

1 A bill to be entitled
2 An act relating to health facilities; amending s.
3 154.205, F.S.; revising the definition of the term
4 "health facility"; amending s. 154.209, F.S.;
5 authorizing the authority to make mortgage or other
6 secured or unsecured loans and refund or refinance
7 outstanding bonds, obligations, loans, indebtedness,
8 or advances issued, made, given, or incurred by or for
9 the benefit of any health facility for the cost of a
10 project in accordance with a specified agreement under
11 certain circumstances; amending s. 154.213, F.S.;
12 authorizing the authority to lease certain projects to
13 a health facility under a loan agreement under certain
14 circumstances; providing that specified projects
15 financed by the authority shall be governed by one or
16 more loan agreements under certain circumstances;
17 providing requirements for such loan agreements;
18 amending s. 154.225, F.S.; authorizing the authority
19 to require certain health facilities to operate,
20 repair, and maintain projects and bear certain costs
21 under certain circumstances; amending s. 154.235,
22 F.S.; authorizing the issuance of revenue bonds of
23 other issuers if the proceeds were used for specified
24 purposes; amending ss. 154.219, 154.221, 154.229, and
25 154.247, F.S.; conforming provisions to changes made

26 | by the act; reenacting ss. 159.27(16) and
 27 | 215.681(1)(d), F.S., relating to definitions and ESG
 28 | bonds and prohibitions, respectively, to incorporate
 29 | the amendments made by the act; providing an effective
 30 | date.

31 |
 32 | Be It Enacted by the Legislature of the State of Florida:

33 |
 34 | Section 1. Subsection (8) of section 154.205, Florida
 35 | Statutes, is amended to read:

36 | 154.205 Definitions.—The following terms, whenever used in
 37 | this part, shall have the following meanings unless a different
 38 | meaning clearly appears from the context:

39 | (8) "Health facility" means any private corporation or
 40 | other organized entity or association not for profit, including,
 41 | but not limited to, limited liability companies controlled
 42 | directly or indirectly by one or more not-for-profit
 43 | organizations, and authorized by law to provide:

- 44 | (a) Hospital services in accordance with chapter 395;
- 45 | (b) Nursing home care services in accordance with chapter
 46 | 400;
- 47 | (c) Life care services in accordance with chapter 651;
- 48 | (d) Services for the developmentally disabled under
 49 | chapter 393;
- 50 | (e) Services for the mentally ill under chapter 394;

51 (f) Assisted living services in accordance with chapter
 52 429; or

53 (g) Hospice services in accordance with chapter 400.
 54

55 The term also includes any private corporation or other
 56 organized entity or association not for profit which offers
 57 independent living facilities and services as part of a
 58 retirement community that provides nursing home care services or
 59 assisted living services on the same campus.

60 Section 2. Subsections (6), (8), (9), (13), and (18) of
 61 section 154.209, Florida Statutes, are amended, and subsections
 62 (20) and (21) are added to that section, to read:

63 154.209 Powers of authority.—The purpose of the authority
 64 shall be to assist health facilities in the acquisition,
 65 construction, financing, and refinancing of projects in any
 66 incorporated or unincorporated area within the geographical
 67 limits of the local agency. For this purpose, the authority is
 68 authorized and empowered:

69 (6) To make and execute agreements of lease, contracts,
 70 loan agreements, deeds, mortgages, notes, and other instruments
 71 necessary or convenient in the exercise of its powers and
 72 functions under this part.

73 (8) To pledge or assign any money, rents, loan payments,
 74 charges, fees, or other revenues and any proceeds derived from
 75 sales of property, insurance, or condemnation awards.

76 (9) To fix, charge, and collect rents, loan payments,
 77 fees, and charges for the use of any project.

78 (13) To acquire existing projects and to refund
 79 outstanding bonds, obligations, mortgages, or advances issued,
 80 made, or given by or on behalf of a health facility for the cost
 81 of such project.

