

ENROLLED
HB 1599

2004 Legislature

A bill to be entitled

An act relating to the Highlands County Hospital District; codifying, pursuant to s. 189.429, F.S., special laws relating to the Highlands County Hospital District; codifying, reenacting, amending, and repealing chapters 61-2232, 72-553, 74-487, 78-519, 80-506, 81-384, 84-437, 85-420, 88-456, and 96-443, Laws of Florida; fixing and prescribing boundaries of the district; providing for its governing and administration; providing and defining powers and purposes of the district and its board of commissioners; authorizing the board to establish, contract for, lease, operate, and maintain any hospital it has established in the district; authorizing and providing for issuance and sale of district bonds; authorizing the board to borrow money and give notes therefor; authorizing and providing for levy and collection of taxes for payment of bonds and notes and interest thereon; providing for exercise of the power of eminent domain; authorizing establishment of hospital staff and a nursing school; providing for liability insurance; providing construction; providing severability; providing for the issuance of revenue bonds; authorizing the transfer of certain funds and limiting the uses thereof; providing an effective date.

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

Section 1. Pursuant to section 189.429, Florida Statutes, this act constitutes the codification of all special acts

ENROLLED

HB 1599

2004 Legislature

relating to the Highlands County Hospital District. It is the intent of the Legislature in enacting this law to provide a single, comprehensive special act charter for the district, including all current legislative authority granted to the district by its several legislative enactments and any additional authority granted by this act.

Section 2. Chapters 61-2232, 72-553, 74-487, 78-519, 80-506, 81-384, 84-437, 85-420, 88-456, and 96-443, Laws of Florida, are codified, reenacted, amended, and repealed as provided in this act.

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

Section 1. A dependent special district is created, incorporated, and codified to be known as the Highlands County Hospital District in Highlands County, which district shall embrace and include all of Highlands County. This act codifies the prior enabling act, chapter 61-2232, Laws of Florida, as amended.

Section 2. The governing body of the Highlands County Hospital District shall consist of five commissioners, not more than one of whom may be a member of the medical profession. All commissioners, who shall serve without compensation, must be qualified electors and freeholders residing in Highlands County for more than 1 year prior to appointment, one of whom must reside in county commissioner's district No. 1; one of whom must reside in county commissioner's district No. 2; one of whom must reside in county commissioner's district No. 3; one of whom must reside in county commissioner's district No. 4; and one of whom must reside in county commissioner's district No. 5. The body

ENROLLED

HB 1599

2004 Legislature

shall be known and designated as the Board of Commissioners of the Highlands County Hospital District. All commissioners shall be appointed by the Board of County Commissioners of Highlands County for a term of 4 years. The Board of County Commissioners of Highlands County may remove any member of the board of commissioners for cause and shall fill any vacancy that occurs therein for the remainder of the term in which the vacancy occurred. The members of the board of commissioners shall receive no salary, but each shall be paid the sum of \$120 a year as expense money; however, a member is not entitled to expense money unless he or she has attended 75 percent of the regular meetings held by the board during any year. A regular meeting of the board shall be held at least once each quarter. Each member shall give bond to the Board of County Commissioners of Highlands County for the faithful performance of his or her duties in the sum of \$5,000 with a surety company qualified to do business in this state as surety, which bond shall be approved and kept by the Clerk of the Circuit Court of Highlands County. If the secretary and treasurer is not a member of the board, he or she shall give a like bond of \$5,000 for the faithful performance of his or her duties. Premiums on bonds shall be paid as part of the expenses of the district.

Section 3. The Board of Commissioners of the Highlands County Hospital District has all the powers of a body corporate, including the power to sue and be sued under the name of the Highlands County Hospital District; to contract and be contracted with; to adopt and use a common seal and to alter it at pleasure; to acquire, purchase, hold, lease, mortgage, and convey such real and personal property as the board deems proper

ENROLLED

HB 1599

2004 Legislature

or expedient to carry out the purposes of this act; to appoint and employ a superintendent or matron or both, and such other agents and employees as the board deems advisable; to fix compensation of all employees and remove any appointees or employees; to insure the improvements, fixtures, and equipment against loss by fire, windstorm, or other coverage in such amounts as are determined reasonable and proper; and to borrow money and to issue evidence of indebtedness of the district therefor to carry out the provisions of this act in the manner provided in this act.

