

By Senator Lynn

7-1612-03

See HB

1                                   A bill to be entitled  
2           An act relating to Halifax Hospital Medical  
3           Center, Volusia County; codifying, reenacting,  
4           and amending the charter of the Halifax  
5           Hospital Medical Center special tax district;  
6           providing for boundaries of the district;  
7           establishing a Board of Commissioners;  
8           providing for membership and appointment;  
9           providing powers and duties of the board;  
10          providing for meetings of the board;  
11          authorizing the district to establish,  
12          construct, operate, and maintain hospitals,  
13          medical facilities, and services; providing  
14          that the district shall have the power of  
15          eminent domain; authorizing the district to  
16          perform certain functions in order to carry out  
17          the purposes of the act; providing for the  
18          issuance of bonds and procedures relating  
19          thereto; authorizing the district to levy and  
20          collect certain taxes; authorizing officers of  
21          the district to sign checks and warrants;  
22          providing procedure for levy and collection of  
23          taxes; providing for the payment of expenses;  
24          requiring the establishment of revenue  
25          accounts; requiring the district to provide  
26          care and services for the medically indigent;  
27          providing for liberal construction; exempting  
28          property of the district from taxation;  
29          requiring an annual audit of the books and  
30          records of the district; providing for employee  
31          benefits; providing for competitive bidding;

1 providing an alternative to bidding procedure;  
2 providing an exception; authorizing the board  
3 to designate a direct-support organization;  
4 providing for severability; repealing chapters  
5 79-577, 79-578, 84-539, 89-409, and 91-352,  
6 Laws of Florida; providing an effective date.  
7

8 Be It Enacted by the Legislature of the State of Florida:  
9

10 Section 1. Pursuant to section 189.429, Florida  
11 Statutes, this act constitutes the codification of all special  
12 acts relating to the Halifax Hospital Medical Center special  
13 tax district. It is the intent of the Legislature to provide a  
14 single, comprehensive special act charter for said district,  
15 including all current legislative authority granted to the  
16 district by its several legislative enactments and any  
17 additional authority granted by this act and chapter 189,  
18 Florida Statutes, as they may be amended from time to time. It  
19 is further the intent of this act to preserve all district  
20 authority.

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

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

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

1  
2 Beginning at the point of intersection of the  
3 main channel of Mosquito Inlet and the Atlantic  
4 Ocean, thence run Southeasterly with the shore  
5 of the Atlantic Ocean to the point of  
6 intersection with the South line of Township  
7 19S, thence West with said Township line to the  
8 Southwest corner of Section 34, Township 19S,  
9 Range 33E, thence North to the Northwest corner  
10 of Section 3, Township 19S, Range 33E, thence  
11 West along the South line of Township 18S,  
12 Range 33E, to the Southwest corner of said  
13 Township 18S, Range 33E, thence north with West  
14 line of Township 18S, Range 33E, to the  
15 Northwest corner of said Township 18S, Range  
16 33E, thence West along line between Townships  
17 17S and 18S to the Southwest corner of Township  
18 17S, Range 32E, thence along the Range line  
19 between Ranges 31E and 32E North to the  
20 Northwest corner of Township 17S, Range 32E,  
21 thence East along the North line of Township  
22 17S, Range 32E to the point of intersection  
23 with the South fork of Spruce Creek, thence  
24 Northerly and Easterly along Spruce Creek to  
25 the point of intersection with the main channel  
26 of the Halifax River, thence Southerly and  
27 Easterly along the main channel of the Halifax  
28 River and the main channel of Mosquito Inlet to  
29 the point of beginning. All the above described  
30 property lying and being in County of Volusia,  
31 State of Florida.