82 (18) To participate in and issue bonds and other forms of
 83 indebtedness for the purpose of establishing and maintaining an
 84 accounts receivable program on behalf of a health facility or
 85 group of health facilities. Notwithstanding any other provisions
 86 of this part, the structuring and financing of an accounts
 87 receivable program pursuant to this subsection shall constitute
 88 a project and may be structured for the benefit of health
 89 facilities within or outside the geographical limits of the
 90 local agency. An accounts receivable program may include the
 91 financing of accounts receivable acquired by a health facility
 92 from other not-for-profit health care organizations
 93 ~~corporations,~~ whether or not controlled by or affiliated with
 94 the health facility and regardless of location within or outside
 95 the geographical limits of this state.

96 (20) To make mortgage or other secured or unsecured loans
 97 to or for the benefit of a health facility for the cost of a
 98 project in accordance with an agreement between the authority
 99 and the health facility, provided that such loans may be made to
 100 any entity affiliated with a health facility that undertakes

101 such financing if the proceeds of such loan are made available
102 to or applied for the benefit of such health facility.

103 (21) To make mortgage or other secured or unsecured loans
104 to or for the benefit of a health facility in accordance with an
105 agreement between the authority and the health facility to
106 refund or refinance outstanding bonds, obligations, loans,
107 indebtedness, or advances issued, made, given or incurred by or
108 for the benefit of such health facility for the cost of a
109 project, provided that such loans may be made to any entity
110 affiliated with a health facility that undertakes such refunding
111 or refinancing if the proceeds of such loan are made available
112 to or applied for the benefit of such health facility.

113 Section 3. Section 154.213, Florida Statutes, is amended
114 to read:

115 154.213 Agreements of lease or loan agreements.—In
116 undertaking any project pursuant to this part, the authority
117 shall first obtain a valid certificate of need evidencing need
118 for the project and a statement that the project serves a public
119 purpose by advancing the commerce, welfare, and prosperity of
120 the local agency and its people. A ~~No~~ project financed under ~~the~~
121 ~~provisions of this part~~ may not shall be operated by the
122 authority or any other governmental agency; however, the
123 authority may temporarily operate or cause to be operated all or
124 any part of a project to protect its interest therein pending
125 any leasing of such project in accordance with ~~the provisions of~~

126 | this part. The authority may lease a project or projects to a
 127 | health facility for operation and maintenance in such manner as
 128 | to effectuate the purposes of this part under an agreement of
 129 | lease or loan agreement in form and substance not inconsistent
 130 | herewith. Projects financed by the authority with the proceeds
 131 | of bonds issued for the benefit of a health facility pursuant to
 132 | s. 154.209(20) and (21) shall be governed by one or more loan
 133 | agreements made between the authority and a health facility, or
 134 | between the authority and an entity affiliated with a health
 135 | facility that undertakes such financing, if the proceeds of such
 136 | loan are made available to or applied for the benefit of such
 137 | health facility.

138 | (1) Any such agreement of lease or loan agreement may
 139 | provide, among other provisions, that:

140 | (a) The lessee under a lease or the obligor under a loan
 141 | agreement shall at its own expense operate, repair, and maintain
 142 | the project or projects financed or refinanced ~~leased~~
 143 | thereunder.

144 | (b) The rent payable under the agreement of lease or the
 145 | loan payments made pursuant to the loan agreement shall in the
 146 | aggregate be not less than an amount sufficient to pay all of
 147 | the interest, principal, and redemption premiums, if any, on the
 148 | bonds that shall be issued by the authority to pay the cost of
 149 | the project or projects financed or refinanced ~~leased~~
 150 | thereunder.

151 (c) The lessee under the agreement of lease or the obligor
 152 under the loan agreement shall pay all costs incurred by the
 153 authority in connection with the acquisition, financing,
 154 construction, and administration of the project or projects
 155 financed or refinanced ~~leased~~, except as may be paid out of the
 156 proceeds of bonds or otherwise, including, but not ~~without being~~
 157 limited to, all of the following:

- 158 1. Insurance costs. ~~7~~
- 159 2. The cost of administering the bond resolution
 160 authorizing such bonds and any trust agreement securing the
 161 bonds. ~~7~~ ~~and~~
- 162 3. The fees and expenses of trustees, paying agents,
 163 attorneys, consultants, and others.

164 (d) The terms of the agreement of lease or loan agreement
 165 shall terminate not earlier than the date on which all such
 166 bonds and all other obligations incurred by the authority in
 167 connection with the project or projects financed or refinanced
 168 ~~leased~~ thereunder shall be paid in full, including interest,
 169 principal, and redemption premiums, if any, or adequate funds
 170 for such payment shall be deposited in trust.