Section 4. There shall be a chair of the board of commissioners. The board may elect one of its members to serve as secretary and treasurer, or it may appoint some person not a member of the board to serve in that capacity. In the absence of the chair or his or her inability to act at any regular meeting, warrants may be signed by any other member of the board selected by the members present as chair pro tem. Three commissioners constitute a quorum, and a vote of at least two commissioners is necessary to the transaction of any business of the district. The commissioners shall cause true and accurate minutes and records to be kept of all business transacted by them and shall keep full, true, and complete books of account and minutes, which minutes, records, and books of account shall at all reasonable times be open and subject to inspection by inhabitants of the district. Any person desiring to do so may make or procure a copy of the minutes, records, or books of account, or such portions thereof as he or she may desire.

Section 5. The board of commissioners is authorized to establish, construct, lease, operate, and maintain any hospital

ENROLLED

HB 1599

2004 Legislature

as in its opinion is necessary for the use of the people of the district. The hospital shall be established, constructed, leased, operated, and maintained by the board of commissioners for the preservation of the public health, for the public good, and for the use of the public of the district, and maintenance of any hospital within the district is found and declared to be a public purpose and necessary for the preservation of the public health, the public use, and the welfare of the district and its inhabitants. The location of any hospital shall be determined by the board. The board may accept any and all gifts, loans, or advancements for the purchase of property, real or personal, for the construction of, equipping of, and maintenance of any hospital established by the board.

Section 6. The board of commissioners may at any time in its discretion establish and maintain in connection with such hospital and as part thereof a training school for nurses, and upon completion of a prescribed course of training, it shall give to nurses who have satisfactorily completed the course a diploma. The board of commissioners may adopt all rules necessary for the operation of a nurse's training school and make all necessary expenditures in connection therewith.

Section 7. The board has the power of eminent domain, and it may thereby condemn and acquire any real or personal property within the territorial limits of the district which the board deems necessary for the use of the district. Such power of condemnation shall be exercised in the same manner as is now provided by general law for the exercise of the power of eminent domain by cities and towns of this state.

ENROLLED

HB 1599

2004 Legislature

Section 8. The board of commissioners may, in order to provide for and carry out the work of this act, borrow money from time to time for periods of time not exceeding 20 years at any one time, and issue any notes of the district therefor upon such terms and upon such rates of interest not exceeding 8 percent per year as the board deems advisable and secure the payment of same by mortgage upon any property, real or personal, owned by the district. The board additionally may pledge as security for money borrowed by it, any moneys accruing to it or to accrue to it from any source, including revenues derived from the operation of the hospital and from any other funds legally available to the district; however, the aggregate amount of principal of moneys so borrowed upon the notes and mortgages of the district, shall not, at any one time, exceed the sum of \$750,000.

Section 9. The Board of Commissioners of the Highlands County Hospital District may issue bonds of the district of such form, denomination, and bearing such rate of interest not to exceed 6 percent per year, and becoming due not less than 5 nor more than 30 years from the date of issuance, in an amount not to exceed \$1 million of the total bonded indebtedness of the district, for the purpose of raising funds to establish, construct, operate, and maintain any hospital as in the board's opinion is necessary in the district. The board of commissioners may refund any and all previous issues of bonds for any and all lawful hospital purposes. All the proceeds derived from the sale of bonds or refunding bonds, exclusive of expenses, shall be deposited in a depository selected by the board.

ENROLLED

HB 1599

2004 Legislature

Section 10. Before the issuance of bonds, the board of commissioners shall, by resolution, determine the amount that in its opinion will be necessary to be raised annually by taxation for an interest and sinking fund with which to pay the interest and principal of the bonds; and the board shall provide for the levy and collection annually of a sufficient tax upon all the taxable property in the district, not exempt by law, to pay such interest and with which to provide and maintain a sinking fund for the payment of the principal of bonds.

