

**HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS**

**BILL #:** HB 581 w/CS Madison County Hospital/Codification  
**SPONSOR(S):** Kendrick  
**TIED BILLS:** **IDEN./SIM. BILLS:**

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<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1) <u>Local Affairs (Sub)</u>	<u>7 Y, 0 N</u>	<u>Sheheane</u>	<u>Highsmith-Smith</u>
2) <u>Local Government &amp; Veterans' Affairs</u>	<u>16 Y, 0 N w/CS</u>	<u>Sheheane</u>	<u>Highsmith-Smith</u>
3) <u>Judiciary</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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**SUMMARY ANALYSIS**

This bill codifies all prior special acts relating to the Madison County Hospital District into one single act. According to the bill's sponsor, this bill is intended to enhance the efficiency of the delivery of hospital services to residents of the Madison County Hospital District. The bill provides language relating to the powers of the District. The bill also makes other changes that do not appear to alter the effect of existing law pertaining to the District.

According to the Economic Impact Statement, there are no new, increased, or decreased revenues as a result of the bill.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h0581b.lgv.doc  
**DATE:** April 8, 2003

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

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

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

#### B. EFFECT OF PROPOSED CHANGES:

This bill codifies all prior special acts relating to the Madison County Hospital District into one single act. According to the bill’s sponsor, this bill is intended to enhance the efficiency of the delivery of hospital services to residents of the Madison County Hospital District. The bill provides language relating to the powers of the District. The bill also makes other changes that do not appear to alter the effect of existing law pertaining to the District.

#### **Codification**

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

Codification of special district charters was initially authorized by the 1997 Legislature and is codified in section 189.429, F.S. and s. 191.015, F.S. The 1998 Legislature subsequently amended both sections of statute. Current law provides for codification of all special district charters by December 1, 2004. The 1998 law allows for the adoption of the codification schedule provided for in an October 3, 1997, memorandum issued by the Chair of the Committee on Community Affairs. Any codified act relating to a special district must provide for the repeal of all prior special acts of the Legislature relating to the district. Additionally, the 2001 Legislature amended section 189.429, Florida Statutes to provide that reenactment of existing law pursuant to section 189.429: (1) shall not be construed to grant additional authority nor to supercede the authority of an entity; (2) shall continue the application of exceptions to law contained in special acts reenacted pursuant to the section; (3) shall not be construed to modify, amend, or alter any covenants, contracts, or other obligations of any district with respect to bonded indebtedness; and (4) shall not be construed to affect a district’s ability to levy and collect taxes, assessments, fees, or charges for the purpose of redeeming or servicing the district’s bonded indebtedness.

#### **Status Statement Language**

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

C. SECTION DIRECTORY:

**Section 1:** Constitutes the codification of all special acts relating to the district.

**Section 2:** Codifies, reenacts, amends, and repeals all prior acts relating to the Madison County Hospital District.

**Section 3:** The charter for the Madison County Hospital District is re-created and reenacted to read:

Article I

Provides that this district is established for all purposes set forth in this act and chapter 189, F.S., as they may be amended from time to time.

Article II

Provides that the District is an independent, special District of the state and Madison County pursuant to this act and chapter 189, F.S.

Article III

Provides the official name for the District.

Article IV

Maintains the boundaries of the District.

Article V

Section 1: Maintains the purpose of the District.

Section 2: Maintains that the District exercises proper public purpose.

Article VI

Section 1: Maintains that the District is governed by a seven member board.

Section 2: Maintains that the board shall serve without compensation.

Section 3: Maintains that the board of members will be appointed by the governor.

Section 4: Maintains that each board member is to give bond as a county official.

Section 5: Maintains that the board will select designated officers.

Section 6: Maintains that the board is to hold meetings no less than once each month.

Section 7: Maintains that a majority of the board will constitute a quorum.

Article VII

Section 1: Maintains that the District is authorized to carry on the governmental and proprietary business of the District, including the power:

(a) To organize itself into a working body.

(b) To construct and maintain a public hospital.