1  
2       Commencing at a point on the East Shore of Lake  
3       George where same is intersected by the  
4       Putnam-Volusia County line and run  
5       Northeasterly with said line to be the  
6       Southernmost point of Lake Crescent; thence  
7       East with shore line of Lake Crescent to the  
8       mouth of Hawk Creek; thence up said Creek to  
9       its intersection with the East line of Range 28  
10       East; run thence South with said Range line (it  
11       being the Flagler-Volusia County line) to the  
12       Northwest corner of Section 30, Township 14  
13       South, Range 29 East; thence run East 12 miles  
14       to the Northeast corner of Section 25, Township  
15       14 South, Range 30 East; thence run South two  
16       miles to the Southeast corner of Township 14  
17       South, Range 30 East; thence run West along  
18       said Township line to the Northeast corner of  
19       Township 15 South, Range 30 East; thence run  
20       South with the range line between Ranges 30 and  
21       31 East about six miles to the Southeast corner  
22       of Township 15 South, Range 30 East, run thence  
23       East along the North line of Township 16 South,  
24       Range 31 East about six miles to the Northeast  
25       corner of said Township 16 South, Range 31  
26       East; run thence South on the range line  
27       between Ranges 31 and 32 East about twelve  
28       miles to the Southeast corner of Township 17  
29       South, Range 31 East; run thence East with the  
30       line between Township 17 and 18 South to the  
31       Northeast corner of Township 18 South, Range 32

1 East; run thence South on the range line  
2 between Ranges 32 and 33 East to the Southeast  
3 corner of Township 18 South, Range 32 East; run  
4 thence East on the line between Township 18  
5 South, Range 33 East and Township 19 South,  
6 Range 33 East about three miles to the  
7 Northeast corner of Section 4 of Township 19  
8 South, Range 33 East. Run thence South on the  
9 East line of Sections 4-9-16-21-28 and 33.  
10 Township 19 South, Range 33 East to the  
11 Southeast corner of Section 33, Township 19,  
12 South Range 33 East; run thence East on the  
13 line between Township 19 South, Range 33 East  
14 and Township 20 South, Range 33 East to the  
15 Northeast corner of Township 20 South, Range 33  
16 East; run thence South on the East line of  
17 Township 20 South, Range 33 East and along the  
18 East line of Township 21 South, Range 33 East  
19 to the Southeast corner of Section 36, Township  
20 21 South, Range 33 East, run thence West along  
21 a South line of Township 21 South, Range 33  
22 East to the intersection of said Township line  
23 with the St. Johns River; thence run down the  
24 St. Johns River in a generally Northwesterly  
25 direction to Lake George and with the East  
26 Shore line of said Lake George to the place of  
27 beginning.  
28 Section 2. (1) The governing body of the district  
29 shall be a Board of Commissioners which shall consist of seven  
30 members, each of whom shall be a resident of the district and  
31 appointed by the Governor. Except with respect to those

1 appointees who shall be appointed to serve terms ending on the  
2 dates specified herein, each commissioner shall be appointed  
3 for a term of 4 years. The appointments which must be made  
4 with respect to the four commissioners whose terms end in May  
5 of 1985 shall be made with two commissioners being appointed  
6 for terms ending May 23, 1986, and two commissioners being  
7 appointed for regular 4-year terms. With respect to the  
8 appointments which must be made for the three commissioners  
9 whose terms end in May 1987, two commissioners shall be  
10 appointed for regular 4-year terms and one commissioner shall  
11 be appointed for a term ending May 23, 1988.

12 (2) The Governor may suspend a commissioner pursuant  
13 to section 7, Article IV of the State Constitution. Each  
14 commissioner shall give bond to the Governor conditioned on  
15 the officer's faithful performance of the duties of his or her  
16 office, in the sum of \$5,000, with a surety company approved  
17 by the district and qualified to do business in Florida. The  
18 bond shall be approved and filed with the Clerk of the Circuit  
19 Court of Volusia County. The premiums on each bond shall be  
20 paid by the district.

21 Section 3. The district shall have all powers of a  
22 body corporate, including, but not limited to, the power to  
23 sue and be sued; to enter into contracts; to adopt and use a  
24 common seal; to establish corporations pursuant to chapter  
25 617, Florida Statutes, under the control of the district; to  
26 enter into capital or operating leases; and to acquire,  
27 purchase, hold, lease, and convey such real and personal  
28 property as may be proper or expedient to carry out the  
29 purposes of this act. The district shall have the power to  
30 employ a chief executive officer or such other agents and  
31 employees as it deems may be advisable to operate and manage

1 the district's facilities; to borrow money and issue notes,  
2 bonds, and other evidences of indebtedness to carry out the  
3 provisions of this act; to foster community redevelopment  
4 within the district through financial contribution with the  
5 community redevelopment trust fund; and to accept promissory  
6 notes and voluntary liens to evidence and secure payment for  
7 health care services rendered to patients whenever patients  
8 are unable to pay their bills in full when payment is due.

