

By Senator Steube

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1 A bill to be entitled
2 An act relating to hospital districts; defining the
3 term "hospital district"; prohibiting hospital
4 districts from levying property tax without the
5 consent of electors residing within the hospital
6 district; requiring decennial reauthorization of the
7 taxing authority of certain hospital districts;
8 requiring tax revenues generated to fund indigent care
9 for residents of the district to be distributed to
10 hospitals within the district based on a certain
11 funding formula adopted by the district; terminating
12 the taxing authority of a hospital district by a
13 specified date if a referendum is not approved by a
14 majority vote of the electors; authorizing a governing
15 board to maintain a hospital district without taxing
16 authority or dissolve the hospital district if a
17 referendum is not approved by a majority vote of the
18 electors; providing for allocation of hospital
19 district assets and liabilities if the hospital
20 district is dissolved; authorizing the termination of
21 the taxing authority of a hospital district to be
22 delayed for a specified period under certain
23 circumstances; providing requirements for the
24 creation, expansion, or combination of certain
25 hospital districts; requiring a county to obtain and
26 publish an independent appraisal of certain public
27 hospitals' assets and a certain independent economic
28 analysis; providing requirements for such analysis;
29 providing a referendum requirement for a property tax
30 levy contingent upon government-subsidized health care
31 funding; providing applicability; requiring tax
32 revenues generated to fund indigent care for residents

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33 of the district to be distributed to hospitals within
34 the district based on a certain funding formula
35 adopted by the district; specifying that taxes
36 generated in a hospital taxing district be paid to the
37 district rather than a community redevelopment area;
38 prohibiting a hospital district from establishing
39 certain health care facilities unless a majority of
40 voting electors residing within the hospital district
41 approve it by referendum, subject to certain
42 requirements; providing applicability; providing an
43 effective date.

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

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47 Section 1. (1) As used in this act, the term "hospital
48 district" means a special district as defined in s. 189.012,
49 Florida Statutes, the governing body of which is the governing
50 body of a facility licensed under chapter 395, Florida Statutes.

51 (2) Notwithstanding any general law, special law, or local
52 ordinance, a hospital district may not levy a property tax
53 without the approval of a majority of electors residing within
54 the district voting in a referendum as provided in this act.

55 (3) (a) On or before July 1, 2017, and every 10th year
56 thereafter, each hospital district with taxing authority,
57 whether organized as an independent or dependent special
58 district or created by special act or local ordinance, shall
59 arrange to place on the next general election ballot of the
60 electors residing within the hospital district the following
61 question: "Shall the taxing authority of the ...(name of

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62 hospital district)... be reauthorized, for a 10-year period, to
63 levy a tax of ...(amount of tax not to exceed 2 mills)..., the
64 proceeds of which shall fund indigent care for residents of the
65 hospital district?" and thereafter the words "Yes" and "No."

66 (b) If a majority of the electors voting approve the ballot
67 question, all tax revenues generated to fund indigent care for
68 residents of the district shall be distributed to hospitals
69 within the district based on a funding formula adopted by the
70 district. The funding formula must ensure that tax dollars are
71 equitably distributed to all hospitals based solely on the
72 number of indigent patients treated at each hospital, without
73 regard to whether the hospital is owned or operated by the
74 health care district or by a private entity.

75 (c) If a majority of the electors in a hospital district do
76 not approve the reauthorization ballot question described in
77 paragraph (a), effective January 1 of the year following the
78 general election, the taxing authority of the hospital district
79 is terminated. The governing board may maintain the hospital
80 district without taxing authority or dissolve the hospital
81 district. If the hospital district is dissolved, the assets and
82 liabilities of the hospital district shall be allocated in the
83 manner authorized by s. 189.076(2), Florida Statutes.

84 (4) (a) Notwithstanding paragraph (3) (c), the termination of
85 the taxing authority of the hospital district may be delayed for
86 1 additional year if the county where the district is located
87 places the following question on the ballot of the electors in
88 the county before December 31 of the subsequent year, and a
89 majority of electors voting approve the ballot question: "Shall
90 the taxing authority of the ...(name of hospital district)... be

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91 reauthorized and expanded to include all property in ... (name of
92 county) ..., for a 10-year period, for the district to levy a tax
93 of ... (amount of tax not to exceed 2 mills) ... on all taxable
94 property within the county in order to fund indigent care?" and
95 thereafter the words "Yes" and "No."

96 (b) If a majority of the electors voting do not approve the
97 reauthorization ballot question described in this subsection,
98 effective January 1 of the year following the election, the
99 taxing authority of the hospital district is terminated. The
100 governing board may maintain the hospital district without
101 taxing authority or dissolve the hospital district. If the
102 hospital district is dissolved, the assets and liabilities of
103 the hospital district shall be allocated in the manner
104 authorized by s. 189.076(2), Florida Statutes.

