

**HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS**

**BILL #:** H0273 w/CS Southeast Volusia Hospital District  
**SPONSOR(S):** Kosmas  
**TIED BILLS:** **IDEN./SIM. BILLS:**

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<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1) <u>Local Government &amp; Veterans Affairs</u>	<u>18 Y, 0 N w/CS</u>	<u>Sheheane</u>	<u>Highsmith-Smith</u>
2) <u>Finance &amp; Tax</u>	<u></u>	<u>Monroe</u>	<u>Diez-Arguelles</u>
3) <u></u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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**SUMMARY ANALYSIS**

This bill codifies all prior special acts relating to the Southeast Volusia Hospital District into a single act. The District is currently authorized to levy up to 4 mills ad valorem tax on taxable district property. The bill does not change that provision.

In addition to codifying current law, the bill also modifies the composition and terms of the governing board of the District. The bill also increases the number of board members required to constitute a quorum from three to four members.

According to the Economic Impact Statement there are no fiscal impacts on the state budget or local government budgets.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### C. EFFECT OF PROPOSED CHANGES:

The bill codifies all prior special acts relating to the Southeast Volusia Hospital District into a single act and repeals all prior special acts relating to the District's charter. This bill maintains the governing board's current authority to levy a tax no more than 4 mills on the dollar on taxable property within the District. The bill increases the quorum requirement for the governing board from three to four members.

#### **Background**

The Southeast Volusia Hospital District was created in 1947 by chapter 24961, Laws of Florida and has been subsequently amended by special acts. The Southeast Volusia Hospital District is an independent special district and is currently authorized to levy up to 4 mills ad valorem tax on taxable district property.

#### **Codification**

Codification is the process of bringing a special act up-to-date. After a special district is created, special acts often amend or alter the special district's charter provisions. To ascertain the current status of a special district's charter, it is necessary to research all amendments or changes made to the charter since its inception or original passage by the Legislature. Codification of special district charters is important because it allows readers to more easily determine the current charter of a district.

Codification of special district charters was authorized by the 1997 Legislature when it amended chapter 189, Florida Statutes, to provide for codification of all special district charters either by December 1, 2001, or when any act relating to such district is introduced to the Legislature, whichever occurs first. Section 189.429, Florida Statutes (1997), also required that no changes be made to a district's charter, as it existed on October 1, 1997. However, the 1998 Legislature amended section 189.429, Florida Statutes, to: (1) extend the codification deadline to December 1, 2004; (2) allow for the adoption of the codification schedule provided for in an October 3, 1997, memorandum issued by the Chair of the Committee on Community Affairs; (3) remove the prohibition of substantive amendments in a district's codification bill; and (4) remove the requirement that a codified charter must be submitted prior to the introduction of any act relating to the charter or prior to the scheduled deadline. Any codified act relating to a special district must provide for the repeal of all prior special acts of the Legislature relating to the district.

#### **Schedule of Submittals of Special Districts' Charters**

Special Districts with less than 2 special acts

1999 Legislative Session

Special Districts with 3 - 4 special acts

2000 Legislative Session

Special Districts with 5 - 7 special acts	2001 Legislative Session
Special Districts with 8 - 12 special acts	2002 Legislative Session
Special Districts with more than 12 special acts	2003 Legislative Session
Special Fire Control Districts	2004 Legislative Session

Since the enactment of sections 189.429 and 191.015, Florida Statutes, 122 special districts have codified their charters. A list of those special districts that have codified pursuant to sections 189.429 and 191.015, Florida Statutes, is available at the office of the Committee on Local Government and Veterans Affairs, Florida House of Representatives.

**Status Statement Language**

Section 189.404(5), F.S., provides that after October 1, 1997, the charter of any newly created special district shall contain and, as practical, the charter of a preexisting special district shall be amended to contain, a reference to the status of the special district as dependent or independent. When necessary, the status statement shall be amended to conform to the Department of Community Affairs's determination or declaratory statement regarding the status of the district.

