and self-insurance plans is an essential  
288 governmental function. The fact that hospital employees, their  
289 beneficiaries, or other third parties receive incidental  
290 benefits as a result of the commercial insurance or self-  
291 insurance plans purchased, established, or sponsored by the  
292 district shall not be a basis for asserting such commercial  
293 insurance or such plan within the risk retention program is not  
294 primarily for the benefit of the district or is not an essential  
295 governmental function as long as any third party receiving such  
296 incidental benefit pays its fair and equitable share of the  
297 district's total costs for insuring or self-insuring the risks.

298 (9) Nothing herein shall be interpreted as prohibiting the  
299 district from purchasing other commercial insurance or  
300 establishing or sponsoring other self-insurance plans under its  
301 risk retention program.

302 Section 8. (1) The district may, by resolution of the  
303 board, authorize the issuance of bonds for the purposes set  
304 forth in this act, and for the acquisition and development of  
305 real property, including appurtenances, fixtures, and equipment,  
306 and for major repairs or renovations to real property which  
307 significantly extend its useful life or change its function, and



308 for any necessary operating capital outlay to furnish and  
309 operate a new or improved facility. The bonds may be revenue  
310 bonds payable from ad valorem taxes, or bonds payable from a  
311 combination of the two; provided, however, that no bonds either  
312 pledging the full faith and credit of the district, or pledging  
313 the taxing power thereof, except refunding bonds issued at a  
314 lower net average interest cost rate, shall be issued unless the  
315 issuance has been approved in a referendum by a majority vote of  
316 the electors of the district voting on the question. Nothing  
317 herein shall limit any rights the district has or may have under  
318 general law.

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

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

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

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

324 (d) Provide for registration of coupon bonds and  
325 conversion and reconversion of bonds from coupon to registered  
326 form or from registered form to coupon form.

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

329 (f) Be payable at specified places within or without the  
330 state.

331 (3) Bonds shall be signed by such officers of the board or  
332 district as shall be required by resolution of the board. The  
333 signatures may be manual or facsimile signatures, but at least  
334 one of the signatures shall be a manual signature. The coupons  
335 shall be signed with the facsimile signatures of such officials



336 of the board as the board shall determine. In case any officer  
337 whose signature or facsimile of whose signature appears on any  
338 bonds or coupons ceases to be such officer before delivery of  
339 the bonds or coupons, his or her signature or facsimile  
340 signature shall nevertheless be valid and sufficient for all  
341 purposes as fully and to the same extent as if he or she had  
342 remained in office until delivery.

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

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

349 (6) The board may sell the bonds in such a manner and at  
350 such prices as the board may determine to be in the best  
351 interest of the district, but not, however, at less than 95  
352 percent of par value.

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

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

357 1. Notice of the sale shall be published at least once at  
358 least 10 days prior to the date of sale in one or more  
359 newspapers or financial journals published within or without the  
360 state and shall contain such terms as the board shall deem  
361 advisable and proper under the circumstances; provided that if  
362 no bids are received at the time and place called for by the  
363 notice of sale, or if all bids received are rejected, the bonds



364 may again be offered for sale upon a shorter period of  
365 reasonable notice provided for by resolution of the board.

366 2. All bids for the purchase of any bonds offered for sale  
367 by the board shall be opened in public. Such bonds shall be  
368 awarded by resolution of the board to the bidder offering to  
369 purchase such bonds at the lowest net interest cost, such cost  
370 to be determined by deducting the total amount of premium bid  
371 from or adding the total amount of discount bid to the aggregate  
372 amount of interest which will accrue on such bonds until their  
373 respective maturities, without reference to any provisions for  
374 prior redemption of such bonds.

375 3. No best bid from a reputable underwriter or team of  
376 underwriters which bid conforms to the notice of sale may be  
377 rejected unless all bids are rejected. If the bids rejected are  
378 legally acceptable bids under the notice of sale, such bonds  
379 shall not be sold thereafter except upon public sale after  
380 publication of notice of sale as provided herein.

