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A bill to be entitled
An act relating to health facilities; amending s.
154.205, F.S.; revising the definition of the term
"health facility" to include other entities and
associations organized not for profit; amending s.
154.209, F.S.; revising the powers of health
facilities authorities to include the power to issue
certain loans and execute related loan agreements;
amending s. 154.213, F.S.; specifying requirements for
projects financed by loan agreements issued by a
health facilities authority; specifying provisions
that may be included in such loan agreements; amending
s. 395.1042, F.S.; authorizing, rather than requiring,
a hospital to perform a confirmation test under
certain circumstances; amending ss. 154.219, 154.221,
154.225, 154.235, and 154.247, F.S.; conforming
provisions to changes made by the act; providing an
effective date.

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 that is

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30 organized as a not-for-profit organization and controlled
31 directly or indirectly by one or more not-for-profit
32 organizations, and authorized by law to provide:

- 33 (a) Hospital services in accordance with chapter 395;
34 (b) Nursing home care services in accordance with chapter
35 400;
36 (c) Life care services in accordance with chapter 651;
37 (d) Services for the developmentally disabled under chapter
38 393;
39 (e) Services for the mentally ill under chapter 394;
40 (f) Assisted living services in accordance with chapter
41 429; or
42 (g) Hospice services in accordance with chapter 400.

43
44 The term also includes any private corporation or other entity
45 or association organized not for profit which offers independent
46 living facilities and services as part of a retirement community
47 that provides nursing home care services or assisted living
48 services on the same campus.

49 Section 2. Present subsection (19) of section 154.209,
50 Florida Statutes, is redesignated as subsection (21), a new
51 subsection (19) and subsection (20) are added to that section,
52 and subsections (6), (8), (9), (13), and (18) of that section
53 are amended, to read:

54 154.209 Powers of authority.—The purpose of the authority
55 shall be to assist health facilities in the acquisition,
56 construction, financing, and refinancing of projects in any
57 incorporated or unincorporated area within the geographical
58 limits of the local agency. For this purpose, the authority is

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59 authorized and empowered:

60 (6) To make and execute agreements of lease, contracts,
61 deeds, loan agreements, mortgages, notes, and other instruments
62 necessary or convenient in the exercise of its powers and
63 functions under this part.

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

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

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

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

87 (19) To make mortgage or other secured or unsecured loans

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88 to or for the benefit of any health facility for the cost of a
89 project in accordance with an agreement between the authority
90 and the health facility. Such loans may be made to any entity
91 affiliated with a health facility that undertakes such
92 financing, if the proceeds of such loan are made available to or
93 applied for the benefit of such health facility.

94 (20) To make mortgage or other secured or unsecured loans
95 to or for the benefit of a health facility in accordance with an
96 agreement between the authority and the health facility to
97 refund or refinance outstanding bonds, obligations, loans,
98 indebtedness, or advances issued, made, given, or incurred by or
99 for the benefit of such health facility for the cost of a
100 project. Such loans may be made to any entity affiliated with a
101 health facility that undertakes such refunding or refinancing,
102 if the proceeds of such loan are made available to or applied
103 for the benefit of such health facility.

104 Section 3. Section 154.213, Florida Statutes, is amended to
105 read:

106 154.213 Agreements of lease; loan agreements.—In
107 undertaking any project pursuant to this part, the authority
108 shall first obtain a valid certificate of need evidencing need
109 for the project and a statement that the project serves a public
110 purpose by advancing the commerce, welfare, and prosperity of
111 the local agency and its people. A No project financed under the
112 provisions of this part may not shall be operated by the
113 authority or any other governmental agency; however, the
114 authority may temporarily operate or cause to be operated all or
115 any part of a project to protect its interest therein pending
116 any leasing of such project in accordance with ~~the provisions of~~

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117 this part. The authority may lease a project or projects to a
118 health facility for operation and maintenance in such manner as
119 to effectuate the purposes of this part under an agreement of
120 lease in form and substance not inconsistent herewith. Projects
121 financed or refinanced by the authority with the proceeds of
122 bonds issued for the benefit of a health facility pursuant to s.
123 154.209(19) or (20) shall be governed by one or more loan
124 agreements made between the authority and a health facility, or
125 between the authority and an entity affiliated with a health
126 facility that undertakes such financing, if the proceeds of such
127 loan are made available to or applied for the benefit of such
128 health facility.