9 Section 4. Four of the commissioners shall constitute  
10 a quorum, but no action, except to recess or adjourn, shall be  
11 effective unless four of the commissioners concur therein. The  
12 Board of Commissioners shall keep true and accurate minutes  
13 and records of all business transacted by it. The minutes,  
14 records, and books of account shall at all reasonable times be  
15 open and subject to inspection and copying by the public,  
16 pursuant to section 119.07, Florida Statutes.

17 Section 5. The district may establish, construct,  
18 operate, and maintain such hospitals, medical facilities, and  
19 other health care facilities and services as are necessary.  
20 The hospitals, medical facilities, and other health care  
21 facilities and services shall be established, constructed,  
22 operated, and maintained by the district for the preservation  
23 of the public health, for the public good, and for the use of  
24 the public of the district. Maintenance of such hospitals,  
25 medical facilities, and other health care facilities and  
26 services in the district is hereby found and declared to be a  
27 public purpose and necessary for the general welfare of the  
28 residents of the district.

29 Section 6. The district shall have the power of  
30 eminent domain, and it may condemn and acquire any real or  
31 personal property within the district which the board may deem

1 necessary for the use of the district. The power of  
2 condemnation shall be exercised in the same manner as is now  
3 or may be provided by general law for the exercise of the  
4 power of eminent domain by counties of the state, including  
5 the right to take possession and title in advance of final  
6 judgment under the procedures set forth in chapter 74, Florida  
7 Statutes.

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

10 (1) The district may borrow money and execute  
11 promissory notes having a term of up to 7 years and may enter  
12 into credit purchase agreements having a term of up to 7  
13 years. The district may determine with respect to such notes  
14 or credit purchase agreements the initial principal amounts  
15 and may set terms and rates of interest.

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

20 (3) The district may form both not-for-profit and  
21 for-profit corporations. The for-profit corporations may only  
22 engage in health care-related activities. Only the  
23 not-for-profit corporations may be capitalized by the district  
24 and financially supported by the district. Neither the  
25 district nor a not-for-profit corporation formed by the  
26 district may capitalize for-profit corporations, but this  
27 shall not prohibit the district or its not-for-profit  
28 corporations from entering good faith agreements to receive  
29 from such for-profit corporations services, goods, and  
30 facilities, as long as the charge for such services, goods,  
31 and facilities is at fair market value. The district shall not

1 hold in its name corporate stock issued by any for-profit  
2 corporation established by the district, but the stock of such  
3 for-profit corporations may be held by a not-for-profit  
4 corporation established by the district or by a third party in  
5 trust for the district under a written trust agreement.

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

10 (a) Any assets of the not-for-profit corporation which  
11 are provided by the district are not liened, collateralized,  
12 mortgaged, subject to a security interest, or otherwise put at  
13 risk.

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

17 (c) The district itself is not directly involved as a  
18 shareholder, joint venturer, or partner. The fact that a  
19 corporation established by the district is a shareholder,  
20 joint venturer, or other type of participant in a business or  
21 cooperative project shall not, alone, subject that business or  
22 cooperative project to requirements of chapter 119, Florida  
23 Statutes, or chapter 286, Florida Statutes.

24 (5) The district may issue tax anticipation notes and  
25 neither validation proceedings nor referendum approval is  
26 necessary with respect to tax anticipation notes with a  
27 maturity date not more than 12 months after their date of  
28 issuance.