381 (7) No bonds shall be issued by the district unless the  
382 face or reverse thereof contains a certificate, executed either  
383 manually or with the facsimile signature of the secretary or  
384 assistant secretary of the board or district, to the effect that  
385 the issuance of such bonds has been approved under the  
386 provisions of this act by the board. The certificate shall be  
387 conclusive evidence as to approval of the issuance of such bonds  
388 by the district and that the requirements of this act and all of  
389 the laws relating to such bonds are in full compliance.

390 (8) The district, by resolution of its board, shall have  
391 the authority to issue bond anticipation notes in the name of



392 the district in anticipation of the receipt of the proceeds of  
393 the bonds in the same manner and subject to the same limitations  
394 and conditions provided by section 215.431, Florida Statutes.  
395 The rights and remedies which they would have if they were the  
396 holders of the definitive bonds in anticipation of which they  
397 are issued, and all of the covenants, agreements, or other  
398 proceedings relating to the definitive bonds in anticipation of  
399 which such bond anticipation notes are issued shall be a part of  
400 the proceedings relating to the issuance of the notes as fully  
401 and to the same extent as if incorporated verbatim herein.

402 (9) Prior to the preparation of definitive bonds, the  
403 district, pursuant to resolution of its board, may issue interim  
404 receipts or temporary bonds, with or without coupons,  
405 exchangeable for definitive bonds when such bonds have been  
406 executed and are available for delivery under such terms and  
407 conditions as the board shall deem advisable. The resolution  
408 may also provide for the replacement of any bonds which shall  
409 become mutilated or be destroyed, stolen, or lost under such  
410 terms and conditions as the board shall deem advisable.

411 (10) Bonds issued under the provisions of this act may be  
412 validated in the manner provided in chapter 75, Florida  
413 Statutes.

414 Section 9. (1) Prior to the issuance of full faith and  
415 credit bonds, the Board of Commissioners shall determine the  
416 amount which, in the opinion of the board, will be necessary to  
417 be raised annually by taxation for the payment of the debt  
418 service on all such outstanding bonds and all such bonds  
419 proposed to be issued. Subject to the millage limitations



420 authorized by law, the district shall provide for the levy and  
421 collection annually of a sufficient tax upon all the taxable  
422 property in the district to make the debt service payments on  
423 the bonds and debt service on notes, for expenses of operation,  
424 maintenance, construction, improvements, and repair of the  
425 hospitals or clinics, and for the payment of any indebtedness or  
426 other necessary expenses in carrying out the business of the  
427 district.

428 (2) The millage for the taxes assessed and levied against  
429 the taxable property within the district for the payment of debt  
430 service, including interest and principal of the bonds and notes  
431 issued by the district and for the operation, maintenance,  
432 improvement, and repair of the hospitals, medical facilities,  
433 clinics, or outpatient facilities and services, including, but  
434 not limited to, providing care to the indigent as provided in  
435 this act, or for the payment of any outstanding indebtedness  
436 authorized by this act, or for the payment of other necessary  
437 expenses in carrying on and transacting the business of the  
438 district, shall not exceed 4 mills on all the nonexempt property  
439 within the district, unless authorized by law and approved by a  
440 majority vote of the electors of the district voting on the  
441 issue.

442 Section 10. The Board of Commissioners, the Chief  
443 Executive Officer, and the Chief Fiscal Officer of the district  
444 are hereby authorized to sign checks and warrants of the  
445 district by facsimile signature and to use and employ facsimile  
446 signature machines for that purpose. The stamping, printing, or  
447 lithographing of facsimile signatures of the Chief Executive





448 Officer and Chief Fiscal Officer shall constitute sufficient  
449 signatures in compliance with Florida Statutes as to the  
450 withdrawal of district funds from a depository.