Section 11. All bonds issued by the Board of Commissioners of the Highlands County Hospital District, except refunding bonds, revenue bonds, or certificates and anticipation time warrants, shall be issued only after they have been approved by the majority of the votes cast in an election in which a majority of the freeholders who are qualified registered electors in the district shall participate, which election shall be called and held by the board of commissioners, subject to reasonable rules adopted by the board. If it is determined to hold an election to decide whether a majority of the freeholders who are qualified electors are in favor of the issuance of bonds, the board of commissioners shall by resolution order an election to be held in the district, and shall give 30 days' notice of the election by publication in a newspaper of general circulation within the district once a week for 4 consecutive weeks during such period.

Section 12. Only registered electors of the district who are freeholders owning real property within the territorial limits of the district shall be permitted to vote at a bond election, and they may be required to submit proof by affidavit

ENROLLED

HB 1599

2004 Legislature

before the election official that they are freeholders owning property in the district and qualified as electors. For the purpose of determining the total number of qualified electors residing in the district who are freeholders and entitled to participate in such election, the board of commissioners shall prepare a list or file of the names of all qualified electors appearing upon the registration books of Highlands County who are determined to be freeholders residing in the district and qualified to vote in the election. Such lists or files shall be furnished to the inspectors or clerks of the election at each voting place, and such lists or files shall be prima facie evidence of the total number of qualified electors who are freeholders in the district and qualified to participate in the election. A person whose name does not appear upon such list or file may not be permitted to vote in such election; except that a qualified elector of a district whose name does not appear upon such file or list shall be permitted to vote upon taking a freeholder's oath before the clerk of the election and furnishing proof of his or her qualification as a freeholder.

Section 13. As far as practicable and where not inconsistent with the provisions of this act, the procedure outlined in chapter 100, Florida Statutes, providing the procedure for bond elections, shall govern.

Section 14. All bonds issued under this act shall be in the denomination of \$100 or some multiple thereof and shall bear interest not exceeding 6 percent per year, payable annually or semiannually, and both principal and interest shall be payable at such place as the governing authority determines. The form of such bonds shall be fixed by resolution of the board of

ENROLLED

HB 1599

2004 Legislature

commissioners and bonds shall be signed by the chair of the board and countersigned by the secretary of the board under the seal of the district. The coupons, if any, shall be executed by the facsimile signatures of the officers. The delivery at any subsequent date of any bond and coupon so executed shall be valid, although before the date of delivery the persons signing bonds or coupons cease to hold office.

Section 15. Bonds issued under this act may be either registered or coupon bonds. Coupon bonds may be registered as to principal in the holder's name on the books of the hospital district, the registration being noted upon the bonds, after which no transfer shall be valid unless made on such hospital district's books by the registered holder and similarly noted on the bonds. Bonds registered as to principal may be discharged from registration by being transferred to the bearer, after which they shall be transferable by delivery, but may be again registered as to principal as before. The registration of the bonds as to principal shall not restrain the negotiability of the coupons by delivery merely.

Section 16. Before any bonds of the Highlands County Hospital District are issued under this act, the board of commissioners shall investigate and determine the legality of the proceedings. The resolution authorizing the bonds may direct that they contain the following recital:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of Florida."

ENROLLED

HB 1599

2004 Legislature

Such recital shall be an authorized declaration by the governing authority of the district and shall import that there is constitutional and statutory authority for incurring the debts and issuing the bonds; that all the proceedings therefor are regular; that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the issuance of the bond have existed, happened, and been performed in due time, form, and manner, as required by law; and that the amount of the bond, together with all other indebtedness, does not exceed any limit prescribed by the constitution and statutes of this state. If any bond is issued containing the recital, it shall be conclusively presumed that the recital, construed according to the import declared in this section, is true, and the district shall not be permitted to question the validity or legality of the obligation in any court in any action or proceeding.

Section 17. In issuing bonds under this act, it is lawful for the board of commissioners to include more than one improvement or hospital purpose in any bond issue.

