

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

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

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

B. EFFECT OF PROPOSED CHANGES:

The North Lake County Hospital District (District) is an independent special district that was created by the merger of the Northwest Lake County Hospital District and Northeast Lake County Hospital District.¹ The District codified all of its prior special acts in chapter 2002-348, Laws of Florida.

The purpose of the District is to ensure continued hospital services to its residents.²

The charter of the District currently directs the distribution of the tax proceeds:³

- All tax proceeds generated from within the Northeast Territory, less one-half of the amount reserved annually by the board to pay for maintenance and services for the board, are paid to Florida Hospital Waterman Foundation, Inc. upon written request that the funds are needed for health care.
- All tax proceeds generated from within the Northwest Territory, less one-half of the amount reserved annually by the board to pay for maintenance and services for the board, are paid to the Leesburg Regional Medical Center Charitable Foundation, Inc. upon written request that the funds are needed for health care.
- LifeStream Behavioral Center is also entitled to receive the sums⁴, after submission of a written request to Florida Hospital Waterman Foundation, Inc., and Leesburg Regional Medical Center Charitable Foundation, Inc. certifying that the funds are needed for indigent health care.

This bill provides that the distribution to the Florida Hospital Waterman Foundation, Inc. may also be to "other entity determined by Florida Hospital Waterman Foundation, Inc., if they so desire in order to maximize moneys received."

¹ See Fla. H.R. Comm. on Community Affairs, HB 1951 (1995) Staff Analysis, p. 2 (final, May 17, 1995) (on file with the Fla. H.R. Comm. on Local Gov't & Veterans' Affairs). These two districts merged in February 1990 through concurrent resolutions of the two boards passed pursuant to section 189.4042, Florida Statutes. Subsequently, it was determined that the two predecessor independent special districts needed to be merged by special act of the Legislature, which was accomplished through chapter 95-508, Laws of Florida.

² See ch. 2002-348, Laws of Fla. § 3 (§ 2 of the charter).

³ See ch. 2002-348, Laws of Fla. § 3 (§ 4 of the charter).

⁴ *Id* ("For each year after calendar year 1993, LifeStream Behavioral Center shall be paid \$100,000 or 1/20 of 1 mill of the tax moneys due Florida Hospital Waterman Foundation, Inc., from the Northeast Territory, whichever is greater, plus \$100,000 or 1/20 of 1 mill of the tax moneys due Leesburg Regional Medical Center Charitable Foundation, Inc., from the Northwest Territory, whichever is greater.").

This bill amends the distribution to the Leesburg Medical Center Charitable Foundation, Inc to be to "or other entity determined by Leesburg Regional Medical Center Charitable Foundation, Inc., if they so desire in order to maximize moneys received."

These changes are being made to provide additional flexibility in the distribution to allow the District and these entities to try and take advantage of federal matching grant programs.⁵

The bill makes minor grammatical and stylistic changes to the charter: "Foundations" to "Foundation"; "the respective boards" to their "respective boards"; adding "Center" to Leesburg Regional Medical Charitable Foundation, Inc.; "next fiscal year of the North Lake County Hospital District: to "next fiscal year of the Board of Trustees of the North Lake County Hospital District;" "indigent" to "indigents;" and "revenues" to "revenue."

The bill takes effect upon becoming law.

C. SECTION DIRECTORY:

Section 1: Amends subsections D and E of section 4 of the charter of the District as provided in section 3 of chapter 2003-348, Laws of Florida.

Section 2: Provides that the bill will take effect upon becoming law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? WHERE?

An Affidavit of Proof of Publication states that a Notice of Legislation was published in The Daily Commercial on January 7, 2004. The notice states that it was published on January 6, 2004.

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:

This tax proceed distribution provided for by the charter may make this a prohibited special law pursuant to article III, section 11(a)(12) of the Florida Constitution as the direct payment⁶ may "grant a privilege to a private corporation."

⁵ Telephone conversation with Eric Prutsman, principal registered lobbyist for the Leesburg Regional Medical Center (Mar. 16, 2004).

⁶ The tax proceed distribution provisions essentially make the independent special district a pass-through funding mechanism for these entities. While this serves the purpose of the District in ensuring continued hospital services for its residents, the manner in which the funding is provided may violate this constitutional prohibition. The District could accomplish these objectives by using its power to contract with these hospitals and pay for services as part of that contract. The special law, however, grants these entities direct payment of a portion of the tax proceeds of the District.

B. RULE-MAKING AUTHORITY:

This bill does not appear to provide rulemaking authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

There are no drafting issues or other comments.

IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES

None.