451 Section 11. The levy of the taxes authorized by any  
452 provision of this act shall be pursuant to a resolution of the  
453 board. Certified copies of the resolution executed in the name  
454 of the board by its chair, under its corporate seal, shall be  
455 made and delivered to the County Council of Volusia County, and  
456 to the Department of Revenue in the same manner and within the  
457 same time period as required of counties pursuant to general  
458 law. The County Council of Volusia County shall require the  
459 Director of the Finance Department of the county to collect the  
460 amount of taxes so assessed or levied by the district upon the  
461 nonexempt property in the district, at the rate of taxation as  
462 fixed, levied, and adopted by the Board of Commissioners of the  
463 district for the year and included in the warrant of the  
464 Property Appraiser and attached to the assessment roll of taxes  
465 for the county each year. The Director of the Finance  
466 Department of Volusia County shall collect the tax as levied by  
467 the district in the same manner as other taxes are collected,  
468 and he or she shall remit the taxes collected to the district  
469 within the time and in the manner prescribed by law for the  
470 collection and handling of county taxes to the county  
471 depository. All revenues so collected shall be held, used,  
472 invested, and disbursed by the district as provided in this act  
473 or as otherwise provided by law.

474 Section 12. The district is authorized to pay from the  
475 funds of the district all expenses necessarily incurred in the



476 formation of the district and all other reasonable and necessary  
477 expenses, including, but not limited to, those expenses of the  
478 type normally incurred in the establishment, operation, repair,  
479 maintenance, expansion, and diversification of a modern  
480 integrated system for the delivery of health care services  
481 consisting of hospitals, clinics, health maintenance  
482 organizations, ambulatory care facilities, managed care  
483 facilities, other alternative delivery systems, self-insurance,  
484 risk retention programs, captive insurance companies, and  
485 support organizations. This section shall not be construed to  
486 restrict any of the powers vested in the district by any other  
487 provision of this act or any provision of general law.

488 Section 13. (1) The district shall create two separate  
489 revenue accounts. One account shall be the Ad Valorem Tax  
490 Revenue Account which shall be a separate account into which all  
491 ad valorem tax revenues are deposited, and the other account  
492 shall be the General Revenue Account into which all other  
493 district revenues are deposited.

494 (2) Each corporation established and controlled by the  
495 district shall utilize a bookkeeping and financial management  
496 system which identifies all of that corporation's revenues  
497 generated through operation of those assets which were obtained  
498 with ad valorem tax revenues.

499 (3) Annually the board shall publish in a newspaper of  
500 general circulation published in the district an audited  
501 consolidated financial statement of the district and its  
502 corporations. Such financial statements shall be prepared  
503 according to generally accepted accounting principles, shall



504 specifically include a combined balance sheet and a combined  
505 statement of revenues and expenses, and shall show a complete  
506 statement of the financial conditions of the district as of the  
507 end of the fiscal year.

508 Section 14. The hospitals, medical facilities, clinics,  
509 and outpatient facilities established under this act or by a  
510 not-for-profit corporation formed by the district shall provide  
511 either independently or in cooperation with each other and/or in  
512 cooperation with the Volusia County Public Health Care Unit an  
513 appropriate location or locations for the delivery of quality  
514 hospital care and related services and treatment to patients who  
515 are determined according to criteria established by the board to  
516 be medically indigent. Persons so determined to be medically  
517 indigent shall receive such services at the locations  
518 established by the district or by a not-for-profit corporation  
519 formed by the district either for no charge or alternatively for  
520 a reduced charge according to the same sliding scale used by the  
521 Volusia County Health Department. Each hospital, medical  
522 facility, clinic, and outpatient facility established under this  
523 act shall collect such charges as the district may from time to  
524 time establish for hospital care, outpatient care, and related  
525 services and treatment. Except as is otherwise required by law  
526 or by agreement with the Volusia County Health Department, the  
527 district's ad valorem tax revenues shall be used to fund medical  
528 services to indigent persons only if such services are provided  
529 at facilities owned by the district or at facilities in which  
530 the district or a corporation established by the district holds  
531 an ownership interest. The district may extend the use of



532 hospitals, clinics, and medical facilities of the district to  
533 nonresidents upon such terms and conditions as the district may  
534 from time to time by its rules provide. The medically indigent  
535 residents of the district wherein such hospital and clinic are  
536 located shall have priority to admission and outpatient  
537 services.

