

## House Bill No. 203

An act relating to the Lower Florida Keys Hospital District, Monroe County; providing legislative intent; codifying, amending, repealing, and reenacting all special acts relating to the district; repealing chapters 67-1724, 69-1322, 72-617, 73-555, 73-558, 75-450, 77-600, 77-601, 77-602, 77-603, 78-565, 79-511, 82-414, 87-459, 89-551, and 94-415, Laws of Florida; providing an effective date.

WHEREAS, the transactions authorized by this act will enhance the efficiency of the delivery of hospital services to residents of the district and protect the availability of needed hospital services to residents of the district, including indigent residents, NOW, THEREFORE,

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

Section 1. Pursuant to section 189.429, Florida Statutes, this act constitutes the codification of all special acts relating to the Lower Florida Keys Hospital District. It is the intent of the Legislature in enacting this law to provide a single, comprehensive special act charter for the district including all current legislative authority granted to the district by its several legislative enactments and any additional authority granted by this act. It is further the intent of this act to preserve all District authority in addition to any authority contained in the Florida Statutes, as amended from time to time.

Section 2. Chapters 67-1724, 69-1322, 72-617, 73-555, 73-558, 75-450, 77-600, 77-601, 77-602, 77-603, 78-565, 79-511, 82-414, 87-459, 89-551, and 94-415, Laws of Florida, are amended, codified, reenacted, and repealed as herein provided.

Section 3. The charter for the Lower Florida Keys Hospital District is recreated and reenacted to read:

Section 1. A special tax district is created and incorporated in Monroe County to be known as the "Lower Florida Keys Hospital District," hereafter referred to as the "district." Said district shall include that portion of Monroe County embracing Key West and the Florida Keys that is between range 24 east and range 31 east.

Section 2. The governing body of the Lower Florida Keys Hospital District, hereinafter referred to as the "board," shall consist of nine commissioners, of whom no more than one commissioner may be a member of the medical profession. On or before September 12, 1977, the Governor shall appoint all nine commissioners as follows: two for a term of four years each, two for a term of three years each, two for a term of two years each, and three for a term of one year each. Thereafter, all commissioners shall be appointed by the Governor for terms of four years each and vacancies shall be filled by appointment by the Governor for the unexpired term. All commissioners shall serve without compensation and shall be qualified electors residing in the Lower Florida Keys Hospital District for more than one year prior to the

appointment; at least three commissioners shall reside in said hospital district other than at Key West, at least three commissioners shall reside in Key West, and the remaining commissioners shall reside in any area of the district. The commissioners shall be reimbursed for per diem and traveling expenses in accordance with the provisions of s. 112.061, Florida Statutes. Each commissioner shall give bond to the Governor for the faithful performance of his or her duties in the sum of \$5,000 with a security company qualified to do business in this state as surety, which bond shall be approved and kept by the Clerk of the Circuit Court of Monroe County. The board shall elect annually one of its members chair and shall elect or appoint a vice chair, a secretary, a treasurer, and such other officers and assistants as the board may determine, who need not be members of the board. The office of secretary and treasurer may be held by one person. Should the treasurer be other than a member of the board, he or she shall give a like bond of \$5,000 for the faithful performance of his or her duties. Premiums on all bonds required by this section shall be paid as part of the expenses of the district. The Governor of the State of Florida shall have the power to remove any member of said board for cause.

### Section 3.

(1) The board shall have all the powers of a body corporate, including, but not limited to, the power to sue and be sued under the name of the Lower Florida Keys Hospital District; to enter into contracts; to adopt and use a common seal and to alter same at pleasure; to create, establish, or otherwise acquire corporations, under the control of the district, which corporations shall have all the powers enumerated in chapter 607, Florida Statutes, unless prohibited by the Florida Constitution or this act; to enter into capital or operating leases; to acquire, purchase, hold, lease, mortgage, and convey such real and personal property as the board may deem proper or expedient to carry out the purposes of this act; to appoint and employ an administrator, and such other agents and employees as the board may deem advisable to operate and manage the district's facilities; to fix the compensation of all employees and to remove any appointees or employees; to ensure the improvements, fixtures, and equipment against loss by fire, windstorm, or other coverage in such amounts as may be determined reasonable and proper; to borrow money and to issue evidence of indebtedness of the district therefor to carry out the provisions of this act in the manner as set forth in this act.