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

131 (a) The lessee under an agreement of lease or an obligor
132 under a loan agreement shall at its own expense operate, repair,
133 and maintain the project or projects financed or refinanced
134 ~~leased~~ thereunder.

135 (b) The rent payable under the agreement of lease or the
136 loan payments made pursuant to the loan agreement shall in the
137 aggregate be not less than an amount sufficient to pay all of
138 the interest, principal, and redemption premiums, if any, on the
139 bonds that are ~~shall be~~ issued by the authority to pay the cost
140 of the project or projects financed or refinanced ~~leased~~
141 thereunder.

142 (c) The lessee under an agreement of lease or the obligor
143 under a loan agreement shall pay all costs incurred by the
144 authority in connection with the acquisition, financing,
145 construction, and administration of the project or projects

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146 financed or refinanced ~~leased~~, except as may be paid out of the
147 proceeds of bonds or otherwise, including, but not ~~without being~~
148 limited to, ~~÷~~ insurance costs, the cost of administering the bond
149 resolution authorizing such bonds and any trust agreement
150 securing the bonds, and the fees and expenses of trustees,
151 paying agents, attorneys, consultants, and others.

152 (d) The terms of the agreement of lease or loan agreement
153 shall terminate not earlier than the date on which all such
154 bonds and all other obligations incurred by the authority in
155 connection with the project or projects financed or refinanced
156 ~~leased~~ thereunder are ~~shall be~~ paid in full, including interest,
157 principal, and redemption premiums, if any, or adequate funds
158 for such payment are ~~shall be~~ deposited in trust.

159 (e) The lessee's obligation to pay rent under the agreement
160 of lease and the obligor's obligation to make loan payments
161 under a loan agreement may ~~shall~~ not be subject to cancellation,
162 termination, or abatement by the lessee or the obligor until
163 such payment of the bonds or provision for such payment is ~~shall~~
164 ~~be~~ made.

165 (2) Such agreement of lease or loan agreement may contain
166 such additional provisions as in the determination of the
167 authority are necessary or convenient to effectuate the purposes
168 of this part, including provisions for extensions of the term
169 and renewals of the lease or loan agreement and vesting in the
170 lessee an option to purchase the project leased thereunder
171 pursuant to such terms and conditions consistent with this part
172 as shall be prescribed in the lease. Except as may otherwise be
173 expressly stated in the agreement of lease or loan agreement, to
174 provide for any contingencies involving the damaging,

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175 destruction, or condemnation of the project financed or
176 refinanced ~~leased~~ or any substantial portion thereof, such
177 option to purchase may not be exercised unless all bonds issued
178 for such project, including all principal, interest, and
179 redemption premiums, if any, and all other obligations incurred
180 by the authority in connection with such project, shall have
181 been paid in full or sufficient funds shall have been deposited
182 in trust for such payment. The purchase price of such project
183 shall not be less than an amount sufficient to pay in full all
184 of the bonds, including all principal, interest, and redemption
185 premiums, if any, issued for the project then outstanding and
186 all other obligations incurred by the authority in connection
187 with such project.

188 Section 4. Paragraph (b) of subsection (2) of section
189 395.1042, Florida Statutes, as created by CS for HB 1195, 2025
190 Regular Session, is amended to read:

191 395.1042 Fentanyl testing.—

192 (2)

193 (b) If the test results are positive for fentanyl, the
194 hospital may ~~must~~ perform a confirmation test as defined in s.
195 440.102(1).

196 Section 5. Paragraph (b) of subsection (4) of section
197 154.219, Florida Statutes, is amended to read:

198 154.219 Revenue bonds.—

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

203 (b) The rentals, loan payments, fees, and other charges to

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204 be charged, the amounts to be raised in each year thereby, and
205 the use and disposition of the revenues.