538 Section 15. It is intended that the provisions of this act  
539 shall be liberally construed in order to accomplish the purposes  
540 of the act. Where strict construction of this act would result  
541 in the defeat of the accomplishment of any of the purposes of  
542 this act, and a liberal construction would permit or assist in  
543 the accomplishment thereof, the liberal construction shall be  
544 chosen.

545 Section 16. All property, real and personal, of the  
546 Halifax Hospital Medical Center, a special tax district in  
547 Volusia County, and all property, both real and personal, of the  
548 Board of Commissioners of the special tax district are hereby  
549 exempted from taxation pursuant to chapter 196, Florida  
550 Statutes.

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

554 Section 18. The district is authorized to:

555 (1) Provide and pay all or any part of the insurance  
556 expenses or premiums on its respective employees' insurance or  
557 self-insurance covering injuries received by such employees  
558 after working hours or covering illness of such employees and  
559 their dependents.



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

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

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

567       (5) Incur and pay reasonable expenditures for travel,  
568 physician recruiting, employee recruiting, hospitality,  
569 education, and marketing related to the furtherance of the  
570 district's objectives.

571       Section 19. (1) All purchases of supplies, commodities,  
572 equipment, and materials as well as the leasing of equipment for  
573 use in the operation and maintenance of the district, and all  
574 contracts for work, construction, repair, or replacement of  
575 buildings or other capital improvements to the district's  
576 property, the cost of which is in excess of \$10,000, shall be  
577 made or let by the district by contract to the lowest  
578 responsible bidder according to the written specifications  
579 previously prescribed therefor, and after publication in a  
580 newspaper of general circulation within the district, 1 day a  
581 week for 2 consecutive weeks, of an advertisement or notice  
582 calling for or inviting such bids.

583       (2) As an alternative to the procedure prescribed in  
584 subsection (1), whenever it reasonably appears to the Board of  
585 Commissioners of the district that by reason of an emergency or  
586 other unusual condition the compliance with the bidding  
587 procedure prescribed in subsection (1) would be detrimental to



588 the interest of the district or its patients, or it appears to  
589 the Board of Commissioners that such supplies, commodities,  
590 equipment, and materials, and the leasing of equipment for the  
591 use in the operation or maintenance of the district are  
592 obtainable from only one source or supplier, the Board of  
593 Commissioners of the district may by appropriate resolution  
594 identify such emergency, unusual condition, or sole source  
595 situation and authorize the purchase, lease agreement, or  
596 contract without complying with the procedure prescribed in  
597 subsection (1).

598 (3) The bidding requirements in subsection (1) shall not  
599 apply to prosthetic devices, pacemakers, or other surgically  
600 implanted devices or materials if the delay incident to  
601 complying with such bidding requirements could adversely affect  
602 patient care or could cause the patient to elect to have the  
603 implant surgery performed at a private hospital which is not  
604 bound by such bidding requirements.

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

610 (a) The construction is in conjunction with a design-build  
611 project, in which case the district shall comply with section  
612 287.055(9), Florida Statutes; or

613 (b) The lowest bidder refuses to enter into a contract  
614 which prohibits the contractor from claiming delay damages, in  
615 which case the district may contract with any qualified general



616 contractor for the district's choice on the condition that the  
617 contract with such contractor prohibits the contractor claiming  
618 delay damages and the contract price does not exceed the bid  
619 from the lowest responsible bidder by more than 5 percent.