- (c) To construct and maintain other health care facilities including a geriatrics center and a nursing home.
- (d) To engage in any public health or public hospital program.
- (e) To accept donations from any source.
- (f) To spend money for District purposes.
- (g) To adopt a plan for personnel.
- (h) To enter into contract agreements.
- (i) To enter into interlocal agreements.
- (j) Provides new language stating that the District may cooperate with the medical college of Florida State University or any other Florida medical college.
- (k) Provides that the District may sue and be sued in the name of the District.
- (l) To borrow money and to issue bonds.
- (m) To apply for and use grants or loans.
- (n) To adopt rules and resolutions in order to fulfill the purposes of the District.
- (o) To maintain management as the board may designate within the country.
- (p) To acquire real or personal property.
- (q) Provides that the District may lease, as lessor or lessee, real or personal property.
- (r) To raise by user charges or fees amounts of money necessary for the conduct of district activities.
- (s) Provides the District the power to exercise the right of eminent domain.
- (t) To supply services to the indigent without fee.
- (u) To invest monies received by the District.
- (v) To procure necessary insurance for the District.
- (w) To establish independent entities for purposes that the board deems necessary.
- (x) Provides language for the District to participate in health related programs.
- (y) To contract with a non profit corporation. This section provides language that the contract must provide as follows:
  - (1) That the corporation's bylaws and articles of incorporation are subject to the approval of the board.
  - (2) That the corporation is qualified under section 501 (c) (3) of the Internal Revenue Code of 1986.
  - (3) For the orderly transition of the District's facilities' operation and maintenance to the corporation.

- (4) For the orderly transfer of employees from board employment to corporate employment.
- (5) For the prompt return of the operation of the District facilities from the corporation.
- (6) That the District is not responsible for the debts or other obligations of the corporation.
- (7) That the corporation and the District will not commingle any of their funds.
- (8) The corporation will not participate in the decision making process of the District.
- (z) Any such contracts may provide as follows:
  - (1) That the corporation is primarily acting as an agency of the District.
  - (2) That the members of the board will be the directors of the corporation.
  - (aa) To exercise all powers necessary to implement its purpose.
  - (bb) To exercise all powers necessary to implement the purpose of the District.

Section 2: The provisions of this act are to be construed liberally.

#### Article VIII

Section 1: The budgets of the District are to be kept separate from the budgets of the public hospital, nursing home, or geriatrics center.

Section 2: The board retains all the fees and charges for services rendered.

Section 3: The board prepares an itemized budget for the upcoming fiscal year.

Section 4: In order to fund the District, the Board of County Commissioners of Madison County will pay the board the first \$12,500 pursuant to chapter 550, F.S.

Section 5: This section provides new language stating that in order to fund the District, the Board of County Commissioners of Madison County and the governing body of any municipality located wholly or partially in the District may:

- (a) Appropriate and pay over to the District funds from its general fund.
- (b) Borrow money and issue bonds.
- (c) Apply for and use grants or loans of money.
- (d) Provide any service to the District with or without charge.
- (e) Initiate any program by appropriating necessary funds.

Section 6: The accounts and records of the District will be audited as provided by law.

#### Article IX

Section 1: This section provides new language relating to liens for all reasonable health care charges incurred.

Section 2: Provides language relating to filing a claim for health services in order to perfect a lien.

Section 3: Provides that the Clerk of the Circuit Court of Madison County is to endorse the claim on the hour and date of filing.

Section 4: Provides that no release of any suit or claim will be valid against a lien unless the lienholder agrees to the release of the lien.

Section 5: Provides that the provisions of this act are not applicable to accidents or injuries within the purview of the workers' compensation laws of this state.

#### Article X

Section 1: Provides that ownership of all property, real or personal, previously owned by the governmental entities created or controlled by chapters 24673 (1947), 27689 (1951), 65-1867, 67-1658, 67-1659, 69-1273, 70-790, 70-791, and 82-320, Laws of Florida, are vested in the District.

Section 2: Maintains language detailing the real property owned by the District.

Section 3: This Article is not to be construed to affect any rights of ownership of property, real or personal, held by nongovernmental entities.

#### Article XI

Section 1: Provides for severability.

**Section 4:** Repeals all prior special acts relating to the Madison County Hospital District.

**Section 5:** This act shall take effect upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? January 29, 2003

WHERE? The Madison County Carrier, Madison County, Florida

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. Drafting Issues

None.

Other Comments

None.

### IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES

In their meeting on April 8, 2003, the Committee on Local Government & Veterans' Affairs voted to adopt a CS for the bill. The CS differs from the original bill in that it corrects a numbering mistake and removes the supremacy clause. A subsequent review of amendment number 1 reveals the numbering was not incorrect. Thus, this renumbering is not necessary.