

By Senator Saunders

37-950-06

See HB 377

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A bill to be entitled

An act relating to continuing care provider minimum liquid reserve requirements; amending s. 651.035, F.S.; deleting certain additional minimum debt service reserve requirements for certain years; providing an effective date.

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

Section 1. Paragraph (a) of subsection (2) of section 651.035, Florida Statutes, is amended to read:

651.035 Minimum liquid reserve requirements.--

(2)(a) A provider shall maintain in escrow as a debt service reserve an amount equal to the aggregate amount of all principal and interest payments due during the fiscal year on any mortgage loan or other long-term financing of the facility, including taxes and insurance as recorded in the audited financial statements required under s. 651.026. The amount shall include any leasehold payments and all costs related to such payments ~~same~~. If principal payments are not due during the fiscal year, the provider shall maintain in escrow as a minimum liquid reserve an amount equal to interest payments due during the next 12 months on any mortgage loan or other long-term financing of the facility, including taxes and insurance. For the purpose of this paragraph, the amount of property insurance premiums used in calculating the debt service reserve shall not exceed the amount paid in calendar year 1999. For providers initially licensed during or after calendar year 1999, the amount of property insurance premiums used in calculating the debt service reserve shall not exceed the amount paid during the first 12 months of facility

1 operation. ~~However, beginning January 1, 2006, and each year~~
2 ~~thereafter, until the amount maintained in escrow attributable~~
3 ~~to property insurance equals 100 percent of the premium, the~~
4 ~~provider shall increase the amount maintained in escrow for~~
5 ~~property insurance by 10 percent of the premium paid that~~
6 ~~year.~~

7 Section 2. This act shall take effect July 1, 2006.
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