(2) Without limitation by any other provision of this act and notwithstanding any other provision of this act, the district is authorized and empowered to: form a Florida not-for-profit corporation of which the district is the sole member but which may include on its board a minority of the members thereof designated by a private person; lease the district's facilities to such not-for-profit corporation; provide in such leases options to sell and/or purchase such facilities for fair market value as determined in a manner acceptable to the district; transfer the operations of the district's facilities to such not-for-profit corporation; sell, assign, or transfer contracts or leases of the district to such not-for-profit corporation; and enter into and perform agreements for the provision of hospital and other health care

services to indigent and other residents of the district, with all of the foregoing being on such terms and conditions as the district in its sole discretion may determine is in the public interest, but subject to subsection (3). Nevertheless, the district shall supervise such not-for-profit corporation by election of a majority of such not-for-profit corporation's board and by review and approval of such not-for-profit corporation's budgets, rates, and charges; its policies regarding medical staff appointment, reappointment, and adverse action; and its policies regarding admission and discharge of patients and purchases of goods and services. Each member of the not-for-profit corporation's board must file full and public disclosure of his or her financial interest in the same manner and to the same extent as is required of constitutional officers by Section 8 of Article II of the State Constitution. For the purposes of the foregoing, the word "person" has the meaning ascribed thereto in section 1.01, Florida Statutes, 1989. This section does not abrogate or limit the district's responsibilities under this act relating to the provision of indigent care to residents of the district.

(3) Any transaction entered into pursuant to subsection (2) must:

(a) Provide that the articles of incorporation of each such not-for-profit corporation be subject to the approval of the board of commissioners of the district;

(b) Provide for the orderly transition of the district's hospital facilities to not-for-profit corporate status; and

(c) Provide for the return of the district's facilities upon termination of the lease thereof or dissolution of such not-for-profit corporation except that the district may not be prohibited from granting and performing options to purchase any or all of the district's facilities for fair market value determined in a manner acceptable to the district.

(d) Any transfer, sale, or lease of a hospital facility by the district shall be preconditioned upon the transferee, buyer, or lessee providing, on an annual basis, an amount of indigent care and Medicaid care to residents of the district which is not less than the amount of such care previously provided by the hospital as reported to the Health Care Cost Containment Board in the last year prior to the transfer, sale, or lease of the hospital facility, provided there is the demand for such level of indigent care and Medicaid care in the district. Any contract, agreement, or lease of a hospital entered into by the district shall also comply with the provisions of section 155.40, Florida Statutes.

Section 4. Regular meetings shall be held not less than quarterly, but may be held as frequently as deemed necessary, which additional regular meetings shall be called in the same manner as special meetings. A special meeting may be called by the chair or at the request of three (3) members of the board of commissioners, and said meeting shall be held no later than three (3) days from the date called or requested. A quorum for special and regular meetings shall consist of at least one half (½) of the membership of said board then appointed, qualified, and so serving. Death and accepted resignation of members shall not be considered in ascertaining the number necessary for a quorum. In the absence of the chair or his or her inability

to act at any regular or special meeting, warrants for payment of money may be signed by the vice chair or by any other member of the board selected by the members present as chair pro tem.

Section 5. The board through its secretary, or secretary-treasurer as the case may be, shall keep true and accurate minutes and records of all business transacted by it, and shall keep full, true, and complete books of account and minutes, which minutes, records, and books of account at all reasonable times shall be open and subject to inspection and copying by any inhabitant of the district. Failure to comply with this section shall constitute a misdemeanor and be punishable as such as provided by law.

