

HB 0583 2003 **CS**

CHAMBER ACTION

The Committee on Local Government & Veterans' Affairs recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

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

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

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

212.055 Discretionary sales surtaxes; legislative intent; authorization and use of proceeds.—It is the legislative intent that any authorization for imposition of a discretionary sales surtax shall be published in the Florida Statutes as a subsection of this section, irrespective of the duration of the levy. Each enactment shall specify the types of counties authorized to levy; the rate or rates which may be imposed; the

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maximum length of time the surtax may be imposed, if any; the procedure which must be followed to secure voter approval, if required; the purpose for which the proceeds may be expended; and such other requirements as the Legislature may provide. Taxable transactions and administrative procedures shall be as provided in s. 212.054.

- (7) VOTER-APPROVED INDIGENT CARE SURTAX.--
- (a) $\underline{1}$. The governing body in each county that has a population of less than 800,000 residents may levy an indigent care surtax pursuant to an ordinance conditioned to take effect only upon approval by a majority vote of the electors of the county voting in a referendum. The surtax may be levied at a rate not to exceed 0.5 percent, except that if a publicly supported medical school is located in the county, the rate shall not exceed 1 percent.
- 2. Notwithstanding subparagraph 1., the governing body of any county that has a population of fewer than 30,000 residents may levy an indigent care surtax pursuant to an ordinance conditioned to take effect only upon approval by a majority vote of the electors of the county voting in a referendum. The surtax may be levied at a rate not to exceed 1 percent.
- approval in a referendum, a statement that includes a brief and general description of the purposes to be funded by the surtax and that conforms to the requirements of s. 101.161 shall be placed on the ballot by the governing body of the county. The following questions shall be placed on the ballot:



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FOR THE...CENTS TAX

AGAINST THE...CENTS TAX

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(c)1. The ordinance adopted by the governing body providing for the imposition of the surtax must set forth a plan for providing health care services to qualified residents, as defined in paragraph (d). The plan and subsequent amendments to it shall fund a broad range of health care services for indigent persons and the medically poor, including, but not limited to, primary care and preventive care, as well as hospital care. It shall emphasize a continuity of care in the most cost-effective setting, taking into consideration a high quality of care and geographic access. Where consistent with these objectives, it shall include, without limitation, services rendered by physicians, clinics, community hospitals, mental health centers, and alternative delivery sites, as well as at least one regional referral hospital where appropriate. It shall provide that agreements negotiated between the county and providers shall include reimbursement methodologies that take into account the cost of services rendered to eligible patients, recognize hospitals that render a disproportionate share of indigent care, provide other incentives to promote the delivery of charity care, and require cost containment, including, but not limited to, case management. The plan must also include innovative health care programs that provide cost-effective alternatives to traditional methods of service delivery and funding.

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2. In addition to the uses specified or services required to be provided under this subsection, the ordinance adopted by a



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county that has a population of fewer than 30,000 residents may pledge surtax proceeds to service new or existing bond indebtedness incurred to finance, plan, construct, or reconstruct a public or not-for-profit hospital in such county and any land acquisition, land improvement, design, or engineering costs related to such hospital, if the governing body of the county determines that a public or not-for-profit hospital existing at the time of issuance of the bonds authorized under this subparagraph would, more likely than not, otherwise cease to operate. The plan required under this paragraph may, by an extraordinary vote of the governing body of such county, provide that some or all of the surtax revenues and any interest earned must be expended for the purpose of servicing such bond indebtedness. Such county may also use the services of the Division of Bond Finance of the State Board of Administration pursuant to the State Bond Act to issue bonds under this subparagraph. A jurisdiction may not issue bonds under this subparagraph more frequently than once per year. Any county that has a population of fewer than 30,000 residents at the time any bonds authorized in this subparagraph are issued retains the authority granted under this subparagraph throughout the terms of such bonds, including the term of any refinancing bonds, regardless of any subsequent increase in population which would result in such county having 30,000 or more residents.

- (d) For the purpose of this subsection, "qualified residents" means residents of the authorizing county who are:
- 1. Qualified as indigent persons as certified by the authorizing county;



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

- 3. Participating in innovative, cost-effective programs approved by the authorizing county.
- (e) Moneys collected pursuant to this subsection remain the property of the state and shall be distributed by the Department of Revenue on a regular and periodic basis to the clerk of the circuit court as ex officio custodian of the funds of the authorizing county. The clerk of the circuit court shall:
- 1. Maintain the moneys in an indigent health care trust fund.
- 2. Invest any funds held on deposit in the trust fund pursuant to general law.
- 3. Disburse the funds, including any interest earned, to any provider of health care services, as provided in paragraphs (c) and (d), upon directive from the authorizing county.
- 4. Disburse the funds, including any interest earned, to service any bond indebtedness authorized in this subsection upon directive from the authorizing county, which directive may be irrevocably given at the time the bond indebtedness is incurred.



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

Section 2. This act shall take effect upon becoming a law.