29 (6) The district shall maintain commercial insurance,  
30 establish a risk retention program consisting of  
31 self-insurance plans, or utilize a combination of commercial

1 insurance and self-insurance plans to protect against those  
2 risks of less commonly insured against by businesses and  
3 organizations carrying out the health care functions provided  
4 by the district. Such commercial insurance and/or  
5 self-insurance plans shall be in such amounts as deemed  
6 prudent under the circumstances by the district's insurance  
7 consultant. The district may develop a risk retention program  
8 consisting of separate self-insurance plans for the following  
9 risks: general liability, errors and omissions, medical  
10 professional liability, including the district's "shared risk"  
11 of joint and several liability with medical physicians,  
12 workers' compensation, and employee medical benefits.

13 (7) Each self-insurance plan established or sponsored  
14 by the district shall be funded on an annual basis in an  
15 amount at least equal to that sum jointly established by the  
16 hospital's CEO and the district's insurance consultant as  
17 needed to maintain the plan's solvency for the applicable plan  
18 year. In making such determination, the insurance consultant  
19 and the CEO shall include "incurred but not reported" claims  
20 in the reserves against claims. The self-insurance plans  
21 within the risk retention program may be established and  
22 funded utilizing a single trust as long as the cost of risk  
23 for each self-insurance plan is separately accounted for and  
24 reported. If necessary or beneficial for legal or actuarial  
25 purposes, the separate self-insurance plans within the risk  
26 retention program may be established utilizing separate trusts  
27 or separate not-for-profit corporations.

28 (8) Protecting the district and its assets through  
29 commercial insurance or through a risk retention program  
30 consisting of self-insurance plans or through a combination of  
31 commercial insurance and self-insurance plans is an essential

1 governmental function. The fact that hospital employees, their  
2 beneficiaries, or other third parties receive incidental  
3 benefits as a result of the commercial insurance or  
4 self-insurance plans purchased, established, or sponsored by  
5 the district shall not be a basis for asserting such  
6 commercial insurance or such plan within the risk retention  
7 program is not primarily for the benefit of the district or is  
8 not an essential governmental function as long as any third  
9 party receiving such incidental benefit pays its fair and  
10 equitable share of the district's total costs for insuring or  
11 self-insuring the risks.

12 (9) Nothing herein shall be interpreted as prohibiting  
13 the district from purchasing other commercial insurance or  
14 establishing or sponsoring other self-insurance plans under  
15 its risk retention program.

16 Section 8. (1) The district may, by resolution of the  
17 board, authorize the issuance of bonds for the purposes set  
18 forth in this act, and for the acquisition and development of  
19 real property, including appurtenances, fixtures, and  
20 equipment, and for major repairs or renovations to real  
21 property which significantly extend its useful life or change  
22 its function, and for any necessary operating capital outlay  
23 to furnish and operate a new or improved facility. The bonds  
24 may be revenue bonds payable from ad valorem taxes, or bonds  
25 payable from a combination of the two; provided, however, that  
26 no bonds either pledging the full faith and credit of the  
27 district, or pledging the taxing power thereof, except  
28 refunding bonds issued at a lower net average interest cost  
29 rate, shall be issued unless the issuance has been approved in  
30 a referendum by a majority vote of the electors of the

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1 district voting on the question. Nothing herein shall limit  
2 any rights the district has or may have under general law.  
3 (2) Pursuant to resolution of the board, such bonds  
4 may:  
5 (a) Be issued in either coupon or registered form or  
6 both.  
7 (b) Have dates of maturity not exceeding 40 years  
8 after the date of issuance.  
9 (c) Bear interest at a rate to be determined by the  
10 board.  
11 (d) Provide for registration of coupon bonds and  
12 conversion and reconversion of bonds from coupon to registered  
13 form or from registered form to coupon form.  
14 (e) Provide for payment at maturity and redemption  
15 prior to maturity at specified times and prices.  
16 (f) Be payable at specified places within or without  
17 the state.  
18 (3) Bonds shall be signed by such officers of the  
19 board or district as shall be required by resolution of the  
20 board. The signatures may be manual or facsimile signatures,  
21 but at least one of the signatures shall be a manual  
22 signature. The coupons shall be signed with the facsimile  
23 signatures of such officials of the board as the board shall  
24 determine. In case any officer whose signature or facsimile of  
25 whose signature appears on any bonds or coupons ceases to be  
26 such officer before delivery of the bonds or coupons, his or  
27 her signature or facsimile signature shall nevertheless be  
28 valid and sufficient for all purposes as fully and to the same  
29 extent as if he or she had remained in office until delivery.  
30 (4) All bonds shall be exempt from all state, county,  
31 and city taxation.

