

By Senator Posey

24-1137-03

See HB 601

1 A bill to be entitled
2 An act relating to the Cape Canaveral Hospital
3 District, Brevard County; providing legislative
4 intent; codifying, amending, and reenacting
5 special acts relating to the district;
6 providing minimum charter requirements in
7 accordance with s. 189.404(3), F.S.; providing
8 severability; providing applicability;
9 providing for liberal construction; repealing
10 chapters 59-1121, 61-1903, 65-1290, 69-861,
11 75-332, 81-345, and 86-426, Laws of Florida;
12 providing an effective date.

13

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

15

16 Section 1. Pursuant to section 189.429, Florida
17 Statutes, this act constitutes the codification of all special
18 acts relating to the Cape Canaveral Hospital District, an
19 independent special tax district. It is the intent of the
20 Legislature in enacting this law to provide a single,
21 comprehensive special act charter for the District, including
22 all current legislative authority granted to the District by
23 its several legislative enactments and any additional
24 authority granted by this act. It is further the intent of
25 this act to preserve all District authority in addition to any
26 authority contained in general law.

27 Section 2. Chapters 59-1121, 61-1903, 65-1290, 69-861,
28 75-332, 81-345, and 86-426, Laws of Florida, are codified,
29 reenacted, amended, and repealed as herein provided.

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1 Section 3. The Cape Canaveral Hospital District is
2 re-created, and the charter for such District is re-created
3 and reenacted to read:

4 Section 1. An independent special tax district is
5 hereby created and incorporated and shall be known as "the
6 Cape Canaveral Hospital District" in Brevard County. The Cape
7 Canaveral Hospital District shall support the health and
8 welfare of all those in the District's boundaries and the
9 surrounding communities by providing health care facilities
10 and services to all those in need regardless of ability to
11 pay. The Cape Canaveral Hospital District is created for the
12 purpose of planning, building, constructing, repairing,
13 fixing, equipping, furnishing, supplying, operating,
14 maintaining, and leasing a hospital and related facilities,
15 and to fund, support, organize, and participate in such other
16 health care related projects as authorized by the Board. The
17 District shall embrace and include that part of Brevard County
18 bounded and described as:

19
20 Those lands bounded on the north by the north
21 line of Section 14 and the north line, produced
22 west, of Section 15, Township 24 South, Range
23 37 East; on the west by the west boundary of
24 the Banana River; on the south by a line
25 parallel to and 988.6 feet south of the north
26 line, produced west, of Section 35, Township 25
27 South, Range 37 East; and on the east by the
28 waters of the Atlantic Ocean.

29
30 Section 2. All references herein to the Hospital
31 District mean the Cape Canaveral Hospital District; all

1 references herein to the Board mean the Cape Canaveral
2 Hospital District Board; all references herein to the Hospital
3 mean the Cape Canaveral Hospital; and all references to the
4 Hospital Board mean the Board of Trustees of Cape Canaveral
5 Hospital, Inc.

6 Section 3. The governing authority or body of the
7 Hospital District shall be known as the Cape Canaveral
8 Hospital District Board and the Board shall constitute a body
9 politic and a body corporate; it shall have perpetual
10 existence; it shall adopt and use a common seal and may alter
11 the same; it may contract and be contracted with; and it may
12 sue and be sued in its corporate name.

13 Section 4(A). So long as the Cape Canaveral Hospital
14 District Board has direct responsibility for the operation and
15 management of the hospital facility, and does not lease the
16 hospital facility to a not-for-profit corporation, the Board
17 shall have the following additional powers:

18 (1) To acquire by grant, purchase, lease, devise,
19 gift, bequest, or condemnation, or in any other manner, real
20 or personal property, or any estate or interest therein,
21 within or without the Hospital District, which by resolution
22 the Board shall determine to be necessary for the purposes of
23 the Hospital District, said determination to be conclusive,
24 except in case of fraud or gross abuse of discretion; and to
25 improve, maintain, sell, lease, mortgage, or otherwise
26 encumber the same, any part thereof, or any interest therein
27 upon such terms and conditions as the Board shall fix and
28 determine, and said determination shall be deemed conclusive,
29 except in case of fraud or gross abuse of discretion.

30 (2) To plan, build, construct, repair, fix, purchase,
31 sell, mortgage, encumber, furnish, equip, supply, operate,

1 manage, maintain, and conduct a hospital and any facilities,
2 buildings, schools, and structures related to and customarily
3 used, conducted, or operated in conjunction with a hospital or
4 the provision of health care related services; however, in no
5 event shall the Board sell the hospital facilities without
6 first receiving the approval by a majority vote of the duly
7 qualified electors who reside within the Hospital District and
8 who vote in the election. Prior to any such sale, the
9 qualified electors who reside within the District shall by
10 affirmative vote consent to such sale of the hospital
11 facilities, which consent must also approve the terms and
12 conditions of the sale and the disposition of the sale
13 proceeds. The vote on this issue may be received at a general
14 or special election to be held within the Hospital District
15 which shall not be called until notice thereof has been
16 published in a newspaper of general circulation within the
17 Hospital District once a week for 4 consecutive weeks prior to
18 the week during which the general or special election will be
19 held. If a majority of the electors who vote in the general or
20 special election shall vote in favor of the sale of the
21 hospital facilities and if they shall approve the terms and
22 conditions of the sale, the Board shall have the authority to
23 consummate the sale upon the terms and conditions thus
24 approved by the electors. In the event that the duly qualified
25 electors shall not ratify and approve the sale along with its
26 terms and conditions, the Board shall not have the authority
27 to consummate the sale of the hospital facilities.

28 (3) To adopt all rules and regulations necessary for
29 the orderly, proper, and efficient operation of the Hospital,
30 including rules regulating the admission thereto and treatment
31 of patients of all classes, including charity patients who may

1 apply for admission to the Hospital and who shall be citizens
2 of the State of Florida and residents of the Hospital
3 District; and rules regulating the fees and charges to be made
4 for the admission and treatment therein of all other patients.