Section 18. All bonds issued under this act shall be advertised for sale on sealed bids, which advertisement shall be published once a week for 3 weeks, the first publication to be made at least 21 days preceding the date fixed for the reception of bids in a newspaper published in the hospital district. Notice of sale shall also be published once a week for 3 weeks preceding the date fixed for the reception of bids, either in a financial paper published in the City of New York, the City of Chicago, or the City of Baltimore, or in a newspaper of general circulation published in a city in Florida having a population

ENROLLED

HB 1599

2004 Legislature

of not fewer than 20,000 inhabitants according to the latest official decennial census. The board of commissioners may reject any and all bids. If the bonds are not sold pursuant to such advertisements, they may be sold by the board of commissioners at private sale within 60 days after the date advertised for the reception of sealed bids, but no private sale shall be made at a price less than the highest bid that has been received. If not so sold, bonds shall be readvertised in the manner prescribed in this act. No bonds issued under this act shall be sold for less than 95 percent of the par value and accrued interest.

Section 19. A resolution or proceeding in respect to the issuance of bonds is not necessary, except as required by this act. Publication of any resolution or proceeding relating to the issuance of bonds is not required, except as required by this act. Any publication prescribed in this act may be made in any newspaper conforming to the terms of this act without regard to the designation thereof as the official organ of the district. Bonds issued under this act shall have all the qualities of negotiable paper under the law merchant, shall not be invalid for any irregularly or defect in the proceeding for the issue and sale thereof, and shall be incontestable in the hands of bona fide purchasers or holders thereof for value.

Section 20. The Board of Commissioners of the Highlands County Hospital District may provide by resolution for the issuance of refunding bonds to refund principal and interest of an existing bond indebtedness, for the payment of which the credit of the hospital district is pledged, and such bonds may be issued at or prior to maturity of the bonds to be refunded. Such resolution may be adopted at a regular or special meeting,

ENROLLED

HB 1599

2004 Legislature

and at the same meeting at which it is introduced, by the majority of the members of the commission then in office. It is determined and declared as a matter of legislative intent that an election to authorize the issuance of refunding bonds is not necessary, except in cases in which an election may be required by the State Constitution. In all cases in which it is not necessary under the State Constitution to hold an election on the issuance of such refunding bonds, such resolution shall take effect immediately upon the adoption thereof. No other proceedings shall be required for the issuance of bonds by the district.

Section 21. The resolution of the Board of Commissioners of the Highlands County Hospital District authorizing the issuance of the refunding bonds may provide that the refunding bonds may be issued in one or more series, bear the date, mature at the time not exceeding 30 years from their respective dates, bear interest at the rate not exceeding the maximum rate of interest borne by the notes, bonds, or other obligations refinanced thereby, be in the denomination, be in the form either coupon or registered, carry the registration and conversion privileges, be executed in the manner, be payable in the medium of payment at the place, be subject to the terms of redemption with or without a premium, be declared or become due before the maturity date thereof, provide for the replacement of mutilated, destroyed, stolen, or lost bonds, and be authenticated in the manner and upon compliance with the conditions and contain such other terms and covenants as is desired. Notwithstanding the form or tenor and in the absence of an express recital on the face that the bond is nonnegotiable,

ENROLLED

HB 1599

2004 Legislature

all refunding bonds are at all times negotiable instruments for all purposes.

Section 22. Refunding bonds bearing the signature of officers of the district in office on the date of the signing thereof shall be valid and binding obligations of the district for all purposes, notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon have ceased to be officers of the district. Any resolution authorizing refunding bonds may provide that any refunding bonds issued under this act may contain a recital and any refunding bond issued under authority of any resolution shall be conclusively deemed to be valid and to have been issued in conformity with the provisions of this act. The authority of a district to issue obligations under this act may be determined and obligations to be issued under this act may be validated as provided by law.

Section 23. Refunding bonds may be sold or exchanged as follows:

(1) In installments at different times, or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds may be exchanged in part or sold in parts in installments at different times or at one time. The refunding bonds may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds, certificates, or other obligations to be refinanced thereby.

(2) If the board of commissioners determines to exchange any refunding bonds, the refunding bonds may be exchanged privately for and in payment and discharge of any of the outstanding notes, bonds, or other obligations of the district.

ENROLLED

HB 1599

2004 Legislature

The refunding bonds may be exchanged for a like or greater principal amount of notes, bonds, or other obligations of the district, except that the principal amount of the outstanding notes, bonds, or other obligations to the extent necessary or advisable, in the discretion of the governing body, to fund interest in arrears or about to become due. The holder of outstanding notes, bonds, or other obligations need not pay accrued interest on the refunding bonds to be delivered in exchange therefor if and to the extent that interest is due or accrued and unpaid on the outstanding notes, bonds, or other obligations to be surrendered.