Section 6. The board is authorized to establish, construct, lease, operate, and maintain a hospital or hospitals, medical facilities, and other health care related facilities and services as in its opinion shall be necessary for the use of the people of the district. Said hospital or hospitals, medical facilities, and other health care related facilities and services shall be established, constructed, leased, operated, and maintained by the board for the preservation of the public health, for the public good, and for the use of the public of the district, and maintenance of such hospital or hospitals, medical facilities, or other health care related facilities and services within the district is hereby found and declared to be a public purpose and necessary for the preservation of the public health and welfare of the district and inhabitants thereof. The board may enter into contractual relationships with other health service organizations, either public or private, for the provision of such administrative and medical services as it does not on its own provide in connection with said hospital or hospitals, medical facilities, or other health care related facilities and services. The location of any hospital, medical facility, or other health care related facility established under this act shall be determined by the board. The board is authorized to accept any and all gifts, loans, or advancements for the purchase of property, real or personal, for the construction, equipping, and maintenance of any hospital, medical facility, or other health care related facility established hereunder.

Section 7. (1) Before any single purchase of merchandise, supplies, materials, machinery, or equipment is made, the price of which exceeds five thousand dollars (\$5,000.00), or any contracts for any construction work is let, the price of which exceeds five thousand dollars (\$5,000.00), there shall be an advertisement by the board at least one (1) time in a newspaper of general circulation published in Key West, inviting sealed bids or proposals to furnish such merchandise, supplies, materials, machinery, or equipment or to perform such construction. Sealed bids or proposals received shall be properly evaluated by the board and the lowest responsible bid or proposal shall be accepted unless the board shall reject all sealed bids or proposals. If all sealed bids be rejected, new sealed bids or proposals shall be solicited by advertisement. The board may, by resolution or motion, dispense with advertising for sealed bids or proposals in the event of an emergency requiring that merchandise, supplies, materials, machinery, or equipment or construction work is necessary and required. If after two (2) successive unsuccessful attempts to obtain sealed bids or proposals, or in the event of an emergency, the board may purchase merchandise, supplies, or materials or

contract for construction or repairs by negotiation with suppliers or contractors. When an emergency is declared to exist by action of the majority of the board members meeting in a regular or special meeting, the basis of such determination and the vote of each member of the board shall be set forth in writing in the minutes of the meeting.

(2) The district's board of commissioners is specifically delegated the authority to grant, deny, revoke, or suspend staff privileges at its hospitals, medical facilities, or other health care related facilities according to the applicable Florida Statutes and the applicable rules and regulations. A decision of the board of commissioners of the Lower Florida Keys Hospital District to refuse, revoke, or suspend membership on the staff, or to refuse, revoke, or suspend any privileges attendant to such membership, is hereby declared to be a quasi-judicial function of the board and judicial review of such decision shall be by petition for certiorari to the District Court of Appeal of Florida prescribed by the Florida Appellate Rules having jurisdiction of the appeals from Monroe County, in the time and manner prescribed by the Florida Appellate Rules for such petitions for writ of certiorari, unless the provisions of such appellate rules shall confer exclusive jurisdiction of such petition upon the Supreme Court of Florida.

Section 8. The board in its discretion is authorized to establish and maintain in connection with any hospital, medical facility, or other health care related facility established under this act a training school for nurses and other health care related professionals, which school must conform to all the requirements of the general state law governing schools of professional nursing and the practice of nursing and such other professional sciences. The board is authorized to promulgate and adopt all rules and regulations necessary or required by general law for the operation of such training schools and to make all necessary expenditures in connection therewith. The board is also authorized in its discretion to establish, operate, and maintain a nursing home, an ambulance service, and such other services related to the operation and maintenance of a hospital, medical facility, or other health care related facility in a manner provided by general law.