5 (4) To establish a medical staff of the hospital,
6 herein referred to as the medical staff, and to establish and
7 designate professional and other qualifications for
8 membership, term of membership, classes of membership, and
9 types of privileges to be exercised by members of the medical
10 staff. The Board shall have the power to appoint, remove,
11 suspend, and otherwise regulate members of the medical staff;
12 to establish and designate procedures to be followed by
13 applicants for staff membership, changes of class of
14 membership, changes in types of privileges to be exercised by
15 members of the medical staff, and renewal of membership on the
16 medical staff; and to set forth such procedures as shall seem
17 fit and proper to the Board in the bylaws of the Board and of
18 the medical staff. The Board shall request the advice of the
19 medical staff on all applications for membership on the
20 medical staff, including advice on the class of membership to
21 be given to the applicants and the types of privileges to be
22 exercised by the applicants, renewal of membership on the
23 medical staff, changes in classes of membership, and changes
24 in privileges to be exercised by members of the medical staff;
25 however, such advice shall not be binding on the Board and the
26 final decision on such matters shall be made by the Board. The
27 Board shall provide in its bylaws and in the medical staff
28 bylaws procedures to be followed by such applicants who may be
29 aggrieved by any decisions of the medical staff regarding its
30 advice to the Board.

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1 (5) To contract with individuals, partnerships,
2 limited liability companies, corporations, municipalities,
3 political subdivisions, agencies, or districts of the State of
4 Florida, the United States of America, or any of the several
5 States thereof, and any other country of the world and any
6 political subdivision thereof.

7 (6) To determine the sum or amount of money, over and
8 above and in addition to anticipated income and receipts to be
9 paid by the patients who will be treated in the Hospital,
10 which will be required during the ensuing fiscal year to pay
11 and satisfy all anticipated obligations and expenses to be
12 incurred by the Hospital during the said ensuing fiscal year
13 in the performance of the functions and purposes authorized
14 under this act, including debt service on any bonds which may
15 be issued hereunder; subject to the provision that the sum
16 estimated by the Board to be required to pay and satisfy the
17 expenses of the Hospital for all purposes, other than debt
18 service on any bonds which may have been issued hereunder, for
19 said fiscal year shall not exceed the amount which would be
20 realized from a tax of 1 mill upon all real and personal
21 property, less all such property exempted from taxation by the
22 Florida Constitution or the Statutes of the State of Florida,
23 located within the Hospital District; and further subject to
24 the provision that the sum estimated by the Board to be
25 required to pay and satisfy all obligations and expenses
26 incurred by the Hospital for all purposes, including debt
27 service on any bonds which may have been issued by the
28 Hospital District hereunder, shall not exceed the amount which
29 would be realized from a tax of 2 1/4 mills upon all real and
30 personal property, less all such property exempt from taxation
31 by the Florida Constitution or the Statutes of the State of

1 Florida, located within the Hospital District. Such
2 determination shall be made by resolution of the Board and it
3 shall be the duty of the President and the Secretary of the
4 Board to certify to the Board of County Commissioners of
5 Brevard County the total sum which the Board believes and
6 estimates will be required during the ensuing fiscal year to
7 pay and satisfy all expenses of the Hospital, except debt
8 service on any bonds which may have been issued hereunder, and
9 the sum which the Board believes and anticipates will be
10 required for debt service on said bonds, in the event that any
11 bonds have been issued and sold hereunder by the Hospital
12 District.

13 The Board of County Commissioners of Brevard County,
14 upon being furnished a certified copy of the resolution of the
15 Board, shall levy the necessary millage against all real and
16 personal property, less all such property exempt from taxation
17 by the Florida Constitution or the Statutes of the State of
18 Florida, situated within the Hospital District, required to
19 raise such amount, provided such millage shall not exceed 1
20 mill for all expenses of the Hospital other than debt service
21 on any bonds which may have been issued and sold hereunder and
22 shall not exceed 2 1/4 mills for all obligations and expenses
23 of the Hospital including debt service on any such bonds. The
24 certified copy of the resolution of the Board shall be filed
25 with the Board of County Commissioners of Brevard County not
26 less than 10 days prior to the time fixed by law for the levy
27 of general county taxes, and all taxes so levied by the Board
28 of County Commissioners of Brevard County for the Board shall
29 be collected by the Tax Collector of Brevard County and paid
30 over to the Board.

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1 (7) To appoint, comply, hire, and discharge such
2 agents, employees, servants, or other employees, including
3 attorneys, accountants, architects, administrators, and other
4 nonmedical professional agents or employees, as may be
5 required to carry out the purposes of this act; to prescribe
6 their duties, authority, and responsibilities; and to fix
7 their salaries, wages, or compensation.

8 (8) To designate a depository or depositories for the
9 funds of the Board and to establish by resolution of the Board
10 the method and authority under which such funds may be
11 withdrawn from such depository or depositories, provided,
12 however, that any officer of the Board or any agent or
13 employee thereof, who shall be authorized to sign checks,
14 drafts, orders, or warrants on any account of the Board, shall
15 first execute a bond in favor of the Board in a penal sum of
16 \$25,000 with a surety company authorized to do business in the
17 State of Florida. The aforesaid bonds shall be conditioned
18 upon the faithful performance of the duties of such officers,
19 agents, or employees and shall be approved by the remaining
20 members of the Board, and the premiums on all such bonds shall
21 be paid by the Board.

22 (9) To designate by resolution a fiscal year for the
23 Hospital District and to change the same from time to time.