D. SECTION DIRECTORY:

**Section 1:** States that this act constitutes the codification of all special acts relating to the district.

**Section 2:** States that all previous laws pertaining to this district are codified, reenacted, amended, and repealed.

**Section 3:** Recreates and reenacts the district charter, providing the following:

Section 1: Creates and names the District and sets the boundaries for the District.

Section 2: Establishes the governing body (board) of the District and provides the guidelines and organization for the board. The board shall consist of seven commissioners starting in 1990. Two shall be residents of New Smyrna Beach, two shall be residents of the City of Edgewater, one shall be a resident of Oak Hill, and two shall be residents of the unincorporated area of the hospital district. New language provides for appointments to be made by January 1, 2007. One each from the unincorporated area and the city of Edgewater to be made for a period of 15 months with those terms expiring March 31, 2008. Additionally, the remaining appointments, one each from the unincorporated area and the city of Edgewater to be made for a period of 51 months, expiring March 31, 2011. Thus, experienced representation from both areas on a continuing basis is ensured.

Section 3: Designates the board as a body corporate and designates the board's power as such.

Section 4: Changes quorum from three to four commissioners and a vote of at least a majority of the members at any meeting shall be necessary to transact any business of the District.

Section 5: Authorizes the board to purchase or otherwise acquire real and personal property as required relating to the District.

Section 6: Maintains that the board has the power of eminent domain.

Section 7: Authorizes the board to purchase or acquire real or personal property in order to carry out the purposes of this act.

- Section 8: Authorizes the board to provide, without consent and by resolution, for the issuance of bonds or revenue certificates for the purpose of paying fees relating to maintaining hospitals in the District. Also, provides for the issuance of refunding bonds. Requires a vote by the board for the issuance of any bonds.
- Section 9: Requires the board to determine, by resolution, the amount necessary to be raised annually by taxation for which to pay the interest and principal of bonds.
- Section 10: States that the board shall offer bonds for sale, by notice, by advertising once a week, for weeks in a newspaper published in the District.
- Section 11: Authorizes the board to designate a bank for the custodial duties of the bonds.
- Section 12: Maintains that the bonds shall be paid out, upon warrant, signed by the chair of the board and countersigned by the treasurer of the board.
- Section 13: States a duty of the board is to levy necessary taxes, pursuant to section 8, when bonds are issued and contracts are entered into by the District.
- Section 14: Directs the board to levy an annual tax on real and personal property within the District to pay the interest and to provide a sinking fund for the bonds authorized in this act.
- Section 15: Requires the taxes levied by the board to be by resolution to be delivered to the board of county commissioners and the comptroller of the state no later than July 1, each year.
- Section 16: Authorizes the board to pay from the funds of the District, all expenses relating to the District.
- Section 17: Requires the board to publish, at least once a year, all monies received and disbursed by the District since the last published statement.
- Section 18: States that each hospital and clinic in the District will be used for the benefit of the indigent sick who will be entitled to medical care without payment and that the board may collect from patients financially able.
- Section 19: Declares that the act shall be liberally construed for accomplishing the work authorized by the act.
- Section 20: All bonds issued under the provisions of this act may be validated by the board under and in accordance with the provisions of the general laws of Florida.
- Section 21: In the event of a conflict between the provisions of this act and the provisions of any other act, the provisions of this act shall control to the extent of such conflict.
- Section 4:** Chapters 24961 (1947), 29586 (1953), 57-1931, 65-2362, 67-2148, 81-499, 89-552, Laws of Florida, are hereby repealed.
- Section 5:** This act takes effect upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

- A. NOTICE PUBLISHED? Yes  No
- IF YES, WHEN? December 13, 2002.
- WHERE? The News-Journal Daytona Beach, Florida
- B. REFERENDUM(S) REQUIRED? Yes  No
- IF YES, WHEN?
- C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

### III. COMMENTS

#### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

None.

#### B. RULE-MAKING AUTHORITY:

None.

#### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES

The Committee on Local Government and Veterans' Affairs adopted one amendment in their meeting on March 6, 2003. The amendment clarifies the current appointment process of the governing board. The amendment also deletes outdated language relating to the appointment process for the year 1949.