620 Section 20. (1) The Board of Commissioners may designate  
621 an organization as a Halifax Hospital Medical Center direct-  
622 support organization to provide assistance, funding, and support  
623 to the board in carrying out its powers and duties. For the  
624 purposes of this section, "Halifax Hospital Medical Center  
625 direct-support organization" means an organization which:

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

628 (b) Is organized and operated exclusively to receive,  
629 hold, invest, and administer property and to make expenditures  
630 to, or for the benefit of, Halifax Hospital Medical Center,  
631 except that the organization may not receive funds from the  
632 board by grant, gift, or contract unless specifically authorized  
633 by the Legislature.

634 (c) Provides equal employment opportunities to all persons  
635 regardless of race, color, national origin, sex, age, or  
636 religion.

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

640 (2) The Board of Commissioners shall prescribe, by rule,  
641 procedures by which the Halifax Hospital Medical Center direct-  
642 support organization is to be governed and any conditions with  
643 which the organization must comply in order to use property,



644 facilities, or personal services of the district without charge.  
645 "Personal services" include the services of full-time personnel  
646 and the services of part-time personnel. The rules shall  
647 provide:

648 (a) That the articles of incorporation and procedures for  
649 the governance of the direct-support organization must be  
650 approved by the board.

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

653 (c) That the chair of the Board of Commissioners or his or  
654 her designee must certify, after an annual financial and  
655 performance review, that the direct-support organization is  
656 operating in compliance with the provisions of the rules and in  
657 a manner consistent with the goals of the board and in the best  
658 interests of the state. Such certification shall be made to the  
659 board annually and reported in the official minutes of a meeting  
660 of the board.

661 (d) For procedures to be followed to revoke the  
662 designation of the nonprofit organization as a direct-support  
663 organization and for procedures for the reversion to the state  
664 of funds held in trust by the direct-support organization if  
665 such designation is revoked or, after notice of such revocation,  
666 procedures for expenditure of such funds for purposes approved  
667 by the board.

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





671           (3) Before taking office, each member of the governing  
672 board of the Halifax Hospital Medical Center direct-support  
673 organization must be approved by the Board of Commissioners.  
674 The chair of the Board of Commissioners, or a board member  
675 designated by the chair, shall serve as a member of the  
676 governing board and of the executive committee of the direct-  
677 support organization.

678           (4) The Halifax Hospital Medical Center direct-support  
679 organization shall provide for an annual financial and  
680 compliance audit of its accounts and records, to be conducted by  
681 an independent certified public accountant in accordance with  
682 rules adopted by the Board of Commissioners. The annual audit  
683 report shall include a management letter and shall be filed as a  
684 public record with the district. The Board of Commissioners and  
685 the Auditor General may request, and shall receive from the  
686 direct-support organization or its auditor, any detail or  
687 supplemental data which relates to the operation of the  
688 organization.

689           (5) Meetings of the Halifax Hospital Medical Center  
690 direct-support organization are public meetings and shall be  
691 conducted in accordance with section 286.011, Florida Statutes.  
692 Records of the direct-support organization, except for records  
693 which identify donors or potential donors to the direct-support  
694 organization and which shall be confidential, are public records  
695 for the purposes of chapter 119, Florida Statutes. The  
696 confidentiality of records which identify donors or potential  
697 donors to the direct-support organization shall be maintained in  
698 the auditor's report.



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

702           Section 4. If any provision of this act or the application  
703 thereof to any person or circumstance is held inoperative,  
704 unconstitutional, or invalid, it shall not affect other  
705 provisions or applications of the act which can be given effect  
706 without the invalid provision or application, and to this end  
707 the provisions of this act are declared severable.

708           Section 5. Chapters 79-577, 79-578, 84-539, 89-409, and  
709 91-352, Laws of Florida, are repealed.

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

711