24 (10) To issue bonds of the Hospital District to
25 finance the planning, purchase, lease, construction,
26 furnishing, and equipping of any buildings, facilities, or
27 land therefor, which the Board is authorized to purchase,
28 lease, build, construct, and operate, which bonds may be
29 payable from the taxes herein authorized, and for the payment
30 of which the full faith and credit of the Hospital District
31 may be pledged, in an amount never to exceed 20 percent of the

1 total assessed valuation or market valuation, whichever is
2 greater, as determined by Brevard County, of all taxable
3 property within the limits of the Hospital District. Such
4 bonds shall be signed in the name of the Hospital District by
5 the President of the Board, shall be attested by the Secretary
6 of the Board, shall be under the seal of the Hospital
7 District, may bear interest coupons to be signed with the
8 facsimile signature of the Secretary of the Board, and may be
9 of such denominations as shall be determined by the Hospital
10 Board. Said bonds may bear interest at a rate to be fixed by
11 the Board; however, said rate of interest shall not exceed
12 that provided by general law and shall be payable either
13 annually or semiannually. Said bonds shall be due not more
14 than 40 years from the date thereof.

15 Prior to the issuance of any such bonds, the Board
16 shall by resolution authorize the issuance of the same, fixing
17 the aggregate amount of the proposed issue, the denomination,
18 the rate of interest, the purpose for which the moneys derived
19 therefrom shall be expended, and the maturity of the bonds
20 either in serial form or all to mature at a fixed date, and
21 shall provide for and create a sinking fund to pay the
22 principal and interest of the said bonds as the same shall
23 mature. The bonds may be sold by the Board at public sale, or
24 sealed bids, after advertisement for sale at least once a week
25 for 3 consecutive weeks in a newspaper published in Brevard
26 County having a general circulation in the Hospital District,
27 or advertisement of the said sale may, at the option of the
28 Board, be published once a week for 2 consecutive weeks in a
29 financial paper published in the City of New York. If the
30 bonds are not sold after either of such advertisements, the
31 bonds may be sold at private sale at any time after the date

1 advertised for the reception of the sealed bids; however, no
2 bonds shall be sold for less than 95 percent of the par value
3 thereof, with accrued interest, and no private sale of the
4 bonds shall be made at a price lower than the best sealed bid
5 received therefor.

6 All bonds issued and sold by the Hospital District
7 under the provisions of this act, or under the laws of the
8 State of Florida, shall be, constitute, and have all of the
9 qualities and incidents of negotiable instruments under the
10 law merchant and the Negotiable Instrument Law of the State of
11 Florida; shall be incontestable in the hands of bona fide
12 purchasers or holders for value; and shall not be invalid
13 because of any irregularity or defect in the proceedings for
14 the issue and sale thereof.

15 No general obligation bonds for the payment of which
16 the full faith and credit of the Hospital District shall be
17 pledged or obligated shall be issued and sold, unless the
18 issuance of the same shall have been approved by the majority
19 of the votes cast in a freeholders' election in which a
20 majority of the freeholders who are qualified electors
21 residing within the Hospital District shall participate and
22 said election shall be held in the manner provided by the
23 Florida Constitution and applicable Statutes of the State of
24 Florida relating to the calling and holding of freeholders'
25 elections for the approval of the issuance of bonds by special
26 tax districts.

27 The payment of any general obligation bonds, including
28 interest thereon, issued and sold by the Hospital District
29 shall be secured by a first lien against the taxes to be
30 levied by the Board of County Commissioners of Brevard County
31 as authorized by this act to the extent that such taxes may be

1 required to pay such interest and principal, and the Board
2 shall certify to the Board of County Commissioners of Brevard
3 County each year, as herein provided, such sums as may be
4 required for debt service on said bonds and to pay the
5 interest and principal thereon, and the Board of County
6 Commissioners of Brevard County shall levy such taxes, within
7 the limits specified in this act, as will be required for said
8 debt service on said bonds.

9 (11)(a) To provide by resolution at one time or from
10 time to time for the issuance of Revenue Certificates of the
11 Hospital District for the purpose of paying all or a part of
12 the cost of acquisition, construction, planning, leasing,
13 repairing, extensions to, additions, equipping, and
14 reconstruction of any hospital buildings and facilities of the
15 Hospital District. The Certificates of each issue shall be
16 dated, shall bear interest at a rate to be fixed by the Board,
17 however, said rate of interest shall not exceed that provided
18 by general law, shall mature at such time or times, not
19 exceeding 40 years from their date or dates, as may be
20 determined by the Board, and may be made redeemable before
21 maturity, at the option of the Board, at such price or prices
22 and under such terms and conditions as may be fixed by the
23 Board prior to the issuance of the Certificates. The Board
24 shall determine the form of the Certificates, including any
25 interest coupons to be attached thereto, and the manner of
26 execution of the Certificates and coupons to be attached
27 thereto, and shall fix the denomination or denominations of
28 the Certificates and the place or places of payment of
29 principal and interest, which may be at any bank or trust
30 company within or without the State. In case any officer whose
31 signature or a facsimile of whose signature shall appear on

1 any certificates or coupons shall cease to be such officer
2 before the delivery of such Certificates, such signature or
3 such facsimile shall nevertheless be valid and sufficient for
4 all purposes the same as if he or she had remained in office
5 until such delivery. All Certificates issued under the
6 provisions of this act shall have and are hereby declared to
7 have all the qualities and incidents of negotiable instruments
8 under the negotiable instruments laws of the State. The
9 Certificates may be issued in coupon or in registered form, or
10 both, as the Board may determine, and provisions may be made
11 for the registration of any coupon Certificates as to
12 principal alone and also as to both principal and interest and
13 for the reconversion into coupon Certificates of any
14 Certificates registered as to both principal and interest. The
15 issuance of such Certificates shall not be subject to any
16 limitations or conditions contained in any other law, and the
17 Board may sell such Certificates in such manner and for such
18 price as it may determine to be for the best interest of the
19 Board, but no such sale shall be made at a price so low as to
20 require the payment of interest on the money received therefor
21 which shall exceed that provided by general law, computed with
22 relation to the absolute maturity of the Certificates in
23 accordance with standard tables of certificate values,
24 excluding, however, from such computations the amount of any
25 premium to be paid on redemption of any Certificates prior to
26 maturity. Prior to the preparation of definitive Certificates,
27 the Board may, under like restrictions, issue interim receipts
28 or temporary Certificates with or without coupons,
29 exchangeable for definitive Certificates when such
30 Certificates have been executed and are available for
31

1 delivery. The Board may also provide for the replacement of
2 any Certificates which shall be mutilated, destroyed, or lost.

