

**HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS**

**BILL #:** HB 837 West Volusia Hospital Authority  
**SPONSOR(S):** Patterson  
**TIED BILLS:** **IDEN./SIM. BILLS:**

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| <b>REFERENCE</b>                                   | <b>ACTION</b> | <b>ANALYST</b> | <b>STAFF DIRECTOR</b> |
|--|---------------|----------------|-----------------------|
| 1) <u>Local Affairs (Sub)</u>                      | _____         | <u>Grayson</u> | <u>Cutchins</u>       |
| 2) <u>Local Government &amp; Veterans' Affairs</u> | _____         | _____          | _____                 |
| 3) <u>Finance &amp; Tax</u>                        | _____         | _____          | _____                 |
| 4) _____   | _____         | _____          | _____                 |
| 5) _____   | _____         | _____          | _____                 |

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**SUMMARY ANALYSIS**

This bill codifies all prior special acts relating to the West Volusia Hospital Authority (Authority) in Volusia County into a single act and repeals all prior special acts relating to the Authority's charter.

In addition, the bill amends existing charter provisions to:

- Eliminate the Authority's full faith and credit ad valorem tax bonding authority;
- Reduce the maximum allowable ad valorem tax millage rate from five (5) mills to four (4) mills;
- Direct the Authority's Board of Commissioners (Board) to provide for the health or mental health care of indigents and provide such other health or mental health related services for indigents in such manner as the Board selects, including the purchase of institutional services from any private or publicly owned medical facility, as the Board determines are needed for the general welfare of the residents of the District.
- Authorize the Board to collect information and statistical data that will be helpful to the Board and the county in deciding the health or mental health care needs in the county.
- Authorize the Board to assume funding for the county's share of state or federal indigent health or mental health care programs for District residents which require financial participation by the county.

The bill does not impact the state budget according to the Economic Impact Statement.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

This bill codifies all prior special acts relating to the West Volusia Hospital Authority (Authority) in Volusia County into a single act and repeals all prior special acts relating to the Authority's charter.

In addition, the bill amends existing charter provisions to:

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- Authorize the Board to collect information and statistical data that will be helpful to the Board and the county in deciding the health or mental health care needs in the county.
- Authorize the Board to assume funding for the county's share of state or federal indigent health or mental health care programs for District residents which require financial participation by the county.

#### Codification - Background

Codification is the process of bringing a special act up-to-date. After a special district is created, special acts often amend or alter the special district's charter provisions. To ascertain the current status of a special district's charter, it is necessary to research all amendments or changes made to the charter since its inception or original passage by the Legislature. Codification of special district charters is important because it allows readers to more easily determine the current charter of a district.

Codification of special district charters was authorized by the 1997 Legislature when it amended chapter 189, Florida Statutes, to provide for codification of all special district charters either by December 1, 2001, or when any act relating to such district is introduced to the Legislature, whichever occurs first. Section 189.429, Florida Statutes (1997), also required that no changes be made to a district's charter, as it existed on October 1, 1997. However, the 1998 Legislature amended section 189.429, Florida Statutes, to: (1) extend the codification deadline to December 1, 2004; (2) allow for the adoption of the codification schedule provided for in an October 3, 1997, memorandum issued by the

Chair of the Committee on Community Affairs; (3) remove the prohibition of substantive amendments in a district's codification bill; and (4) remove the requirement that a codified charter must be submitted prior to the introduction of any act relating to the charter or prior to the scheduled deadline. Any codified act relating to a special district must provide for the repeal of all prior special acts of the Legislature relating to the district. Additionally, the 2001 Legislature amended section 189.429, Florida Statutes creating subsections (2) and (3). The subsections provide that reenactment of existing law pursuant to section 189.429: (1) shall not be construed to grant additional authority nor to supercede the authority of an entity; (2) shall continue the application of exceptions to law contained in special acts reenacted pursuant to the section; (3) shall not be construed to modify, amend, or alter any covenants, contracts, or other obligations of any district with respect to bonded indebtedness; and (4) shall not be construed to affect a district's ability to levy and collect taxes, assessments, fees, or charges for the purpose of redeeming or servicing the district's bonded indebtedness.