105 (5) A new, expanded, or combined hospital district may be
106 formed for the purpose of funding indigent care for residents
107 within the hospital district if the board of county
108 commissioners in the county in which the new, expanded, or
109 combined hospital district is located or will be located places
110 the following question on the general election ballot of the
111 electors in the new, expanded, or combined hospital district,
112 and a majority of electors voting approve the ballot question:
113 "Shall the ... (name of new, expanded, or combined hospital
114 district) ... be authorized or reauthorized, for a 10-year
115 period, to levy a tax of ... (amount of tax not to exceed 2
116 mills) ... on all taxable property within ... (name of new,
117 expanded, or combined hospital district) ... in order to fund
118 indigent care?" and thereafter the words "Yes" and "No."

119 Section 2. (1) For a public hospital described in

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120 subsection (2), the county where the public hospital is located
121 shall obtain and publish an independent appraisal of the
122 hospital's assets and an independent economic analysis of the
123 projected public benefit derived from maintaining the hospital
124 as a public hospital or leasing or selling the hospital to a
125 for-profit entity pursuant to s. 155.40, Florida Statutes. The
126 economic analysis must consider the property and sales tax
127 revenue available after the lease or sale and conversion of the
128 hospital and the projected earnings of a potential endowment
129 created from the proceeds of the lease or sale. The economic
130 analysis must provide that, notwithstanding s. 155.40(16)(b),
131 Florida Statutes, 100 percent of the net proceeds of the lease
132 or sale shall be used to fund indigent care and that,
133 notwithstanding s. 155.40(17), Florida Statutes, any ad valorem
134 revenues shall be annually added to the endowment fund and 100
135 percent of such revenues used for indigent care.

136 (2) This section applies to a public hospital that:

137 (a) Does not make an operating profit for 3 out of 5
138 consecutive years, that is not within a hospital district, and
139 that has not been subject to a hospital district referendum as
140 provided in this act.

141 (b) Does not make an operating profit for 3 out of 5
142 consecutive years, that is not within a hospital district, and
143 that has been subject to a hospital district referendum as
144 provided in this act but in which a majority of electors voting
145 did not approve the referendum.

146 (c) Does not make an operating profit for 3 out of 5
147 consecutive years, that is within a hospital district, and that
148 has been subject to a hospital district referendum as provided

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149 in this act in which a majority of electors voting approved the
150 referendum. For purposes of this paragraph, the calculation of
151 the hospital's operating profit shall include the property tax
152 authorized by the electors as revenue.

153 Section 3. (1) (a) An existing or planned hospital district
154 seeking authorization or reauthorization to levy a property tax
155 after health care coverage is provided by federal, state, or
156 local government via Medicaid or other government-subsidized
157 funding for residents who qualify for a subsidy on the health
158 insurance exchange shall arrange to place on the next general
159 election ballot of the electors residing within the hospital
160 district the following question: "Shall the taxing authority of
161 the ...(name of hospital district)... be authorized so the
162 district may levy a tax of ...(amount of tax not to exceed 2
163 mills)... in order to fund indigent care for residents of the
164 taxing district whose care is not otherwise funded by Medicaid
165 or other governmental programs?" and thereafter the words "Yes"
166 and "No."

167 (b) If a majority of the electors voting approve the ballot
168 question, the provisions of this act regarding reauthorization
169 shall apply to the hospital district and its taxing authority.

170 (c) All tax revenues generated to fund indigent care for
171 residents of the district shall be distributed to all hospitals
172 within the district based on a funding formula adopted by the
173 district. The funding formula must ensure that tax dollars are
174 equitably distributed based on the number of indigent patients
175 treated at each hospital, without regard to whether the hospital
176 is owned or operated by the health care district or by a private
177 entity.

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178 (2) Taxes generated by an independent special hospital
179 taxing district within a community redevelopment area shall be
180 paid to the hospital taxing district and not the community
181 redevelopment area.

182 Section 4. (1) A hospital district may not establish a
183 health care facility to be licensed under chapter 395 or chapter
184 400 which is located outside the geographic boundaries of the
185 district, unless the county where the district is located places
186 the following question on the ballot of the electors in the
187 county before December 31 of the year prior to commencing
188 construction, and a majority of electors residing within the
189 hospital district voting approve the ballot question: "Shall the
190 ...(name of hospital district)... be authorized to establish a
191 ...(identify type of facility to be licensed under chapter 395
192 or chapter 400)... outside of the geographic boundaries of the
193 hospital district in ...(identify county and municipality in
194 which facility is to be located)....?" and thereafter the words
195 "Yes" and "No."

196 (2) This section does not apply to or affect any health
197 care facility licensed under chapter 395 or chapter 400 before
198 the effective date of this act.

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