3 (b) Certificates may be issued under the provisions of
4 this act without obtaining the consent of any commission,
5 board, bureau, or agency of the State or County and without
6 any other proceedings or the happening of any other condition
7 or thing than those proceedings, conditions, or things which
8 are specifically required by this act.

9 (c) The proceeds of the Certificates shall be used
10 solely for the payment of the cost of the hospital facilities
11 for which such Certificates shall have been authorized and
12 shall be disbursed in the manner provided in the resolution or
13 in the Trust Agreement authorizing the issuance of such
14 Certificates. If the proceeds of the Certificates of any issue
15 shall exceed the amount required for the purpose for which the
16 same shall have been issued, the surplus shall be set aside
17 and used only for the payment of the cost of additional
18 projects or for the payment of the principal of and interest
19 on such Certificates. In the event that the actual cost of the
20 project exceeds the estimated cost, the Board may issue
21 additional Certificates to cover the deficiency, subject to
22 the same restrictions as required for the original issue.

23 (d) Revenue Certificates issued under the provisions
24 of this act may be payable from the revenue derived from the
25 operation of any hospital facility or combination of hospital
26 facilities of the Hospital District under the supervision,
27 operation, and control of the Hospital Board and from any
28 other funds legally available therefor. The issuance of such
29 Revenue Certificates shall not directly, indirectly, or
30 contingently obligate the State, the Board, or the Hospital
31 District to levy any ad valorem taxes or to make any

1 appropriations for their payment or for the operation and
2 maintenance of the hospital facilities of the Hospital
3 District.

4 (e) The Board shall not convey or mortgage any
5 hospital facility or any part thereof as security for the
6 payment of the Revenue Certificates.

7 (f) In the discretion of the Board, each or any issue
8 of such Revenue Certificates may be secured by a Trust
9 Agreement by and between the Hospital District and a corporate
10 trustee, which may be any trust company or bank having the
11 powers of a trust company within or without the State. Such
12 Trust Agreement may pledge or assign the revenues to be
13 received by the Board. The resolution providing for the
14 issuance of Revenue Certificates or such Trust Agreement may
15 contain such provisions for protecting and enforcing the
16 rights and remedies of the Certificate holders as may be
17 reasonable, proper, and not in violation of law, including
18 covenants setting forth the duties of the Board in relation to
19 the acquisition, construction, improvement, maintenance,
20 operation, repair, equipping, and insurance of the hospital
21 facilities, and the custody, safeguarding, and application of
22 all moneys. It shall be lawful for any bank or trust company
23 incorporated under the laws of this State to act as such
24 depository and to furnish such indemnifying certificates or to
25 pledge such securities as may be required by the Board. Such
26 resolution or such Trust Agreement may restrict the individual
27 right of action by Certificate holders as is customary in
28 Trust Agreements securing certificates or debentures of
29 corporations. In addition to the foregoing, such resolution
30 or such Trust Agreement may contain such other provisions as
31 the Board may deem reasonable and proper for the security of

1 the Certificate holders. Except as otherwise provided in this
2 act, the Board may provide, by resolution or by Trust
3 Agreement, for the payment of the proceeds of the sale of the
4 Revenue Certificates and the revenues of the facilities to
5 such officer, board, or depository as it may determine for the
6 custody thereof, and for the method of disbursement thereof,
7 with such safeguards and restrictions as it may determine. All
8 expenses incurred in carrying out such Trust Agreement may be
9 treated as a part of the cost of operation of the facilities
10 affected by such Trust Agreement.

11 (g) The resolution or Trust Agreement providing for
12 the issuance of the Revenue Certificates may also contain such
13 limitations upon the issuance of additional Revenue
14 Certificates as the Hospital District may deem proper, and
15 such additional Certificates shall be issued under such
16 restriction or limitations as may be prescribed by such
17 resolution or Trust Agreement.

18 (h) The Board is hereby authorized to provide by
19 resolution for the issuance of Refunding Revenue Certificates
20 for the purpose of refunding any Revenue Certificates,
21 respectively, then outstanding and issued under the provisions
22 of this act. The Board is further authorized to provide by
23 resolution for the issuance of Revenue Certificates for the
24 combined purpose of (1) paying the cost of any acquisition,
25 construction, planning, leasing, extension to, addition,
26 improving, equipping, or reconstruction of a facility or
27 facilities of the Hospital District, and (2) refunding Revenue
28 Certificates of the Hospital District which shall theretofore
29 have been issued under the provisions of this act and shall
30 then be outstanding. The issuance of such obligations, the
31 maturities and other details thereof, the right and remedies

1 of the holders thereof, and the rights, powers, privileges,
2 duties, and obligations of the Hospital District with respect
3 to the same shall be governed by the foregoing provisions of
4 this act insofar as the same may be applicable.

5 (12) To provide a retirement program for the Hospital
6 District's employees who become covered by the program, to
7 establish qualifications for coverage under the program, to
8 pay part of the cost of such program, to contract with any
9 insurance company licensed to do business in Florida for the
10 establishment and operation of the program, to charge its
11 covered employees for the employees' share of the cost of the
12 program, and to take such other action as may be necessary to
13 establish and operate the retirement program. Said Board shall
14 have the power to withdraw, by resolution, from the State and
15 County Officers and Employees' Retirement System as
16 established by chapter 122, Florida Statutes, and this
17 provision shall specifically amend section 122.061, Florida
18 Statutes, insofar as the section prohibits the withdrawal of
19 the Cape Canaveral Hospital employees from the retirement
20 system. In the event that the Board shall adopt a resolution
21 by which the employees of the Hospital District shall be
22 withdrawn from the State and County Officers and Employees
23 Retirement System, such withdrawal shall become effective on
24 July 1 following the adoption of the resolution, and the Board
25 shall send a certified copy of the resolution to the Chief
26 Financial Officer of the State. Beginning on July 1 following
27 the adoption of the resolution, the Hospital District shall
28 not be required to contribute to the State and County Officers
29 and Employees' Retirement System.