### West Volusia Hospital Authority

The West Volusia Hospital Authority (Authority), is an independent district created by chapters 57-1929 and 57-2085, Laws of Florida (L.O.F.), as amended. Although initially created to establish and operate a hospital and other health care facilities, the Authority does not currently own or operate a hospital.

#### C. SECTION DIRECTORY:

Section 1. Provides for the codification of the West Volusia Hospital Authority as in independent special district.

Section 2. Codifies, reenacts, repeals and amends chs. 27949 (1951), 57-1929, 57-2085, 59-1949, 61-2974, 63-2014, 65-2344, 67-2152, 69-1696, 69-1698, 71-951, 71-955, 82-383, 88-473, and 96-455, L.O.F.

Section 3. Recreates the charter for the West Volusia Hospital Authority.

Section 1. Creates The West Volusia Hospital Authority as an independent special tax district within Volusia County. The purpose of the District is to provide access to healthcare for indigent residents of the District. Provides a legal description of the District boundaries.

Section 2. Provides the governing board shall consist of 5 commissioners serving 4 year terms; that each commissioner shall give a \$5,000 bond for faithful performance of his duties; that bond premiums are an expense paid by the District; and for the filling of vacancies.

Section 3. Relates to powers of the Board of Commissioners; provides for rulemaking regarding operation of the hospital and the medical and dental staffs, and the control of all professional and nonprofessional employees; provides for a quorum of three with a vote of two commissioners to conduct business; provides for open records.

Section 4. Relates to authority to establish, construct, operate and maintain hospital(s) for the purposes of the District; and defines the terms "hospital" and "operate and maintain."

Section 5. Provides authority regarding the equipment and furnishings of the hospital; requires the provision of health and mental health care of indigents; relates to funding and the issuance of negotiable revenue bonds.

Section 6. Provides further authority under the term "operate and maintain."

Section 7. Provides for the power of eminent domain.

Section 8. Provides authority to borrow money.

Section 9. Provides for the distribution of District funds only by warranty signed by two members of the board.

Section 10. Provides authority to levy and collect ad valorem taxes up to 4 mills.

Section 11. Provides for the method of levying ad valorem taxes.

Section 12. Provides authority to pay expenses of the District.

Section 13. Provides for the annual publishing of a complete statement of the moneys received and disbursed, and a statement of the condition of the District..

Section 14. Provides that indigents are entitled to care without charge or for reduced charge.

Section 15. Provides for liberal construction.

Section 16. Provides for the authority to validate bonds issued by the District.

Section 17. Provides authority for the purchase, construction and erection, leasing, equipping, operating, maintaining or managing a hospital or hospitals for the care of the sick or infirm or those suffering from disease or injury to or of the body or mind.

Section 18. Provides for compliance with the minimum charter requirements of s. 189.404(3), F.S.

Section 4. Provides for severability.

Section 5. Provides for liberal construction.

Section 6. Repeals chs. 27949 (1951), 57-1929, 57-2085, 59-1949, 61-2974, 63-2014, 65-2344, 67-2152, 69-1696, 69-1698, 71-951, 71-955, 82-383, 88-473, and 96-455, L.O.F.

Section 7. Provides for an effective date of upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN?

October 3, 2003.

WHERE?

*The News-Journal*, a newspaper published daily and Sundays at Daytona Beach, Volusia County.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

August 31, 2004.

C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill provides for rulemaking in s. 3(2) regarding the operation of the hospital, and the medical and dental staffs.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES

The Sponsor intends to offer one amendment that accomplishes two changes as follows:

- Removes the change to the millage cap in the bill.
- Authorizes the placing of a ballot referendum for voters residing in the District's boundaries for August 31, 2004, to decide whether or not to change the maximum millage rate from 5 mills to 4 mills.