(3) If the board of commissioners determines to sell any refunding bonds, the refunding bonds shall be sold at not less than 95 percent of par at public or private sales, in such manner and upon the terms the board of commissioners deems best for the interest of the district.

Section 24. All bonds or refunding bonds issued under this act are legal investments for state, county, municipal, and all other public funds and for banks, savings banks, insurance companies, executors, administrators, trustees, and all other fiduciaries and shall also be and constitute securities eligible as collateral security for all state, county, municipal, or other public funds.

Section 25. The funds of the district shall be paid out only upon warrants, signed by the chair or chair pro tem of the board, and having thereto affixed the corporate seal of the district, which may be an impression thereon or a facsimile thereof. The warrant may not be drawn or issued against funds of the district except for a purpose authorized by this act, and no

ENROLLED

HB 1599

2004 Legislature

such warrant against funds of the district shall be drawn or issued until after the account or expenditure for which the same is to be given in payment has been ordered and approved by the board of commissioners at a meeting in which a quorum is present. The chair of the board may sign checks and warrants of the district by the facsimile signature of the chair and use and employ facsimile signature machines for that purpose, provided that the checks and warrants are countersigned by the treasurer for the district.

Section 26. The board may pay from the funds of the district all expenses of the organization of the board and all expenses necessarily incurred with the formation of the district and all other reasonable and necessary expenses, including the fees and expenses of an attorney in the transaction of the business of the district and in carrying out and accomplishing the purposes of this act. This section, however, may not be construed to limit or destroy any of the powers vested in the board of commissioners by any other section or provision of this act.

Section 27. Subject to such provisions and restrictions as are set forth in the resolution authorizing or securing any bonds issued under this act, the board may enter into contracts with the government of the United States or any agency or instrumentality thereof, or with the state or any county, municipality, district, authority, or political subdivision, private corporation, partnership, association, or individual providing for or relating to the construction or acquisition of additions, extensions, and improvements to the hospital and any other matters relevant thereto or otherwise necessary to effect

ENROLLED

HB 1599

2004 Legislature

the purposes of this act, may receive and accept from any federal agency, state agency, or other public body grants or loans for or in aid of such purposes and receive and accept aid or contributions or loans from any other source of money, property, labor, or other things of value, to be held, used, and applied only for the purpose for which such grants, contributions, or loans may be made.

Section 28. At least once each year the board of commissioners shall publish once in some newspaper published in the district a complete detailed annual statement of all moneys received and disbursed by them since the creation of the district as to the first published statement and since the last published statement as to any other year. The statements shall also show the several sources from which the funds were received and shall show the balance on hand at the time of the published statement. It shall show a complete statement of the financial condition of the district.

Section 29. Each hospital or clinic established under this act shall be for the use and benefit of the residents of the district. Residents shall be admitted to such hospital or clinic and be entitled to hospitalization and treatment, subject, however, to the rules adopted by the board of commissioners effective as of the date of admission of a patient to the hospital or clinic. The hospital or clinic may care for and treat without charge patients who are found by the board of commissioners to be indigent and who have for 1 year next preceding the application for admission been residents of the district. The board of commissioners may accept money from any welfare funds provided for Highlands County or moneys available

ENROLLED

HB 1599

2004 Legislature

to the indigent patients from a federal, state, or county agency or moneys available to Highlands County from such governmental agencies for welfare and hospital purposes, for the payment of costs of treatment and care of indigent residents of the district. The board may collect from patients financially able such charges as the board of commissioners from time to time establishes. The board of commissioners may exclude from treatment and care any person having a communicable or contagious disease when such disease may be a detriment to the best interests of the hospital or clinic or a source of contagion or infection to the patient in its care, unless the hospital has a separate building or ward for the special treatment of such patients and can properly and with safety to the other patients retain the communicable or contagious case in such separate ward or building. The board of commissioners may extend the privileges and use of the hospital or clinic to nonresidents of the district who pay the rates established by the board and upon such terms and conditions as the board may from time to time by its rules provide. However, residents of the district wherein the hospital or clinic is located have first claim to admission. The board may furnish and extend the benefits of the hospital and clinic services and treatment to the homes of indigent residents of the district. Each municipal corporation situated within the district and the law enforcing agencies of Highlands County are liable to the board for the occupancy, care, medicine, and treatment of prisoners in the custody of the municipal corporation or county officers who are admitted to any hospital operated by the board.

