

By the Committee on Health, Aging, and Long-Term Care; and
Senators Argenziano and Lawson

317-2261-03

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A bill to be entitled
An act relating to the indigent care surtax;
amending s. 212.055, F.S.; allowing small
counties having a specified population to levy
an indigent care surtax; providing procedures;
providing uses of the surtax; providing a
maximum tax rate; providing an effective date.

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

Section 1. Subsection (7) of section 212.055, Florida
Statutes, is amended to read:

212.055 Discretionary sales surtaxes; legislative
intent; authorization and use of proceeds.--It is the
legislative intent that any authorization for imposition of a
discretionary sales surtax shall be published in the Florida
Statutes as a subsection of this section, irrespective of the
duration of the levy. Each enactment shall specify the types
of counties authorized to levy; the rate or rates which may be
imposed; the maximum length of time the surtax may be imposed,
if any; the procedure which must be followed to secure voter
approval, if required; the purpose for which the proceeds may
be expended; and such other requirements as the Legislature
may provide. Taxable transactions and administrative
procedures shall be as provided in s. 212.054.

(7) VOTER-APPROVED INDIGENT CARE SURTAX.--

(a)1. The governing body in each county that has a
population of less than 800,000 residents may levy an indigent
care surtax pursuant to an ordinance conditioned to take
effect only upon approval by a majority vote of the electors
of the county voting in a referendum. The surtax may be levied

1 at a rate not to exceed 0.5 percent, except that if a publicly
2 supported medical school is located in the county, the rate
3 shall not exceed 1 percent.

4 2. Notwithstanding subparagraph 1., the governing body
5 of any county that has a population of fewer than 30,000
6 residents may levy an indigent care surtax pursuant to an
7 ordinance conditioned to take effect only upon approval by a
8 majority vote of the electors of the county voting in a
9 referendum. The surtax may be levied at a rate not to exceed 1
10 percent.

11 (b) If the surtax is conditioned to take effect upon
12 approval in a referendum, a statement that includes a brief
13 and general description of the purposes to be funded by the
14 surtax and that conforms to the requirements of s. 101.161
15 shall be placed on the ballot by the governing body of the
16 county. The following questions shall be placed on the ballot:

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18 FOR THE. . . .CENTS TAX
19 AGAINST THE. . . .CENTS TAX
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21 (c)1. The ordinance adopted by the governing body
22 providing for the imposition of the surtax must set forth a
23 plan for providing health care services to qualified
24 residents, as defined in paragraph (d). The plan and
25 subsequent amendments to it shall fund a broad range of health
26 care services for indigent persons and the medically poor,
27 including, but not limited to, primary care and preventive
28 care, as well as hospital care. It shall emphasize a
29 continuity of care in the most cost-effective setting, taking
30 into consideration a high quality of care and geographic
31 access. Where consistent with these objectives, it shall

1 include, without limitation, services rendered by physicians,
2 clinics, community hospitals, mental health centers, and
3 alternative delivery sites, as well as at least one regional
4 referral hospital where appropriate. It shall provide that
5 agreements negotiated between the county and providers shall
6 include reimbursement methodologies that take into account the
7 cost of services rendered to eligible patients, recognize
8 hospitals that render a disproportionate share of indigent
9 care, provide other incentives to promote the delivery of
10 charity care, and require cost containment, including, but not
11 limited to, case management. The plan must also include
12 innovative health care programs that provide cost-effective
13 alternatives to traditional methods of service delivery and
14 funding.

15 2. In addition to the uses specified or services
16 required to be provided under this subsection, the ordinance
17 adopted by a county that has a population of fewer than 30,000
18 residents may pledge surtax proceeds to service new or
19 existing bond indebtedness incurred to finance, plan,
20 construct, or reconstruct a public or not-for-profit hospital
21 in such county and any land acquisition, land improvement,
22 design, or engineering costs related to such hospital, if the
23 governing body of the county determines that a public or
24 not-for-profit hospital existing at the time of issuance of
25 the bonds authorized under this subparagraph would, more
26 likely than not, otherwise cease to operate. The plan required
27 under this paragraph may, by an extraordinary vote of the
28 governing body of such county, provide that some or all of the
29 surtax revenues and any interest earned must be expended for
30 the purpose of servicing such bond indebtedness. Such county
31 may also use the services of the Division of Bond Finance of

1 the State Board of Administration pursuant to the State Bond
2 Act to issue bonds under this subparagraph. A jurisdiction may
3 not issue bonds under this subparagraph more frequently than
4 once per year. Any county that has a population of fewer than
5 30,000 residents at the time any bonds authorized in this
6 subparagraph are issued retains the authority granted under
7 this subparagraph throughout the terms of such bonds,
8 including the term of any refinancing bonds, regardless of any
9 subsequent increase in population which would result in such
10 county having 30,000 or more residents.

11 (d) For the purpose of this subsection, "qualified
12 residents" means residents of the authorizing county who are:

13 1. Qualified as indigent persons as certified by the
14 authorizing county;

15 2. Certified by the authorizing county as meeting the
16 definition of the medically poor, defined as persons having
17 insufficient income, resources, and assets to provide the
18 needed medical care without using resources required to meet
19 basic needs for shelter, food, clothing, and personal
20 expenses; not being eligible for any other state or federal
21 program or having medical needs that are not covered by any
22 such program; or having insufficient third-party insurance
23 coverage. In all cases, the authorizing county shall serve as
24 the payor of last resort; or

25 3. Participating in innovative, cost-effective
26 programs approved by the authorizing county.

27 (e) Moneys collected pursuant to this subsection
28 remain the property of the state and shall be distributed by
29 the Department of Revenue on a regular and periodic basis to
30 the clerk of the circuit court as ex officio custodian of the
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1 funds of the authorizing county. The clerk of the circuit
2 court shall:

3 1. Maintain the moneys in an indigent health care
4 trust fund.

5 2. Invest any funds held on deposit in the trust fund
6 pursuant to general law.

7 3. Disburse the funds, including any interest earned,
8 to any provider of health care services, as provided in
9 paragraphs (c) and (d), upon directive from the authorizing
10 county.

11 4. Disburse the funds, including any interest earned,
12 to service any bond indebtedness authorized in this subsection
13 upon directive from the authorizing county, which directive
14 may be irrevocably given at the time the bond indebtedness is
15 incurred.

16 (f) Notwithstanding any other provision of this
17 section, a county may not levy local option sales surtaxes
18 authorized in this subsection and subsections (2) and (3) in
19 excess of a combined rate of 1 percent or, if a publicly
20 supported medical school is located in the county or the
21 county has a population of fewer than 30,000 residents, in
22 excess of a combined rate of 1.5 percent.

23 Section 2. This act shall take effect upon becoming a
24 law.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 2186

The Committee Substitute deletes the option of the ordinance levying an indigent care surtax in a county with fewer than 30,000 residents being approved by a unanimous vote of the governing body of the county and deletes language that granted the county authorizing a bond under the new provision in the bill to retain the authority granted in the bill regardless of amendments to or repeal of the new provision.