30 Section 4(B). In the event that the Board no longer
31 has responsibility for operation and management of Cape

1 Canaveral Hospital by heretofore or hereafter leasing the
2 hospital facilities to a not-for-profit corporation, so long
3 as such lease remains in force and effect, the Board shall not
4 have the powers contained in section 4(A) hereof but shall
5 have the following additional powers:

6 (1) To acquire by grant, purchase, lease, devise,
7 gift, bequest, or condemnation, or in any other manner, real
8 or personal property, or any estate or interest therein,
9 within or without the Hospital District, which by resolution
10 the Board shall determine to be necessary for the purposes of
11 the Hospital District, said determination to be conclusive,
12 except in case of fraud or gross abuse of discretion; and to
13 improve, maintain, sell, lease, mortgage, or otherwise
14 encumber the same, any part thereof, or any interest therein
15 upon such terms and conditions as the Board shall fix and
16 determine, and said determination shall be deemed conclusive,
17 except in case of fraud or gross abuse of discretion.

18 (2) To contract with individuals, partnerships,
19 limited liability companies, corporations, municipalities,
20 political subdivisions, agencies, or districts of the State of
21 Florida, the United States of America, or any of the several
22 States thereof, and any other country of the world and any
23 political subdivision thereof.

24 (3) To determine the sum or amount of money, over and
25 above and in addition to anticipated income and receipts to be
26 paid by the patients who will be treated in the Hospital,
27 which will be required during the ensuing fiscal year to pay
28 and satisfy all anticipated obligations and expenses to be
29 incurred by the Hospital during the said ensuing fiscal year
30 in the performance of the functions and purposes authorized
31 under this act, including debt service on any bonds which may

1 be issued hereunder; subject to the provision that the sum
2 estimated by the Board to be required to pay and satisfy the
3 expenses of the Hospital for all purposes, other than debt
4 service on any bonds which may have been issued hereunder, for
5 said fiscal year shall not exceed the amount which would be
6 realized from a tax of 1 mill upon all real and personal
7 property, less all such property exempted from taxation by the
8 Florida Constitution or the Statutes of the State of Florida,
9 located within the Hospital District; and further subject to
10 the provision that the sum estimated by the Board to be
11 required to pay and satisfy all obligations and expenses
12 incurred by the Hospital for all purposes, including debt
13 service on any bonds which may have been issued by the
14 Hospital District hereunder, shall not exceed the amount which
15 would be realized from a tax of 2 1/4 mills upon all real and
16 personal property, less all such property exempt from taxation
17 by the Florida Constitution or the Statutes of the State of
18 Florida, located within the Hospital District. Such
19 determination shall be made by resolution of the Board and it
20 shall be the duty of the President and the Secretary of the
21 Board to certify to the Board of County Commissioners of
22 Brevard County the total sum which the Board believes and
23 estimates will be required during the ensuing fiscal year to
24 pay and satisfy all expenses of the Hospital, except debt
25 service on any bonds which may have been issued hereunder, and
26 the sum which the Board believes and anticipates will be
27 required for debt service on said bonds, in the event that any
28 bonds have been issued and sold hereunder by the Hospital
29 District.

30 The Board of County Commissioners of Brevard County,
31 upon being furnished a certified copy of the resolution of the

1 Board, shall levy the necessary millage against all real and
2 personal property, less all such property exempt from taxation
3 by the Florida Constitution or the Statutes of the State of
4 Florida, situated within the Hospital District, required to
5 raise such amount, provided such millage shall not exceed 1
6 mill for all expenses of the Hospital other than debt service
7 on any bonds which may have been issued and sold hereunder and
8 shall not exceed 2 1/4 mills for all obligations and expenses
9 of the Hospital including debt service on any such bonds. The
10 certified copy of the resolution of the Board shall be filed
11 with the Board of County Commissioners of Brevard County not
12 less than 10 days prior to the time fixed by law for the levy
13 of general county taxes, and all taxes so levied by the Board
14 of County Commissioners of Brevard County for the Board shall
15 be collected by the Tax Collector of Brevard County and paid
16 over to the Board.

17 (4) To designate a depository or depositories for the
18 funds of the Board and to establish by resolution of the Board
19 the method and authority under which such funds may be
20 withdrawn from such depository or depositories, provided,
21 however, that any officer of the Board or any agent or
22 employee thereof, who shall be authorized to sign checks,
23 drafts, orders, or warrants on any account of the Board, shall
24 first execute a bond in favor of the Board in a penal sum of
25 \$25,000 with a surety company authorized to do business in the
26 State of Florida. The aforesaid bonds shall be conditioned
27 upon the faithful performance of the duties of such officers,
28 agents, or employees and shall be approved by the remaining
29 members of the Board, and the premiums on all such bonds shall
30 be paid by the Board.

31

1 (5) To designate by resolution a fiscal year for the
2 Hospital District and to change the same from time to time.

3 (6) To issue bonds of the Hospital District to finance
4 the planning, purchase, lease, construction, furnishing, and
5 equipping of any buildings, facilities, or land therefor,
6 which the Board is authorized to purchase, lease, build,
7 construct, and operate, which bonds may be payable from the
8 taxes herein authorized, and for the payment of which the full
9 faith and credit of the Hospital District may be pledged, in
10 an amount never to exceed 20 percent of the total assessed
11 valuation or market valuation, whichever is greater, as
12 determined by Brevard County, of all taxable property within
13 the limits of the Hospital District. Such bonds shall be
14 signed in the name of the Hospital District by the President
15 of the Board, shall be attested by the Secretary of the Board,
16 shall be under the seal of the Hospital District, may bear
17 interest coupons to be signed with the facsimile signature of
18 the Secretary of the Board, and may be of such denominations
19 as shall be determined by the Hospital Board. Said bonds may
20 bear interest at a rate to be fixed by the Board; however,
21 said rate of interest shall not exceed that provided by
22 general law and shall be payable either annually or
23 semiannually. Said bonds shall be due not more than 40 years
24 from the date thereof.