206 Section 6. Section 154.221, Florida Statutes, is amended to
207 read:

208 154.221 Security of bondholders.—In the discretion of the
209 authority, any bonds issued under ~~the provisions of~~ this part
210 may be secured by a trust agreement by and between the authority
211 and a corporate trustee, which may be any trust company or bank
212 having the powers of a trust company within or outside ~~without~~
213 the state. Such trust agreement or resolution providing for the
214 issuance of such bonds may pledge or assign the fees, rents,
215 charges, or proceeds from the sale of any project or part
216 thereof, insurance proceeds, condemnation awards, and other
217 funds and revenues to be received therefor, and may provide for
218 the mortgaging of any project or any part thereof as security
219 for repayment of the bonds. Such trust agreement or resolution
220 providing for the issuance of such bonds shall contain such
221 provisions for protecting and enforcing the rights and remedies
222 of the bondholders as may be reasonable and proper and not in
223 violation of law, including covenants setting forth the duties
224 of the authority in relation to the acquisition of property and
225 the construction, improvement, maintenance, repair, operation,
226 and insurance of the project or projects in connection with
227 which such bonds shall have been authorized; the fees, rents,
228 loan payments, and other charges to be fixed and collected; the
229 sale of any project, or part thereof, or other property; the
230 terms and conditions for the issuance of additional bonds; and
231 the custody, safeguarding, and application of all moneys. It
232 shall be lawful for any bank or trust company incorporated under

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the laws of the state which may act as depository of the proceeds of bonds, revenues, or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust agreement or resolution shall set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the project or projects in connection with which bonds are issued or as an expense of administration of such projects, as the case may be.

Section 7. Section 154.225, Florida Statutes, is amended to read:

154.225 Revenues.—

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

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262 (2) The fees, rents, loan payments, and charges shall be so
263 fixed as to provide a fund sufficient to pay the principal of,
264 and the interest on, such bonds as the same shall become due and
265 payable and to create reserves, if any, deemed by the authority
266 to be necessary for such purposes. The fees, rents, loan
267 payments, charges, and all other revenues and proceeds derived
268 from the project or projects in connection with which the bonds
269 of any issue shall have been issued, except such part thereof as
270 may be necessary for such reserves or any expenditures as may be
271 provided in the resolution authorizing the issuance of such
272 bonds or in the trust agreement securing the same, shall be set
273 aside at such regular intervals as may be specified in such
274 resolution or such trust agreement in a sinking fund which is
275 hereby pledged to, and charged with, the payment of the
276 principal of and the interest on such bonds as the same shall
277 become due and the redemption price or the purchase price of
278 bonds retired by call or purchase as therein provided. Such
279 pledge shall be valid and binding from the time when the pledge
280 is made. The fees, rents, loan payments, charges, and other
281 revenues and moneys so pledged and thereafter received by the
282 authority shall immediately be subject to the lien of such
283 pledge without any physical delivery thereof or further act, and
284 the lien of any such pledge shall be valid and binding as
285 against all parties having claims of any kind in tort, contract,
286 or otherwise against the authority, irrespective of whether such
287 parties have notice thereof. The use and disposition of money to
288 the credit of such sinking fund shall be subject to the
289 provisions of the resolution authorizing the issuance of such
290 bonds or of such trust agreement. Except as may otherwise be

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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 8. 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:

(a) Any of its revenue bonds then outstanding; and

(b) Revenue bonds of other issuers, the proceeds of which were used to finance or refinance projects of one or more health facilities.

Such refunds may include,~~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 9. Section 154.247, Florida Statutes, is amended to read:

154.247 Financing of projects located outside of local agency.—Notwithstanding any provision of this part to the contrary, an authority may, if it finds that there will be a benefit or a cost savings to a health facility located within its jurisdiction, issue bonds for such health facility to finance projects for such health facility, or for another private corporation or other entity or association organized not-for-profit ~~corporation~~ under common control with such health facility, located outside the geographical limits of the local agency or outside this state.

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Section 10. This act shall take effect July 1, 2025.