171 (e) The lessee's obligation to pay rent under the
 172 agreement of lease and the obligor's obligation to make loan
 173 payments under a loan agreement ~~shall~~ not be subject to
 174 cancellation, termination, or abatement by the lessee under the
 175 agreement of lease or the obligor under the loan agreement until

176 such payment of the bonds or provision for such payment shall be
177 made.

178 (2) Such agreement of lease or loan agreement may contain
179 such additional provisions as in the determination of the
180 authority are necessary or convenient to effectuate the purposes
181 of this part, including provisions for extensions of the term
182 and renewals of the agreement of lease or loan agreement and
183 vesting in the lessee under the agreement of lease or the
184 obligor under the loan agreement an option to purchase the
185 project leased or loaned thereunder pursuant to such terms and
186 conditions consistent with this part as shall be prescribed in
187 the lease. Except as may otherwise be expressly stated in the
188 agreement of lease or loan agreement, to provide for any
189 contingencies involving the damaging, destruction, or
190 condemnation of the project financed or refinanced ~~leased~~ or any
191 substantial portion thereof, such option to purchase may not be
192 exercised unless all bonds issued for such project, including
193 all principal, interest, and redemption premiums, if any, and
194 all other obligations incurred by the authority in connection
195 with such project, shall have been paid in full or sufficient
196 funds shall have been deposited in trust for such payment. The
197 purchase price of such project may ~~shall~~ not be less than an
198 amount sufficient to pay in full all of the bonds, including all
199 principal, interest, and redemption premiums, if any, issued for
200 the project then outstanding and all other obligations incurred

201 by the authority in connection with such project.

202 Section 4. Section 154.225, Florida Statutes, is amended
 203 to read:

204 154.225 Revenues.—

205 (1) The authority is hereby authorized to fix and to
 206 collect fees, rents, loan payments, and charges for the use of
 207 any project or projects and any part or section thereof. The
 208 authority may require that the health facility operating any
 209 project or any part thereof financed or refinanced pursuant to
 210 this chapter, or the lessee of any project or part thereof shall
 211 operate, repair, and maintain the project and bear the cost
 212 thereof and other costs of the authority in connection with the
 213 project or projects financed or refinanced ~~leased~~ as may be
 214 provided in the agreement of lease, loan agreement, or other
 215 contract with the authority, in addition to other obligations
 216 imposed under such agreement or contract.

217 (2) The fees, rents, loan payments, and charges shall be
 218 so fixed as to provide a fund sufficient to pay the principal
 219 of, and the interest on, such bonds as the same shall become due
 220 and payable and to create reserves, if any, deemed by the
 221 authority to be necessary for such purposes. The fees, rents,
 222 loan payments, charges, and all other revenues and proceeds
 223 derived from the project or projects in connection with which
 224 the bonds of any issue shall have been issued, except such part
 225 thereof as may be necessary for such reserves or any

226 expenditures as may be provided in the resolution authorizing
227 the issuance of such bonds or in the trust agreement securing
228 the same, shall be set aside at such regular intervals as may be
229 specified in such resolution or such trust agreement in a
230 sinking fund which is hereby pledged to, and charged with, the
231 payment of the principal of and the interest on such bonds as
232 the same shall become due and the redemption price or the
233 purchase price of bonds retired by call or purchase as therein
234 provided. Such pledge shall be valid and binding from the time
235 when the pledge is made. The fees, rents, loan payments,
236 charges, and other revenues and moneys so pledged and thereafter
237 received by the authority shall immediately be subject to the
238 lien of such pledge without any physical delivery thereof or
239 further act, and the lien of any such pledge shall be valid and
240 binding as against all parties having claims of any kind in
241 tort, contract, or otherwise against the authority, irrespective
242 of whether such parties have notice thereof. The use and
243 disposition of money to the credit of such sinking fund shall be
244 subject to the provisions of the resolution authorizing the
245 issuance of such bonds or of such trust agreement. Except as may
246 otherwise be provided in the resolution or the trust agreement,
247 the sinking fund shall be a fund for all such bonds without
248 distinction or priority of one over another.