ENROLLED

HB 1599

2004 Legislature

Section 30. Realizing that factors other than professional must enter into the qualification of those who practice medicine and surgery, the Board of Commissioners of the Highlands County Hospital District may adopt rules and bylaws for the operation of the hospital and the hospital staff. The board of commissioners may give, grant, or revoke licenses and privileges of staff members so that the welfare and health of patients and the best interests of the hospital are at all times best served. The board of commissioners is further authorized to adopt rules for the control of all professional and nonprofessional employees of the hospital, which terms shall include nurses on general duty or on private duty attending patients and all persons in the hospital either as employees or who in any manner attend patients. Any patient may employ, at his or her expense, his or her own physician, and the physician when employed by the patient shall have exclusive charge of the care and treatment of the patient, and the nurses therein, as to the patient, shall be subject to the direction of the physician, subject always to such general rules as are adopted by the Board of Commissioners of the Highlands County Hospital District.

Section 31. The board of commissioners may secure and keep in force in amounts it may determine, in companies duly authorized to do business in Florida, liability insurance covering vehicles, premises, and malpractice. However, the board of commissioners may purchase such insurance from companies not duly authorized to do business in Florida if equivalent insurance coverage is not available from companies duly authorized to do business in Florida. In consideration of the premium at which each policy is written, it shall be a part of

ENROLLED

HB 1599

2004 Legislature

the policy contract between the board of commissioners and the named insured that the company is not entitled to the benefit of the defense of governmental immunity for the insured by reason of exercising of governmental function on any suit brought against the insured. Immunity of the board of commissioners against liability damages is waived to the extent of liability insurance carried by the board. However, an attempt may not be made at the trial of any action against the board to suggest the existence of any insurance that covers in whole or in part any judgment or award that is rendered in favor of the plaintiff. If a verdict rendered by the jury exceeds the limit of the applicable insurance, the court shall reduce the amount of the judgment or award to a sum equal to the applicable limit set forth in the policy.

Section 32. The provisions of this act shall be liberally construed for accomplishing the work authorized and provided for or intended to be provided for by this act, and when strict construction would result in the defeat of the accomplishment of any part of the work authorized by this act and a liberal construction would permit or assist in the accomplishment thereof, the liberal construction shall be chosen.

Section 33. If any provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared severable.

ENROLLED

HB 1599

2004 Legislature

Section 34. (1) Notwithstanding the foregoing provisions of this act and without regard to any limitations and conditions contained in any other section of this act:

(a) The board of commissioners may acquire, construct, reconstruct, extend, make additions to, enlarge, improve, repair, remodel, restore, equip, and furnish hospital and other health care facilities now or hereafter located in the district and which are or may be owned by or under the supervision, operation, and control of the district. For the purposes of this section "health care facilities" means any real property or interest therein, building, structure, facility, machinery, equipment, furnishings, or other property suitable for use by the district in connection with its operations or proposed operations, including, without limitation, real property therefor; a clinic, computer facility, dining hall, firefighting facility, fire prevention facility, food service and preparation facility, health care facility, long-term care facility, hospital, interns' residence, laboratory, laundry, maintenance facility, nurses' residence, nursing home, nursing school, office, professional office building, parking structure and area, pharmacy, recreational facility, research facility, storage facility, utility, or X-ray facility, or any combination of the foregoing; and other structures or facilities related thereto or required or useful for health care purposes, the conducting of research, or the operation of a hospital or other health care facility, including facilities or structures essential or convenient for the orderly conduct of such hospital or other health care facility and other similar items necessary

ENROLLED

HB 1599

2004 Legislature

or convenient for the operation of a particular facility or structure in the manner for which its use is intended.