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

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

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

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

14           1. Notice of the sale shall be published at least once  
15 at least 10 days prior to the date of sale in one or more  
16 newspapers or financial journals published within or without  
17 the state and shall contain such terms as the board shall deem  
18 advisable and proper under the circumstances; provided that if  
19 no bids are received at the time and place called for by the  
20 notice of sale, or if all bids received are rejected, the  
21 bonds may again be offered for sale upon a shorter period of  
22 reasonable notice provided for by resolution of the board.

23           2. All bids for the purchase of any bonds offered for  
24 sale by the board shall be opened in public. Such bonds shall  
25 be awarded by resolution of the board to the bidder offering  
26 to purchase such bonds at the lowest net interest cost, such  
27 cost to be determined by deducting the total amount of premium  
28 bid from or adding the total amount of discount bid to the  
29 aggregate amount of interest which will accrue on such bonds  
30 until their respective maturities, without reference to any  
31 provisions for prior redemption of such bonds.

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

7           (7) No bonds shall be issued by the district unless  
8 the face or reverse thereof contains a certificate, executed  
9 either manually or with the facsimile signature of the  
10 secretary or assistant secretary of the board or district, to  
11 the effect that the issuance of such bonds has been approved  
12 under the provisions of this act by the board. The certificate  
13 shall be conclusive evidence as to approval of the issuance of  
14 such bonds by the district and that the requirements of this  
15 act and all of the laws relating to such bonds are in full  
16 compliance.

17           (8) The district, by resolution of its board, shall  
18 have the authority to issue bond anticipation notes in the  
19 name of the district in anticipation of the receipt of the  
20 proceeds of the bonds in the same manner and subject to the  
21 same limitations and conditions provided by section 215.431,  
22 Florida Statutes. The rights and remedies which they would  
23 have if they were the holders of the definitive bonds in  
24 anticipation of which they are issued, and all of the  
25 covenants, agreements, or other proceedings relating to the  
26 definitive bonds in anticipation of which such bond  
27 anticipation notes are issued shall be a part of the  
28 proceedings relating to the issuance of the notes as fully and  
29 to the same extent as if incorporated verbatim herein.

30           (9) Prior to the preparation of definitive bonds, the  
31 district, pursuant to resolution of its board, may issue

1 interim receipts or temporary bonds, with or without coupons,  
2 exchangeable for definitive bonds when such bonds have been  
3 executed and are available for delivery under such terms and  
4 conditions as the board shall deem advisable. The resolution  
5 may also provide for the replacement of any bonds which shall  
6 become mutilated or be destroyed, stolen, or lost under such  
7 terms and conditions as the board shall deem advisable.

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

11 Section 9. (1) Prior to the issuance of full faith  
12 and credit bonds, the Board of Commissioners shall determine  
13 the amount which, in the opinion of the board, will be  
14 necessary to be raised annually by taxation for the payment of  
15 the debt service on all such outstanding bonds and all such  
16 bonds proposed to be issued. Subject to the millage  
17 limitations authorized by law, the district shall provide for  
18 the levy and collection annually of a sufficient tax upon all  
19 the taxable property in the district to make the debt service  
20 payments on the bonds and debt service on notes, for expenses  
21 of operation, maintenance, construction, improvements, and  
22 repair of the hospitals or clinics, and for the payment of any  
23 indebtedness or other necessary expenses in carrying out the  
24 business of the district.