249 Section 5. Subsection (1) of section 154.235, Florida
250 Statutes, is amended to read:

251 154.235 Refunding bonds.—

252 (1) The authority is hereby authorized to provide for the
253 issuance of revenue bonds for the purpose of refunding any of
254 its revenue bonds then outstanding and revenue bonds of other
255 issuers, the proceeds of which were used to finance or refinance
256 projects of one or more health facilities, including the payment
257 of any redemption premium thereon and any interest accrued or to
258 accrue to the earliest or subsequent date of redemption,
259 purchase, or maturity of such revenue bonds.

260 Section 6. Paragraph (b) of subsection (4) of section
261 154.219, Florida Statutes, is amended to read:

262 154.219 Revenue bonds.—

263 (4) Any resolution or resolutions authorizing any revenue
264 bonds or any issue of revenue bonds may contain provisions which
265 shall be a part of the contract with the holders of the revenue
266 bonds to be authorized, as to:

267 (b) The rentals, fees, loan payments, and other charges to
268 be charged, the amounts to be raised in each year thereby, and
269 the use and disposition of the revenues.

270 Section 7. Section 154.221, Florida Statutes, is amended
271 to read:

272 154.221 Security of bondholders.—In the discretion of the
273 authority, any bonds issued under ~~the provisions of~~ this part
274 may be secured by a trust agreement by and between the authority
275 and a corporate trustee, which may be any trust company or bank

276 | having the powers of a trust company within or without the
277 | state. Such trust agreement or resolution providing for the
278 | issuance of such bonds may pledge or assign the fees, rents,
279 | loan payments, charges, or proceeds from the sale of any project
280 | or part thereof, insurance proceeds, condemnation awards, and
281 | other funds and revenues to be received therefor, and may
282 | provide for the mortgaging of any project or any part thereof as
283 | security for repayment of the bonds. Such trust agreement or
284 | resolution providing for the issuance of such bonds shall
285 | contain such provisions for protecting and enforcing the rights
286 | and remedies of the bondholders as may be reasonable and proper
287 | and ~~not~~ in accordance with general ~~violation of~~ law, including
288 | covenants setting forth the duties of the authority in relation
289 | to the acquisition of property and the construction,
290 | improvement, maintenance, repair, operation, and insurance of
291 | the project or projects in connection with which such bonds
292 | shall have been authorized; the fees, rents, loan payments, and
293 | other charges to be fixed and collected; the sale of any
294 | project, or part thereof, or other property; the terms and
295 | conditions for the issuance of additional bonds; and the
296 | custody, safeguarding, and application of all moneys. It shall
297 | be lawful for any bank or trust company incorporated under the
298 | laws of the state which may act as depository of the proceeds of
299 | bonds, revenues, or other money hereunder to furnish such
300 | indemnifying bonds or to pledge such securities as may be

301 required by the authority. Any such trust agreement or
302 resolution shall set forth the rights and remedies of the
303 bondholders and of the trustee and may restrict the individual
304 right of action by bondholders. In addition to the foregoing,
305 any such trust agreement or resolution may contain such other
306 provisions as the authority may deem reasonable and proper for
307 the security of the bondholders. All expenses incurred in
308 carrying out the provisions of such trust agreement or
309 resolution may be treated as a part of the cost of the project
310 or projects in connection with which bonds are issued or as an
311 expense of administration of such projects, as the case may be.

312 Section 8. Section 154.229, Florida Statutes, is amended
313 to read:

314 154.229 Remedies.—Any holder of bonds issued under ~~the~~
315 ~~provisions of~~ this part or of any of the coupons appertaining
316 thereto, and the trustee under any trust agreement, except to
317 the extent the rights herein given may be restricted by such
318 trust agreement or the resolution authorizing the issuance of
319 such bonds, may, either at law or in equity, by suit, action,
320 mandamus, or other proceeding, protect and enforce any and all
321 rights under the laws of this state or granted hereunder or
322 under such trust agreement or resolution authorizing the
323 issuance of such bonds, or under any agreement of lease, loan
324 agreement, or other contract executed by the authority pursuant
325 to this part, and may enforce and compel the performance of all

326 | duties required by this part or by such trust agreement or
 327 | resolution to be performed by any lessee or the authority or by
 328 | any officer thereof, including the fixing, charging, and
 329 | collecting of fees, rents, loan payments, and charges.