25 Prior to the issuance of any such bonds, the Board
26 shall by resolution authorize the issuance of the same, fixing
27 the aggregate amount of the proposed issue, the denomination,
28 the rate of interest, the purpose for which the moneys derived
29 therefrom shall be expended, and the maturity of the bonds,
30 either in serial form or all to mature at a fixed date, and
31 shall provide for and create a sinking fund to pay the

1 principal and interest of the said bonds as the same shall
2 mature. The bonds may be sold by the Board at public sale, or
3 sealed bids, after advertisement for sale at least once a week
4 for 3 consecutive weeks in a newspaper published in Brevard
5 County having a general circulation in the Hospital District,
6 or advertisement of the said sale may, at the option of the
7 Board, be published once a week for 2 consecutive weeks in a
8 financial paper published in the City of New York. If the
9 bonds are not sold after either of such advertisements, the
10 bonds may be sold at private sale at any time after the date
11 advertised for the reception of the sealed bids; however, no
12 bonds shall be sold for less than 95 percent of the par value
13 thereof, with accrued interest, and no private sale of the
14 bonds shall be made at a price lower than the best sealed bid
15 received therefor.

16 All bonds issued and sold by the Hospital District
17 under the provisions of this act, or under the laws of the
18 State of Florida, shall be, constitute, and have all of the
19 qualities and incidents of negotiable instruments under the
20 law merchant and the Negotiable Instrument Law of the State of
21 Florida; shall be incontestable in the hands of bona fide
22 purchasers or holders for value; and shall not be invalid
23 because of any irregularity or defect in the proceedings for
24 the issue and sale thereof.

25 No general obligation bonds for the payment of which
26 the full faith and credit of the Hospital District shall be
27 pledged or obligated shall be issued and sold, unless the
28 issuance of the same shall have been approved by the majority
29 of the votes cast in a freeholders' election in which a
30 majority of the freeholders who are qualified electors
31 residing within the Hospital District shall participate and

1 said election shall be held in the manner provided by the
2 Florida Constitution and applicable Statutes of the State of
3 Florida relating to the calling and holding of freeholders'
4 elections for the approval of the issuance of bonds by special
5 tax districts.

6 The payment of any general obligation bonds, including
7 interest thereon, issued and sold by the Hospital District
8 shall be secured by a first lien against the taxes to be
9 levied by the Board of County Commissioners of Brevard County
10 as authorized by this act to the extent that such taxes may be
11 required to pay such interest and principal, and the Board
12 shall certify to the Board of County Commissioners of Brevard
13 County each year, as herein provided, such sums as may be
14 required for debt service on said bonds and to pay the
15 interest and principal thereon, and the Board of County
16 Commissioners of Brevard County shall levy such taxes, within
17 the limits specified in this act, as will be required for said
18 debt service on said bonds.

19 (7) To provide by resolution at one time or from time
20 to time for the issuance of Revenue Certificates of the
21 Hospital District for the purpose of paying all or a part of
22 the cost of acquisition, construction, planning, leasing,
23 repairing, extensions to, additions, equipping, and
24 reconstruction of any hospital buildings and facilities of the
25 Hospital District. The Certificates of each issue shall be
26 dated, shall bear interest at a rate to be fixed by the Board,
27 however, said rate of interest shall not exceed that provided
28 by general law, shall mature at such time or times, not
29 exceeding 40 years from their date or dates, as may be
30 determined by the Board, and may be made redeemable before
31 maturity, at the option of the Board, at such price or prices

1 and under such terms and conditions as may be fixed by the
2 Board prior to the issuance of the Certificates. The Board
3 shall determine the form of the Certificates, including any
4 interest coupons to be attached thereto, and the manner of
5 execution of the Certificates and coupons to be attached
6 thereto, and shall fix the denomination or denominations of
7 the Certificates and the place or places of payment of
8 principal and interest, which may be at any bank or trust
9 company within or without the State. In case any officer whose
10 signature or a facsimile of whose signature shall appear on
11 any certificates or coupons shall cease to be such officer
12 before the delivery of such Certificates, such signature or
13 such facsimile shall nevertheless be valid and sufficient for
14 all purposes the same as if he or she had remained in office
15 until such delivery. All Certificates issued under the
16 provisions of this act shall have and are hereby declared to
17 have all the qualities and incidents of negotiable instruments
18 under the negotiable instruments laws of the State. The
19 Certificates may be issued in coupon or in registered form, or
20 both, as the Board may determine, and provisions may be made
21 for the registration of any coupon Certificates as to
22 principal alone and also as to both principal and interest and
23 for the reconversion into coupon Certificates of any
24 Certificates registered as to both principal and interest. The
25 issuance of such Certificates shall not be subject to any
26 limitations or conditions contained in any other law, and the
27 Board may sell such Certificates in such manner and for such
28 price as it may determine to be for the best interest of the
29 Board, but no such sale shall be made at a price so low as to
30 require the payment of interest on the money received therefor
31 which shall exceed that provided by general law, computed with

1 relation to the absolute maturity of the Certificates in
2 accordance with standard tables of certificate values,
3 excluding, however, from such computations the amount of any
4 premium to be paid on redemption of any Certificates prior to
5 maturity. Prior to the preparation of definitive Certificates,
6 the Board may, under like restrictions, issue interim receipts
7 or temporary Certificates with or without coupons,
8 exchangeable for definitive Certificates when such
9 Certificates have been executed and are available for
10 delivery. The Board may also provide for the replacement of
11 any Certificates which shall be mutilated, destroyed, or lost.

12 Certificates may be issued under the provisions of this
13 act without obtaining the consent of any commission, board,
14 bureau, or agency of the State or County and without any other
15 proceedings or the happening of any other condition or thing
16 than those proceedings, conditions, or things which are
17 specifically required by this act.