25 (2) The millage for the taxes assessed and levied  
26 against the taxable property within the district for the  
27 payment of debt service, including interest and principal of  
28 the bonds and notes issued by the district and for the  
29 operation, maintenance, improvement, and repair of the  
30 hospitals, medical facilities, clinics, or outpatient  
31 facilities and services, including, but not limited to,

1 providing care to the indigent as provided in this act, or for  
2 the payment of any outstanding indebtedness authorized by this  
3 act, or for the payment of other necessary expenses in  
4 carrying on and transacting the business of the district,  
5 shall not exceed 4 mills on all the nonexempt property within  
6 the district, unless authorized by law and approved by a  
7 majority vote of the electors of the district voting on the  
8 issue.

9 Section 10. The Board of Commissioners, the Chief  
10 Executive Officer, and the Chief Fiscal Officer of the  
11 district are hereby authorized to sign checks and warrants of  
12 the district by facsimile signature, and to use and employ  
13 facsimile signature machines for that purpose. The stamping,  
14 printing, or lithographing of facsimile signatures of the  
15 Chief Executive Officer and Chief Fiscal Officer shall  
16 constitute sufficient signatures in compliance with Florida  
17 Statutes as to the withdrawal of district funds from a  
18 depository.

19 Section 11. The levy of the taxes authorized by any  
20 provision of this act shall be pursuant to a resolution of the  
21 board. Certified copies of the resolution executed in the name  
22 of the board by its chair, under its corporate seal, shall be  
23 made and delivered to the County Council of Volusia County,  
24 and to the Department of Revenue in the same manner and within  
25 the same time period as required of counties pursuant to  
26 general law. The County Council of Volusia County shall  
27 require the Director of the Finance Department of the county  
28 to collect the amount of taxes so assessed or levied by the  
29 district upon the nonexempt property in the district, at the  
30 rate of taxation as fixed, levied, and adopted by the Board of  
31 Commissioners of the district for the year and included in the

1 warrant of the Property Appraiser and attached to the  
2 assessment roll of taxes for the county each year. The  
3 Director of the Finance Department of Volusia County shall  
4 collect the tax as levied by the district in the same manner  
5 as other taxes are collected, and he or she shall remit the  
6 taxes collected to the district within the time and in the  
7 manner prescribed by law for the collection and handling of  
8 county taxes to the county depository. All revenues so  
9 collected shall be held, used, invested, and disbursed by the  
10 district as provided in this act or as otherwise provided by  
11 law.

12 Section 12. The district is authorized to pay from the  
13 funds of the district all expenses necessarily incurred in the  
14 formation of the district and all other reasonable and  
15 necessary expenses, including, but not limited to, those  
16 expenses of the type normally incurred in the establishment,  
17 operation, repair, maintenance, expansion, and diversification  
18 of a modern integrated system for the delivery of health care  
19 services consisting of hospitals, clinics, health maintenance  
20 organizations, ambulatory care facilities, managed care  
21 facilities, other alternative delivery systems,  
22 self-insurance, risk retention programs, captive insurance  
23 companies, and support organizations. This section shall not  
24 be construed to restrict any of the powers vested in the  
25 district by any other provision of this act or any provision  
26 of general law.

27 Section 13. (1) The district shall create two  
28 separate revenue accounts. One account shall be the Ad Valorem  
29 Tax Revenue Account which shall be a separate account into  
30 which all ad valorem tax revenues are deposited, and the other  
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1 account shall be the General Revenue Account into which all  
2 other district revenues are deposited.

3 (2) Each corporation established and controlled by the  
4 district shall utilize a bookkeeping and financial management  
5 system which identifies all of that corporation's revenues  
6 generated through operation of those assets which were  
7 obtained with ad valorem tax revenues.

8 (3) Annually the board shall publish in a newspaper of  
9 general circulation published in the district an audited  
10 consolidated financial statement of the district and its  
11 corporations. Such financial statements shall be prepared  
12 according to generally accepted accounting principles, shall  
13 specifically include a combined balance sheet and a combined  
14 statement of revenues and expenses, and shall show a complete  
15 statement of the financial conditions of the district as of  
16 the end of the fiscal year.

