

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; creating s. 154.248, F.S.; providing
25 requirements for the closure of not-for-profit

hospitals; amending ss. 154.219, 154.221, 154.229, and 154.247, F.S.; conforming provisions to changes made by the act; amending s. 196.197, F.S.; providing tax exemption criteria for hospitals; providing applicability; reenacting ss. 159.27(16) and 215.681(1)(d), F.S., relating to definitions and ESG bonds and prohibitions, respectively, to incorporate the amendments made by the act; providing effective dates.

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

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

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

(8) "Health facility" means any private corporation or other entity or association organized not for profit, including, but not limited to, a limited liability company organized not for profit and controlled directly or indirectly by one or more entities organized not for profit, and authorized by law to provide:

(a) Hospital services in accordance with chapter 395;

(b) Nursing home care services in accordance with chapter

400;

(c) Life care services in accordance with chapter 651;

(d) Services for the developmentally disabled under chapter 393;

(e) Services for the mentally ill under chapter 394;

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

(g) Hospice services in accordance with chapter 400.

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

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

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

(6) To make and execute agreements of lease, contracts, loan agreements, deeds, mortgages, notes, and other instruments

76 necessary or convenient in the exercise of its powers and
77 functions under this part.

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

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

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

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

101 (20) To make mortgage or other secured or unsecured loans
102 to or for the benefit of a health facility for the cost of a
103 project in accordance with an agreement between the authority
104 and the health facility, provided that such loans may be made to
105 any entity affiliated with a health facility that undertakes
106 such financing if the proceeds of such loan are made available
107 to or applied for the benefit of such health facility.

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

118 **Section 3. Section 154.213, Florida Statutes, is amended**
119 **to read:**

120 154.213 Agreements of lease or loan agreements.—In
121 undertaking any project pursuant to this part, the authority
122 shall first obtain a valid certificate of need evidencing need
123 for the project and a statement that the project serves a public
124 purpose by advancing the commerce, welfare, and prosperity of
125 the local agency and its people. A ~~No~~ project financed under ~~the~~

126 ~~provisions of this part may not shall~~ be operated by the
127 authority or any other governmental agency; however, the
128 authority may temporarily operate or cause to be operated all or
129 any part of a project to protect its interest therein pending
130 any leasing of such project in accordance with ~~the provisions of~~
131 this part. The authority may lease a project or projects to a
132 health facility for operation and maintenance in such manner as
133 to effectuate the purposes of this part under an agreement of
134 lease or loan agreement in form and substance not inconsistent
135 herewith. Projects financed by the authority with the proceeds
136 of bonds issued for the benefit of a health facility pursuant to
137 s. 154.209(20) and (21) shall be governed by one or more loan
138 agreements made between the authority and a health facility, or
139 between the authority and an entity affiliated with a health
140 facility that undertakes such financing, if the proceeds of such
141 loan are made available to or applied for the benefit of such
142 health facility.

143 (1) Any such agreement of lease or loan agreement may
144 provide, among other provisions, that:

145 (a) The lessee under a lease or the obligor under a loan
146 agreement shall at its own expense operate, repair, and maintain
147 the project or projects financed or refinanced ~~leased~~
148 thereunder.

149 (b) The rent payable under the agreement of lease or the
150 loan payments made pursuant to the loan agreement shall in the

151 aggregate be not less than an amount sufficient to pay all of
152 the interest, principal, and redemption premiums, if any, on the
153 bonds that shall be issued by the authority to pay the cost of
154 the project or projects financed or refinanced ~~leased~~
155 thereunder.

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

163 1. Insurance costs. ~~7~~

164 2. The cost of administering the bond resolution
165 authorizing such bonds and any trust agreement securing the
166 bonds. ~~7 and~~

167 3. The fees and expenses of trustees, paying agents,
168 attorneys, consultants, and others.

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

176 (e) The lessee's obligation to pay rent under the
177 agreement of lease and the obligor's obligation to make loan
178 payments under a loan agreement may ~~shall~~ not be subject to
179 cancellation, termination, or abatement by the lessee under the
180 agreement of lease or the obligor under the loan agreement until
181 such payment of the bonds or provision for such payment shall be
182 made.

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

201 funds shall have been deposited in trust for such payment. The
202 purchase price of such project may ~~shall~~ not be less than an
203 amount sufficient to pay in full all of the bonds, including all
204 principal, interest, and redemption premiums, if any, issued for
205 the project then outstanding and all other obligations incurred
206 by the authority in connection with such project.

207 **Section 4. Section 154.225, Florida Statutes, is amended**
208 **to read:**

209 154.225 Revenues.—

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

222 (2) The fees, rents, loan payments, and charges shall be
223 so fixed as to provide a fund sufficient to pay the principal
224 of, and the interest on, such bonds as the same shall become due
225 and payable and to create reserves, if any, deemed by the

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

otherwise be provided in the resolution or the trust agreement, the sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

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

154.235 Refunding bonds.—

(1) The authority is hereby authorized to provide for the issuance of revenue bonds for the purpose of refunding any of its revenue bonds then outstanding and revenue bonds of other issuers, the proceeds of which were used to finance or refinance projects of one or more health facilities, 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.