18 The proceeds of the Certificates shall be used solely
19 for the payment of the cost of the hospital facilities for
20 which such Certificates shall have been authorized and shall
21 be disbursed in the manner provided in the resolution or in
22 the Trust Agreement authorizing the issuance of such
23 Certificates. If the proceeds of the Certificates of any issue
24 shall exceed the amount required for the purpose for which the
25 same shall have been issued, the surplus shall be set aside
26 and used only for the payment of the cost of additional
27 projects or for the payment of the principal of and interest
28 on such Certificates. In the event that the actual cost of the
29 project exceeds the estimated cost, the Board may issue
30 additional Certificates to cover the deficiency, subject to
31 the same restrictions as required for the original issue.

1 Revenue Certificates issued under the provisions of
2 this act may be payable from the revenue derived from the
3 operation of any hospital facility or combination of hospital
4 facilities of the Hospital District under the supervision,
5 operation, and control of the Hospital Board and from any
6 other funds legally available therefor. The issuance of such
7 Revenue Certificates shall not directly, indirectly, or
8 contingently obligate the State, the Board, or the Hospital
9 District to levy any ad valorem taxes or to make any
10 appropriations for their payment or for the operation and
11 maintenance of the hospital facilities of the Hospital
12 District.

13 The Board shall not convey or mortgage any hospital
14 facility or any part thereof as security for the payment of
15 the Revenue Certificates.

16 In the discretion of the Board, each or any issue of
17 such Revenue Certificates may be secured by a Trust Agreement
18 by and between the Hospital District and a corporate trustee,
19 which may be any trust company or bank having the powers of a
20 trust company within or without the State. Such Trust
21 Agreement may pledge or assign the revenues to be received by
22 the Board. The resolution providing for the issuance of
23 Revenue Certificates or such Trust Agreement may contain such
24 provisions for protecting and enforcing the rights and
25 remedies of the Certificate holders as may be reasonable,
26 proper, and not in violation of law, including covenants
27 setting forth the duties of the Board in relation to the
28 acquisition, construction, improvement, maintenance,
29 operation, repair, equipping, and insurance of the hospital
30 facilities, and the custody, safeguarding, and application of
31 all moneys. It shall be lawful for any bank or trust company

1 incorporated under the laws of this State to act as such
2 depository and to furnish such indemnifying certificates or to
3 pledge such securities as may be required by the Board. Such
4 resolution or such Trust Agreement may restrict the individual
5 right of action by Certificate holders as is customary in
6 Trust Agreements securing certificates or debentures of
7 corporations. In addition to the foregoing, such resolution
8 or such Trust Agreement may contain such other provisions as
9 the Board may deem reasonable and proper for the security of
10 the Certificate holders. Except as otherwise provided in this
11 act, the Board may provide, by resolution or by Trust
12 Agreement, for the payment of the proceeds of the sale of the
13 Revenue Certificates and the revenues of the facilities to
14 such officer, board, or depository as it may determine for the
15 custody thereof, and for the method of disbursement thereof,
16 with such safeguards and restrictions as it may determine. All
17 expenses incurred in carrying out such Trust Agreement may be
18 treated as a part of the cost of operation of the facilities
19 affected by such Trust Agreement.

20 The resolution or Trust Agreement providing for the
21 issuance of the Revenue Certificates may also contain such
22 limitations upon the issuance of additional Revenue
23 Certificates as the Hospital District may deem proper, and
24 such additional Certificates shall be issued under such
25 restriction or limitations as may be prescribed by such
26 resolution or Trust Agreement.

27 The Board is hereby authorized to provide by resolution
28 for the issuance of Refunding Revenue Certificates for the
29 purpose of refunding any Revenue Certificates, respectively,
30 then outstanding and issued under the provisions of this act.
31 The Board is further authorized to provide by resolution for

1 the issuance of Revenue Certificates for the combined purpose
2 of (1) paying the cost of any acquisition, construction,
3 planning, leasing, extension to, addition, improving,
4 equipping, or reconstruction of a facility or facilities of
5 the Hospital District, and (2) refunding Revenue Certificates
6 of the Hospital District which shall theretofore have been
7 issued under the provisions of this act and shall then be
8 outstanding. The issuance of such obligations, the maturities
9 and other details thereof, the right and remedies of the
10 holders thereof, and the rights, powers, privileges, duties,
11 and obligations of the Hospital District with respect to the
12 same shall be governed by the foregoing provisions of this act
13 insofar as the same may be applicable.

14 Section 5. The governing authority of the Hospital
15 District is hereby created and designated as the Cape
16 Canaveral Hospital District Board, and it shall consist of 12
17 members, each of whom shall be a qualified elector residing
18 within the Hospital District.

19 Section 6. Each member of the Board shall serve for a
20 term of 4 years or until his or her successor has been
21 appointed and qualified. Each member shall serve without
22 compensation. In the event that the Board shall heretofore or
23 hereafter lease the hospital facilities to a nonprofit
24 corporation, the members of the Board of Directors or Trustees
25 of such nonprofit corporation shall also serve on a voluntary
26 basis without compensation. After October 1, 1989, no more
27 than 1/2 of the members of the Board shall also serve as
28 members of the Board of Directors or Trustees of any Lessee
29 nonprofit corporation.

30 Section 7. The Governor of the State of Florida shall
31 appoint the successors to the Board upon expiration of the

1 term of office of each member or upon the death, resignation,
2 or removal of a member of the Board. Any member appointed to
3 fill a vacancy on the Board caused by the death, resignation,
4 or removal of a member shall serve for the balance of the term
5 of office of the member whom he or she succeeded.

6 Section 8. The Board shall elect from its own members
7 a chair, vice chair, secretary, and treasurer, each of whom
8 shall serve for a term of 1 year or until his or her successor
9 has been elected and has qualified. The officers shall be
10 elected each year at the organizational meeting of the Board.
11 If any officer of the Board does not complete his or her term
12 of office, his or her successor shall be elected by the Board,
13 and any successor so elected shall serve the remainder of the
14 term of the succeeded officer. The duties, responsibilities,
15 authorities, and privileges of each of the officers of the
16 Board shall be stated in the Board bylaws.