17 Section 14. The hospitals, medical facilities,  
18 clinics, and outpatient facilities established under this act  
19 or by a not-for-profit corporation formed by the district  
20 shall provide either independently or in cooperation with each  
21 other and/or in cooperation with the Volusia County Public  
22 Health Care Unit an appropriate location or locations for the  
23 delivery of quality hospital care and related services and  
24 treatment to patients who are determined according to criteria  
25 established by the board to be medically indigent. Persons so  
26 determined to be medically indigent shall receive such  
27 services at the locations established by the district or by a  
28 not-for-profit corporation formed by the district either for  
29 no charge or alternatively for a reduced charge according to  
30 the same sliding scale used by the Volusia County Health  
31 Department. Each hospital, medical facility, clinic, and

1 outpatient facility established under this act shall collect  
2 such charges as the district may from time to time establish  
3 for hospital care, outpatient care, and related services and  
4 treatment. Except as is otherwise required by law or by  
5 agreement with the Volusia County Health Department, the  
6 district's ad valorem tax revenues shall be used to fund  
7 medical services to indigent persons only if such services are  
8 provided at facilities owned by the district or at facilities  
9 in which the district or a corporation established by the  
10 district holds an ownership interest. The district may extend  
11 the use of hospitals, clinics, and medical facilities of the  
12 district to nonresidents upon such terms and conditions as the  
13 district may from time to time by its rules provide. The  
14 medically indigent residents of the district wherein such  
15 hospital and clinic are located shall have priority to  
16 admission and outpatient services.

17 Section 15. It is intended that the provisions of this  
18 act shall be liberally construed in order to accomplish the  
19 purposes of the act. Where strict construction of this act  
20 would result in the defeat of the accomplishment of any of the  
21 purposes of this act, and a liberal construction would permit  
22 or assist in the accomplishment thereof, the liberal  
23 construction shall be chosen.

24 Section 16. All property, real and personal, of the  
25 Halifax Hospital Medical Center, a special tax district in  
26 Volusia County, and all property, both real and personal, of  
27 the Board of Commissioners of the special tax district are  
28 hereby exempted from taxation pursuant to chapter 196, Florida  
29 Statutes.

30 Section 17. The books and records of the district  
31 shall be audited annually by an independent certified public

1 accountant. The Governor of the State of Florida may, when in  
2 his or her judgment it is necessary, direct the Auditor  
3 General to audit the books and records of the district.

4 Section 18. The district is authorized to:

5 (1) Provide and pay all or any part of the insurance  
6 expenses or premiums on its respective employees' insurance or  
7 self-insurance covering injuries received by such employees  
8 after working hours or covering illness of such employees and  
9 their dependents.

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

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

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

17 (5) Incur and pay reasonable expenditures for travel,  
18 physician recruiting, employee recruiting, hospitality,  
19 education, and marketing related to the furtherance of the  
20 district's objectives.

21 Section 19. (1) All purchases of supplies,  
22 commodities, equipment, and materials as well as the leasing  
23 of equipment for use in the operation and maintenance of the  
24 district, and all contracts for work, construction, repair, or  
25 replacement of buildings or other capital improvements to the  
26 district's property, the cost of which is in excess of  
27 \$10,000, shall be made or let by the district by contract to  
28 the lowest responsible bidder according to the written  
29 specifications previously prescribed therefor, and after  
30 publication in a newspaper of general circulation within the

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1 district, 1 day a week for 2 consecutive weeks, of an  
2 advertisement or notice calling for or inviting such bids.

3 (2) As an alternative to the procedure prescribed in  
4 subsection (1), whenever it reasonably appears to the Board of  
5 Commissioners of the district that by reason of an emergency  
6 or other unusual condition the compliance with the bidding  
7 procedure prescribed in subsection (1) would be detrimental to  
8 the interest of the district or its patients, or it appears to  
9 the Board of Commissioners that such supplies, commodities,  
10 equipment, and materials, and the leasing of equipment for the  
11 use in the operation or maintenance of the district are  
12 obtainable from only one source or supplier, the Board of  
13 Commissioners of the district may by appropriate resolution  
14 identify such emergency, unusual condition, or sole source  
15 situation and authorize the purchase, lease agreement, or  
16 contract without complying with the procedure prescribed in  
17 subsection (1).