Section 6. Section 154.248, Florida Statutes, is created to read:

154.248 Closure of not-for-profit hospitals.—The closure of a not-for-profit hospital requires all of the following:

(1) The hospital must provide 120 days' notice between the announcement of the closure and the actual closure date.

(2) The notice of a closure must be:

(a) Published in a newspaper of general circulation three times every 30 days.

1. The notice must include the reason for the closure and location of alternative sites for emergency care.

276 2. The notice must include the anticipated impacts to
277 local health insurance and health plan provider networks and
278 contracts.

279 (b) Delivered by certified letter to:

280 1. The Chairman of the Board of County Commissioners.

281 2. Municipalities within a 75-mile radius.

282 3. Hospitals within a 75-mile radius.

283 4. Emergency services transport operators within a 75-mile
284 radius.

285 5. All licensed physicians within a 75-mile radius.

286 6. All urgent care facilities within a 75-mile radius.

287 7. All assisted living facilities and nursing facilities
288 within a 75-mile radius.

289 8. The state representative and the state senator whose
290 district includes the facility.

291 (3) The hospital must hold three public meetings within a
292 75-mile radius of the closing hospital before the closure date.
293 Such meetings must be advertised in a newspaper of general
294 circulation.

295 (4) The hospital must release physicians from any
296 contractual agreements that would prevent a physician from
297 practicing at another hospital within a 75-mile radius of the
298 closing hospital.

299 **Section 7. Paragraph (b) of subsection (4) of section**
300 **154.219, Florida Statutes, is amended to read:**

154.219 Revenue bonds.—

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

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

Section 8. Section 154.221, Florida Statutes, is amended to read:

154.221 Security of bondholders.—In the discretion of the authority, any bonds issued under ~~the provisions of~~ this part may be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or resolution providing for the issuance of such bonds may pledge or assign the fees, rents, loan payments, charges, or proceeds from the sale of any project or part thereof, insurance proceeds, condemnation awards, and other funds and revenues to be received therefor, and may provide for the mortgaging of any project or any part thereof as security for repayment of the bonds. Such trust agreement or resolution providing for the issuance of such bonds shall contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper

326 and ~~not~~ in accordance with general ~~violation of~~ law, including
327 covenants setting forth the duties of the authority in relation
328 to the acquisition of property and the construction,
329 improvement, maintenance, repair, operation, and insurance of
330 the project or projects in connection with which such bonds
331 shall have been authorized; the fees, rents, loan payments, and
332 other charges to be fixed and collected; the sale of any
333 project, or part thereof, or other property; the terms and
334 conditions for the issuance of additional bonds; and the
335 custody, safeguarding, and application of all moneys. It shall
336 be lawful for any bank or trust company incorporated under the
337 laws of the state which may act as depository of the proceeds of
338 bonds, revenues, or other money hereunder to furnish such
339 indemnifying bonds or to pledge such securities as may be
340 required by the authority. Any such trust agreement or
341 resolution shall set forth the rights and remedies of the
342 bondholders and of the trustee and may restrict the individual
343 right of action by bondholders. In addition to the foregoing,
344 any such trust agreement or resolution may contain such other
345 provisions as the authority may deem reasonable and proper for
346 the security of the bondholders. All expenses incurred in
347 carrying out the provisions of such trust agreement or
348 resolution may be treated as a part of the cost of the project
349 or projects in connection with which bonds are issued or as an
350 expense of administration of such projects, as the case may be.

351 **Section 9. Section 154.229, Florida Statutes, is amended**
352 **to read:**

353 154.229 Remedies.—Any holder of bonds issued under ~~the~~
354 ~~provisions of~~ this part or of any of the coupons appertaining
355 thereto, and the trustee under any trust agreement, except to
356 the extent the rights herein given may be restricted by such
357 trust agreement or the resolution authorizing the issuance of
358 such bonds, may, either at law or in equity, by suit, action,
359 mandamus, or other proceeding, protect and enforce any and all
360 rights under the laws of this state or granted hereunder or
361 under such trust agreement or resolution authorizing the
362 issuance of such bonds, or under any agreement of lease, loan
363 agreement, or other contract executed by the authority pursuant
364 to this part, and may enforce and compel the performance of all
365 duties required by this part or by such trust agreement or
366 resolution to be performed by any lessee or the authority or by
367 any officer thereof, including the fixing, charging, and
368 collecting of fees, rents, loan payments, and charges.

369 **Section 10. Section 154.247, Florida Statutes, is amended**
370 **to read:**

371 154.247 Financing of projects located outside of local
372 agency.—Notwithstanding any provision of this part to the
373 contrary, an authority may, if it finds that there will be a
374 benefit or a cost savings to a health facility located within
375 its jurisdiction, issue bonds for such health facility to

376 finance projects for such health facility,~~or for another not~~
377 ~~for-profit corporation under common control with such health~~
378 ~~facility,~~ located outside the geographical limits of the local
379 agency or outside this state.