(b)1. The board of commissioners may from time to time issue negotiable revenue bonds of the district for the purpose of paying or refinancing all or any part of the cost of any hospital or other health care facility. In anticipation of the sale of such revenue bonds, the district may issue negotiable bond anticipation notes and may renew them from time to time, but the maximum maturity of any such note, including renewals thereof, may not exceed 5 years from the date of issue of the original note. Such notes shall be paid from any revenues or other funds of the district legally available therefor and not otherwise pledged or from the proceeds of sale of the revenue bonds of the district in anticipation of which they were issued. The notes shall be issued in the same manner as the revenue bonds. Such notes and the resolution or resolutions authorizing them may contain any provision, condition, or limitation that a bond resolution of the board of commissioners may contain.

2. The revenue bonds and notes of every issue shall be payable solely out of revenues derived by the district from hospital and other health care facilities within the district and owned by or under the supervision, operation, and control of the district, together with any other funds of the district legally available for the purpose. Notwithstanding that revenue bonds and notes may be payable from a special fund, they are, and shall be deemed to be, for all purposes, negotiable instruments, subject only to any provisions of the revenue bonds and notes for registration.

ENROLLED

HB 1599

2004 Legislature

3. The revenue bonds may be issued as serial bonds, as term bonds, or otherwise, or the board of commissioners, in its discretion, may issue bonds of all types. The revenue bonds shall be authorized by resolution or resolutions of the board of commissioners and shall bear such date or dates; mature at such time or times, not exceeding 50 years from their respective dates; bear interest at such rate or rates, including variable rates, but not exceeding the maximum rate permitted by law at the time of issuance; be payable at such time or times; be in such denominations; be in such form, either coupon or registered, or both; carry such registration privileges and conversion or exchange privileges; be executed in such manner; be payable in lawful money of the United States at such place or places; and be subject to such terms of redemption, including redemption prior to maturity, as such resolution or resolutions provide. The board of commissioners shall determine the form and manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds or coupons ceases to be such officer before the delivery of such bonds, such signature or facsimile is nevertheless valid and sufficient for all purposes the same as if he or she had remained in office until such delivery. The board of commissioners may also provide for the authentication of the bonds by a trustee or fiscal agent. The revenue bonds or notes may be sold in such manner, either at public or private sale,

ENROLLED

HB 1599

2004 Legislature

and for such price or prices as the board of commissioners determines. Pending preparation of the definitive bonds, the board of commissioners may issue interim receipts or certificates, which shall be exchanged for such definitive bonds.

4. In the discretion of the board of commissioners, each or any issue of revenue bonds may be secured by a trust agreement by and between the district and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the state. Such trust agreement or resolution providing for the issuance of such bonds may pledge or assign all or any part of the revenues and other funds of the district legally available for the payment of such revenue bonds. The resolution providing for the issuance of such bonds or such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the district in relation to the acquisition, construction, improvement, maintenance, operation, repair, equipping, and insurance of the facilities, the fees and other charges to be fixed and collected for the use of any facility or part thereof, the sale of any facility or part thereof or other property, the terms and conditions for the issuance of additional bonds, and the custody, safeguarding, and application of all moneys. It is lawful or any bank or trust company incorporated under the laws of the state which may act as such depository to furnish such indemnifying bonds or to pledge such securities as are required by the board of commissioners. Such resolution or such trust

ENROLLED

HB 1599

2004 Legislature

agreement may set forth the rights and remedies of the bondholders and the trustee and may restrict the individual right of action by the bondholders. In addition to the foregoing, such resolution or such trust agreement may contain such other provisions as the board of commissioners deems reasonable and proper for the security of the bondholders. All expenses incurred in carrying out such trust agreement or resolution may be treated as a part of the cost of the facility in connection with which such bonds are issued or as part of the expense of operation or such facility, as the case may be. The resolution or trust agreement providing for the issuance of the revenue bonds may also contain such limitations upon the issuance of additional revenue bonds as the board of commissioners deems proper, and such additional bonds shall be issued under such restrictions or limitations prescribed by such resolution or trust agreement.