18 (3) The bidding requirements in subsection (1) shall  
19 not apply to prosthetic devices, pacemakers, or other  
20 surgically implanted devices or materials if the delay  
21 incident to complying with such bidding requirements could  
22 adversely affect patient care or could cause the patient to  
23 elect to have the implant surgery performed at a private  
24 hospital which is not bound by such bidding requirements.

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

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

4           (b) The lowest bidder refuses to enter into a contract  
5 which prohibits the contractor from claiming delay damages, in  
6 which case the district may contract with any qualified  
7 general contractor for the district's choice on the condition  
8 that the contract with such contractor prohibits the  
9 contractor claiming delay damages and the contract price does  
10 not exceed the bid from the lowest responsible bidder by more  
11 than 5 percent.

12           Section 20. (1) The Board of Commissioners may  
13 designate an organization as a Halifax Hospital Medical Center  
14 direct-support organization to provide assistance, funding,  
15 and support to the board in carrying out its powers and  
16 duties. For the purposes of this section, "Halifax Hospital  
17 Medical Center direct-support organization" means an  
18 organization which:

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

21           (b) Is organized and operated exclusively to receive,  
22 hold, invest, and administer property and to make expenditures  
23 to, or for the benefit of, Halifax Hospital Medical Center,  
24 except that the organization may not receive funds from the  
25 board by grant, gift, or contract unless specifically  
26 authorized by the Legislature.

27           (c) Provides equal employment opportunities to all  
28 persons regardless of race, color, national origin, sex, age,  
29 or religion.

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

4           (2) The Board of Commissioners shall prescribe, by  
5 rule, procedures by which the Halifax Hospital Medical Center  
6 direct-support organization is to be governed and any  
7 conditions with which the organization must comply in order to  
8 use property, facilities, or personal services of the district  
9 without charge. "Personal services" include the services of  
10 full-time personnel and the services of part-time personnel.

11 The rules shall provide:

12           (a) That the articles of incorporation and procedures  
13 for the governance of the direct-support organization must be  
14 approved by the board.

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

17           (c) That the chair of the Board of Commissioners or  
18 his or her designee must certify, after an annual financial  
19 and performance review, that the direct-support organization  
20 is operating in compliance with the provisions of the rules  
21 and in a manner consistent with the goals of the board and in  
22 the best interests of the state. Such certification shall be  
23 made to the board annually and reported in the official  
24 minutes of a meeting of the board.

25           (d) For procedures to be followed to revoke the  
26 designation of the nonprofit organization as a direct-support  
27 organization and for procedures for the reversion to the state  
28 of funds held in trust by the direct-support organization if  
29 such designation is revoked or, after notice of such  
30 revocation, procedures for expenditure of such funds for  
31 purposes approved by the board.

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

4           (3) Before taking office, each member of the governing  
5 board of the Halifax Hospital Medical Center direct-support  
6 organization must be approved by the Board of Commissioners.  
7 The chair of the Board of Commissioners, or a board member  
8 designated by the chair, shall serve as a member of the  
9 governing board and of the executive committee of the  
10 direct-support organization.

11           (4) The Halifax Hospital Medical Center direct-support  
12 organization shall provide for an annual financial and  
13 compliance audit of its accounts and records, to be conducted  
14 by an independent certified public accountant in accordance  
15 with rules adopted by the Board of Commissioners. The annual  
16 audit report shall include a management letter and shall be  
17 filed as a public record with the district. The Board of  
18 Commissioners and the Auditor General may request, and shall  
19 receive from the direct-support organization or its auditor,  
20 any detail or supplemental data which relates to the operation  
21 of the organization.

22           (5) Meetings of the Halifax Hospital Medical Center  
23 direct-support organization are public meetings and shall be  
24 conducted in accordance with section 286.011, Florida  
25 Statutes. Records of the direct-support organization, except  
26 for records which identify donors or potential donors to the  
27 direct-support organization and which shall be confidential,  
28 are public records for the purposes of chapter 119, Florida  
29 Statutes. The confidentiality of records which identify  
30 donors or potential donors to the direct-support organization  
31 shall be maintained in the auditor's report.

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

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

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

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

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