

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Appropriations

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BILL: SB 640

INTRODUCER: Senator Braynon

SUBJECT: Public Health Trusts

DATE: April 23, 2014

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Stovall</u>	<u>Stovall</u>	<u>HP</u>	<b>Favorable</b>
2.	<u>White</u>	<u>Yeatman</u>	<u>CA</u>	<b>Favorable</b>
3.	<u>Brown</u>	<u>Pigott</u>	<u>AHS</u>	<b>Favorable</b>
4.	<u>Brown</u>	<u>Kynoch</u>	<u>AP</u>	<b>Favorable</b>

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**I. Summary:**

SB 640 authorizes the board of trustees of a public health trust to lease out office space without first advertising and soliciting bids for the office space.

The bill has an insignificant fiscal impact, if any.

**II. Present Situation:**

**Limitations on Public Health Trusts' Authority to Lease Office Space**

Chapter 73-102, Laws of Florida, authorized the governing body of each county to create a public health trust in and for the county. A public health trust's board of trustees, appointed by the governing body of the county, is responsible for the operation, governance, and management of a publicly funded health care facility designated by the county's governing body.<sup>1</sup>

Specifically, the board of trustees is empowered to:<sup>2</sup>

- Lease – either as lessee or lessor – or rent for any number of years and upon any terms and conditions, real property, except that the board shall not lease or rent, as lessor, any real property except in accordance with the requirements of s. 125.35 [F. S. 1973];
- Sue and be sued;
- Have a seal;
- Adopt bylaws, rules, and regulations for the board's responsibilities;
- Execute contracts;

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<sup>1</sup> See Part II of Chapter 154, Florida Statutes.

<sup>2</sup> Section 154.11(1), F.S. However, note that a public health trust may not impose any tax, issue bonds, or require the imposition of a tax or the issuance of any bond by the governing body of the county. Section 154.11(2), F.S.

- Acquire and hold title to real or personal property;
- Appoint and remove a chief executive officer of the trust;
- Establish and collect fees for using or receiving services from the facility;
- Accept gifts of money, services, or real or personal property;
- Appoint, remove, or suspend employees or agents of the board, fix their compensation, and adopt personnel and management policies;
- Provide for employee benefits;
- Cooperate with and contract with any governmental agency or instrumentality, federal, state, municipal, or county;
- Adopt rules and regulations for the management and use of any properties under its control;
- Appoint originally the staff of physicians to practice in a designated facility and approve bylaws and rules to be adopted by the medical staff addressing the method of appointing or removing additional staff members; and
- Employ certified public accountants and legal counsel.

Section 125.35, F. S., authorizes a board of county commissioners to sell and convey any real or personal property, and to lease real property belonging to the county, whenever the county believes it is in its best interest to do so. However, the sale or lease must be awarded to the highest and best bidder for the highest and best use. Each sale or lease must be noticed by publishing once a week, for at least two weeks, in a newspaper of general circulation published in the county. The highest bid must be accepted, unless all are rejected because all are too low. A surety bond may be required of each bid submitted.

### **Jackson Health System**

A Public Health Trust was created in 1973 by the Miami-Dade<sup>3</sup> Board of County Commissioners as an independent governing body for Jackson Memorial Hospital. In 2003, the Board of County Commissioners amended the Miami-Dade County Code to expand the responsibilities of the Public Health Trust countywide to health care facilities within the Jackson Health System. The Trust is composed of volunteer citizens who set policies that assure that the Jackson Health System is responsive to community needs. This “citizen body” provides leadership for joint planning between Jackson Health System, the University of Miami’s Miller School of Medicine, Miami-Dade County, and other private and community organizations.<sup>4</sup>

Representatives of Jackson Health System have indicated that the requirements under s. 125.35, F.S., (1973) prove cumbersome, time-consuming, and wasteful when trying to recruit physicians and other health care practitioners who desire to lease office space in the hospital. The only bid typically received is from one practitioner.

### **III. Effect of Proposed Changes:**

**Section 1** amends s. 154.11, F.S., to authorize the board of trustees of a public health trust (Jackson Health System) to lease out its office space without first advertising and soliciting bids for the office space.

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<sup>3</sup> In 1973, the county was named Dade County.

<sup>4</sup> See Jackson Health System, *Public Health Trust*, <http://www.jacksonhealth.org/trust.asp>, (Last visited March 18, 2014).

**Section 2** provides an effective date of July 1, 2014.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

No significant fiscal impact is expected. Under SB 640, Jackson Health System, as well as any other public health trust, will be able to provide available office space to physicians and other health care professionals without the expense and delay of advertising and proceeding through a bid process.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 154.11 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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