17 Section 9. Seven members of the Board shall constitute
18 a quorum of the Board for the purpose of conducting business
19 and exercising its powers, and action may be taken by the
20 Board only upon the affirmative vote of a majority of the
21 members of the Board then serving.

22 Section 10. Regular meetings of the Board shall be
23 held annually at a time to be designated by the Board by
24 resolution, and at such other times as may be established by
25 the Board, by resolution thereof, in the event that the Board
26 deems it advisable to hold additional regular meetings.
27 Special meetings of the Board shall be held upon the call of
28 the President of the Board, or in his or her absence the Vice
29 President of the Board, or upon the written request of a
30 majority of the members of the Board, provided that at least
31 48 hours' written notice of any special meeting is given to

1 each member of the Board; however, any meeting shall be
2 considered to have been duly called if at least 10 members of
3 the Board waive written notice of the meeting.

4 Section 11. The Board shall keep accurate minutes of
5 its meetings and proceedings, and the minutes shall be open to
6 public inspection at all reasonable times at the premises or
7 office of the Hospital District.

8 Section 12. All meetings of the Board shall be open to
9 the public and conducted in accordance with applicable law.
10 All meetings of the Board shall be held within the Hospital
11 District. In the event that the Board shall heretofore or
12 hereafter lease the hospital facilities to a nonprofit
13 corporation, the Board of Directors or Trustees of the
14 nonprofit corporation shall be obligated to hold their regular
15 and special meetings in such a manner so that they will be
16 open to the public; however, they shall have the right to go
17 into executive session in order to discuss and resolve the
18 following issues: (a) employee issues, (b) medical staff
19 issues, including disciplinary actions, (c) property
20 acquisitions, (d) strategic planning, and (e) pending or
21 threatened litigation.

22 Section 13. The Hospital and any related facilities
23 constructed, equipped, operated, and maintained under this act
24 will be for the preservation of public health, for the public
25 good, and for the use of the public of said district, and the
26 building, equipping, operation, construction, and maintenance
27 of such Hospital and related facilities authorized by this act
28 within such district is hereby found and declared to be for
29 the preservation of the public health and for the use and
30 welfare of the said Hospital District and the inhabitants
31 thereof.

1 Section 14. The provisions of this act shall be
2 liberally construed in order to effectively carry out the
3 purposes of this act in the interest of the health, safety,
4 and welfare of the residents of the Hospital District.

5 Section 15. It is declared to be the legislative
6 intent that if any section, subsection, sentence, clause, or
7 provision of this act be held invalid, the remainder of this
8 act shall not be affected.

9 Section 16. In accordance with section 189.404(3),
10 Florida Statutes, the following subsections shall constitute
11 the minimum charter requirements for the District:

12 (1) The District is organized and exists for the
13 purpose set forth in this act, as it may be amended from time
14 to time.

15 (2) The powers, functions, and duties of the District,
16 including, but not limited to, ad valorem taxation, bond
17 issuance, other revenue-raising capabilities, budget
18 preparation and approval, liens and foreclosure of liens, use
19 of tax deeds and tax certificates as appropriate for non-ad
20 valorem assessments, and contractual agreements shall be as
21 set forth in this act, chapters 189 and 197, Florida Statutes,
22 or any other applicable general or special law, as they may be
23 amended from time to time.

24 (3) The District was created by special act of the
25 Florida Legislature by chapter 59-1121, Laws of Florida, as
26 amended.

27 (4) The District's charter may be amended only by
28 special act of the Legislature.

29 (5) In accordance with chapter 189, Florida Statutes,
30 and this act, the District is governed by a 12-member Board as
31 provided for herein.

1 (6) The compensation of the Board Members shall be as
2 provided for by this act.

3 (7) The administrative duties of the Board shall be as
4 set forth in this act and chapter 189, Florida Statutes, as
5 they may be amended from time to time.

6 (8) Requirements for financial disclosure, meeting
7 notices, reporting, public records maintenance, and per diem
8 expenses for officers and employees shall be as set forth in
9 chapters 112, 119, 189, and 286, Florida Statutes, and this
10 act, as they may be amended from time to time.

11 (9) The procedures and requirements governing the
12 issuance of bonds, notes, and other evidence of indebtedness
13 by the District shall be as set forth in this act and
14 applicable general laws, as they may be amended from time to
15 time.

16 (10) The procedures for conducting any required
17 District elections or referenda, and for qualification of
18 electors, shall be pursuant to this act and chapter 189,
19 Florida Statutes, as they may be amended from time to time.

20 (11) The District may be financed by any method
21 established in this act and applicable general laws, as they
22 may be amended from time to time.

23 (12) The District does not collect non-ad valorem
24 assessments, fees, or service charges as set forth in chapter
25 197, Florida Statutes.

26 (13) The District's planning requirements shall be as
27 set forth in chapter 189, Florida Statutes, and this act, as
28 they may be amended from time to time.

29 (14) The District's geographic boundary limitations
30 shall be as set forth in this act.

31

1 (15) This section shall not be construed to limit or
2 restrict any of the powers vested in said Board by any other
3 section or provision of this act.

4 Section 4. If any provision of this act or the
5 application thereof to any person or circumstance is held
6 invalid, the invalidity shall not affect other provisions or
7 applications of the act which can be given effect without the
8 invalid provision or application, and to this end the
9 provisions of this act are declared severable.

10 Section 5. In the event of a conflict between the
11 provisions of this act and the provisions of any other act,
12 the provisions of this act shall control to the extent of such
13 conflict.

14 Section 6. This act shall be construed as a remedial
15 act and shall be liberally construed to promote the purpose
16 for which it is intended.

17 Section 7. Chapters 59-1121, 61-1903, 65-1290, 69-861,
18 75-332, 81-345, and 86-426, Laws of Florida, are repealed.

19 Section 8. This act shall take effect upon becoming a
20 law.

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