380 **Section 11. For the purpose of incorporating the amendment**
381 **made by this act to section 154.205, Florida Statutes, in a**
382 **reference thereto, subsection (16) of section 159.27, Florida**
383 **Statutes, is reenacted to read:**

384 159.27 Definitions.—The following words and terms, unless
385 the context clearly indicates a different meaning, shall have
386 the following meanings:

387 (16) "Health care facility" means property operated in the
388 private sector, whether operated for profit or not, used for or
389 useful in connection with the diagnosis, treatment, therapy,
390 rehabilitation, housing, or care of or for aged, sick, ill,
391 injured, infirm, impaired, disabled, or handicapped persons,
392 without discrimination among such persons due to race, religion,
393 or national origin; or for the prevention, detection, and
394 control of disease, including, without limitation thereto,
395 hospital, clinic, emergency, outpatient, and intermediate care,
396 including, but not limited to, facilities for the elderly such
397 as assisted living facilities, facilities defined in s.
398 154.205(8), day care and share-a-home facilities, nursing homes,
399 and the following related property when used for or in
400 connection with the foregoing: laboratory; research; pharmacy;

laundry; health personnel training and lodging; patient, guest, and health personnel food service facilities; and offices and office buildings for persons engaged in health care professions or services; provided, if required by ss. 400.601-400.611 and ss. 408.031-408.045, a certificate of need therefor is obtained prior to the issuance of the bonds.

Section 12. Effective upon this act becoming a law, subsection (3) is added to section 196.197, Florida Statutes, to read:

196.197 Additional provisions for exempting property used by hospitals, nursing homes, and homes for special services.—In addition to criteria for granting exemptions for charitable use of property set forth in other sections of this chapter, hospitals, nursing homes, and homes for special services shall be exempt to the extent that they meet the following criteria:

(3) (a) An exemption may not be granted to an institution licensed as a hospital if another licensed hospital in this state that is owned by the same or a related corporation not for profit has:

1. Ceased operation during the year for which the exemption from ad valorem property taxes is requested; and

2. Such closure included the closure of the hospital's emergency department without the hospital opening a new emergency department within 120 days within a 10-mile radius of the hospital that ceased operation.

426 (b) An exemption may not be granted to a hospital that was
427 disallowed the exemption under paragraph (a) in the prior year
428 unless, before January 1 of the taxable year, the same or an
429 equivalent emergency department, in size and scope, was made
430 available within a 10-mile radius of the hospital that ceased
431 operation.

432 (c) The exemption may be reinstated for all related
433 hospitals on the January 1 following the date an equivalent
434 emergency department, within a 10-mile radius of the hospital
435 that ceased operation, is available, if all other conditions of
436 this section are met.

437 **Section 13.** The amendments made by this act to s. 196.197,
438 Florida Statutes, which are effective upon becoming a law, apply
439 retroactively to January 1, 2025, and first apply to the 2025
440 tax roll.

441 **Section 14.** **For the purpose of incorporating the amendment**
442 **made by this act to section 154.205, Florida Statutes, in a**
443 **reference thereto, paragraph (d) of subsection (1) of section**
444 **215.681, Florida Statutes, is reenacted to read:**

445 215.681 ESG bonds; prohibitions.—

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

447 (d) "Issuer" means the division, acting on behalf of any
448 entity; any local government, educational entity, or entity of
449 higher education as defined in s. 215.89(2)(c), (d), and (e),
450 respectively, or other political subdivision granted the power

to issue bonds; or any public body corporate and politic authorized or created by general or special law and granted the power to issue bonds, including, but not limited to, a water and sewer district created under chapter 153, a health facilities authority as defined in s. 154.205, an industrial development authority created under chapter 159, a housing financing authority as defined in s. 159.603(3), a research and development authority as defined in s. 159.702(1)(c), a legal or administrative entity created by interlocal agreement pursuant to s. 163.01(7), a community redevelopment agency as defined in s. 163.340(1), a regional transportation authority created under chapter 163, a community development district as defined in s. 190.003, an educational facilities authority as defined in s. 243.52(1), the Higher Educational Facilities Financing Authority created under s. 243.53, the Florida Development Finance Corporation created under s. 288.9604, a port district or port authority as defined in s. 315.02(1) and (2), respectively, the South Florida Regional Transportation Authority created under s. 343.53, the Central Florida Regional Transportation Authority created under s. 343.63, the Greater Miami Expressway Agency created under s. 348.0304, the Tampa-Hillsborough County Expressway Authority created under s. 348.52, the Central Florida Expressway Authority created under s. 348.753, the Jacksonville Transportation Authority created under s. 349.03, and the Florida Housing Finance Corporation created under s.

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477 | **Section 15.** Except as otherwise expressly provided in this
478 | act and except for this section, which shall take effect upon
479 | this act becoming a law, this act shall take effect July 1,
480 | 2025.