(c) Revenue bonds issued under this section shall not be deemed to constitute a debt, liability, or obligation of the district, Highlands County, or the state or any political subdivision thereof or a pledge of the faith and credit or the taxing power of the district, Highlands County, or the state or any political subdivision thereof, but they shall be payable solely from the revenues and funds provided therefor. All such revenue bonds shall contain on the face thereof a statement to the effect that the district is not obligated to pay the same or the interest thereon except from the revenues and other funds of the district provided for such payment, and that neither the faith and credit nor the taxing power of the district, Highlands County, or the state or any political subdivision thereof is

ENROLLED

HB 1599

2004 Legislature

pledged to the payment of the principal or the interest on such bonds. The issuance of revenue bonds under this section shall not directly, indirectly, or contingently obligate the district, Highlands County, or the state or any political subdivision thereof to levy or to pledge any form of taxation whatever therefore or to make any appropriation for their payment.

(d) All bonds issued under this section have, and are declared to have, all the qualities and incidents, including negotiability, of investment securities under the Uniform Commercial Code, but no provision of such code respecting the filing of a financing statement to perfect a security interest shall be deemed necessary for or applicable to any security interest created in connection with the issuance of any such bonds.

(e) The exercise of the powers granted by this section will be in all respects for the benefit of the people of this state, for the increase of their commerce, welfare, and prosperity, and for the improvement of their health and living conditions, and because the operation and maintenance of hospital and other health care facilities by the district will constitute the performance of an essential public and governmental purpose, any bonds issued under the provisions of this section, together with interest thereon, their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation of every kind by the state, Highlands County, and municipalities and other political subdivisions in the state, except those taxes imposed by chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations.

ENROLLED

HB 1599

2004 Legislature

(f) The board of commissioners may provide for the issuance of revenue bonds of the district for the purpose of refunding any of its revenue bonds then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of such revenue bonds. The proceeds of any such revenue bonds issued for the purpose of refunding outstanding revenue bonds may, in the discretion of the board of commissioners, be applied to the purchase or retirement at maturity or redemption of such outstanding revenue bonds either on their earliest or any subsequent redemption date, or upon the purchase or at the maturity thereof; may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the board of commissioners; and, pending such application to purchase, retirement, or redemption, may be invested and reinvested in securities selected by or in such manner as the board of commissioners provides.

(g) Bonds issued by the board of commissioners under this section are made securities in which all public officers and public bodies of the state and its political subdivisions and all banks, trust companies, bankers, banking associations, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking or investment business; all insurance companies, insurance associations, and other persons carrying on an insurance business; and all executors, administrators, curators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their

ENROLLED

HB 1599

2004 Legislature

control or belonging to them. Such bonds are made securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit or bonds or obligations of the state is now or may hereafter be authorized by law.

(h) An election in the district is not required as a condition precedent to the exercise by the board of commissioners of any of the powers conferred by this section unless such election is required by the State Constitution.

(i) Revenue bonds may be issued under this section without obtaining, except as otherwise expressly provided in this section, the consent of any department, division, commission, board, body, bureau, or agency of the state or any political subdivision thereof and without any other proceedings or the happening of any conditions or things other than those proceedings, conditions, or things that are specifically required by this section and the provisions of the resolution or resolutions authorizing the issuance of such bonds or the trust agreement securing them.

(2) This section shall be deemed to provide an additional and alternative method for the doing of the things authorized in this section and shall be regarded as supplemental and additional to powers conferred by other laws. This section, being necessary for the health and welfare of the inhabitants of Highlands County and the state, shall be liberally construed to effect the purposes thereof.

Section 35. In order that citizens and residents of the district may receive quality health care, the board of

ENROLLED

HB 1599

2004 Legislature

commissioners may enter into contract with corporations, either for profit or not for profit, duly authorized to do business in the state for the purpose of operating and managing such hospital and any or all of its facilities of whatsoever kind and nature and enter into leases with such corporations for the operating of such facilities. The term of any such lease, contract, or agreement and the conditions, covenants, and agreements to be contained therein shall be determined by the board of commissioners.

Section 36. The Board of Commissioners of the Highlands County Hospital District may transfer by gift or loan to the Highlands County Commission any surplus assets or funds from whatever source derived; however, they must be used exclusively for health services in Highlands County. Further, such assets or funds constitute surplus funds as determined by the Board of Commissioners of the Highlands County Hospital District.

Section 4. Chapters 61-2232, 72-553, 74-487, 78-519, 80-506, 81-384, 84-437, 85-420, 88-456, and 96-443, Laws of Florida, are repealed.

Section 5. This act shall take effect upon becoming a law.