330 | Section 9. Section 154.247, Florida Statutes, is amended
 331 | to read:

332 | 154.247 Financing of projects located outside of local
 333 | agency.—Notwithstanding any provision of this part to the
 334 | contrary, an authority may, if it finds that there will be a
 335 | benefit or a cost savings to a health facility located within
 336 | its jurisdiction, issue bonds for such health facility to
 337 | finance projects for such health facility, ~~or for another not-~~
 338 | ~~for-profit corporation under common control with such health~~
 339 | ~~facility~~, located outside the geographical limits of the local
 340 | agency or outside this state.

341 | Section 10. For the purpose of incorporating the amendment
 342 | made by this act to section 154.205, Florida Statutes, in a
 343 | reference thereto, subsection (16) of section 159.27, Florida
 344 | Statutes, is reenacted to read:

345 | 159.27 Definitions.—The following words and terms, unless
 346 | the context clearly indicates a different meaning, shall have
 347 | the following meanings:

348 | (16) "Health care facility" means property operated in the
 349 | private sector, whether operated for profit or not, used for or
 350 | useful in connection with the diagnosis, treatment, therapy,

351 rehabilitation, housing, or care of or for aged, sick, ill,
352 injured, infirm, impaired, disabled, or handicapped persons,
353 without discrimination among such persons due to race, religion,
354 or national origin; or for the prevention, detection, and
355 control of disease, including, without limitation thereto,
356 hospital, clinic, emergency, outpatient, and intermediate care,
357 including, but not limited to, facilities for the elderly such
358 as assisted living facilities, facilities defined in s.
359 154.205(8), day care and share-a-home facilities, nursing homes,
360 and the following related property when used for or in
361 connection with the foregoing: laboratory; research; pharmacy;
362 laundry; health personnel training and lodging; patient, guest,
363 and health personnel food service facilities; and offices and
364 office buildings for persons engaged in health care professions
365 or services; provided, if required by ss. 400.601-400.611 and
366 ss. 408.031-408.045, a certificate of need therefor is obtained
367 prior to the issuance of the bonds.

368 Section 11. For the purpose of incorporating the amendment
369 made by this act to section 154.205, Florida Statutes, in a
370 reference thereto, paragraph (d) of subsection (1) of section
371 215.681, Florida Statutes, is reenacted to read:

372 215.681 ESG bonds; prohibitions.—

373 (1) As used in this section, the term:

374 (d) "Issuer" means the division, acting on behalf of any
375 entity; any local government, educational entity, or entity of

376 higher education as defined in s. 215.89(2)(c), (d), and (e),
377 respectively, or other political subdivision granted the power
378 to issue bonds; or any public body corporate and politic
379 authorized or created by general or special law and granted the
380 power to issue bonds, including, but not limited to, a water and
381 sewer district created under chapter 153, a health facilities
382 authority as defined in s. 154.205, an industrial development
383 authority created under chapter 159, a housing financing
384 authority as defined in s. 159.603(3), a research and
385 development authority as defined in s. 159.702(1)(c), a legal or
386 administrative entity created by interlocal agreement pursuant
387 to s. 163.01(7), a community redevelopment agency as defined in
388 s. 163.340(1), a regional transportation authority created under
389 chapter 163, a community development district as defined in s.
390 190.003, an educational facilities authority as defined in s.
391 243.52(1), the Higher Educational Facilities Financing Authority
392 created under s. 243.53, the Florida Development Finance
393 Corporation created under s. 288.9604, a port district or port
394 authority as defined in s. 315.02(1) and (2), respectively, the
395 South Florida Regional Transportation Authority created under s.
396 343.53, the Central Florida Regional Transportation Authority
397 created under s. 343.63, the Greater Miami Expressway Agency
398 created under s. 348.0304, the Tampa-Hillsborough County
399 Expressway Authority created under s. 348.52, the Central
400 Florida Expressway Authority created under s. 348.753, the

401 | Jacksonville Transportation Authority created under s. 349.03,
402 | and the Florida Housing Finance Corporation created under s.
403 | 420.504.

404 | Section 12. This act shall take effect July 1, 2025.