Section 9. The board of commissioners is authorized and empowered, at any time in its discretion, to establish, maintain, or participate in such programs and projects of and for medical research, education, and development affecting human physical or mental health and well-being as it may deem desirable; and in connection with such programs and projects the board of commissioners is authorized and empowered to cooperate with public and private educational or research institutions, corporations, foundations, or organizations of any and all types as well as agencies, departments, divisions, branches, or bodies of government, or created by government, whether federal, state, county, municipal, or otherwise. In furtherance of such programs and projects, the board of commissioners is further authorized and empowered to expend moneys and utilize assets and property, real or personal, of the district and to receive donations, grants, or gifts of money or property, real or personal, from any person or persons, firm, organization, corporation, society, institution, foundation, or legal entity of whatever nature whether private, governmental, or public.

Section 10. To carry out the provisions of this act, the board is authorized to borrow money from time to time for periods of time not exceeding one (1) year at any one time and to issue any note of the district therefor upon such terms and upon such rates of interest not exceeding the current prime rate as the board may deem advisable and to secure the payment of same by note or mortgage and note upon any property, real or personal, owned by the district. The board shall have the additional right to pledge as security for money borrowed any moneys accruing to it or to accrue to it from any source, including revenues derived from the operation of any hospital established under this act; provided, however, that the aggregate amount of principal of moneys so borrowed upon the note or notes of the district shall not at any one time exceed the sum of \$3 million or 20 percent of the appraised value of the capital assets of the district, whichever sum is greater. The board shall have the authority to receive and accept grants, gifts, and donations from any person, firm, trust, foundation, corporation (whether profit or non-profit), partnership, estate, or governmental agency. The board shall have exclusive control of all expenditures of and from the moneys, loan proceeds, contributions, and revenues of the district, except that persons who desire to make contributions to the district shall have the right to attach conditions to their gifts. The board, upon accepting any such contribution, shall be controlled by the terms of the gift, bequest, or devise, and may, in such cases, establish funds therefor separate and apart from items of general revenue. Any such contribution made to the district without conditions attached thereto may be expended by the board for such purposes as shall be deemed necessary and proper by the board of commissioners.

Section 11. The board is authorized to issue bonds of the district bearing interest for the purposes set forth in this act, for the purpose of raising funds to establish, construct, refinance, or pay off existing obligations previously incurred on capital expenditures, and maintain any hospital as in the board's opinion is necessary in the district, and for the acquisition and development of real property, including appurtenances, fixtures, and equipment, and for major repairs or renovations to real property which significantly extend its useful life or change its function, and for any necessary operating capital outlay to furnish and operate a new or improved facility. The board shall have the power to refund any and all previous issues of bonds for any and all lawful hospital purposes. All the proceeds derived from the sale of bonds or refunding bonds, exclusive of expenses, shall be deposited in a depository selected by the board. Nothing herein shall limit any rights the district has or may have under general law.

Section 12. Prior to the issuance of bonds, the board shall, by resolution, determine the amount which in its opinion will be necessary to be raised annually by taxation for an interest and sinking fund with which to pay the interest and principal of the bonds; and the board is authorized and required to provide annually for the levy and collection of a sufficient tax upon all the taxable property in the district, not exempt by law, to pay such interest, and with which to provide and maintain a sinking fund for the payment of the principal of bonds.

Section 13. All bonds issued by the board, except refunding bonds, revenue bonds, or certificates and anticipation time warrants, shall be issued

only after the same shall have been approved by the majority vote of the electors voting in an election called and held by the board subject to reasonable rules and regulations prepared by the board. In the event it is determined to hold an election to decide whether the electors are in favor of the issuance of bonds, the board, by resolution, shall order an election to be held in the district and shall give 30 days' notice of election by publication in a newspaper of general circulation within the district once a week for 4 consecutive weeks during such period.

Section 14. Only registered electors of the district shall be permitted to vote at a bond election. For the purpose of determining the total number of qualified electors residing in the district, the Supervisor of Registration of Monroe County shall prepare a list of the names of all qualified electors appearing upon the registration books of Monroe County and qualified to vote in the election. Such lists shall be furnished to the inspectors or clerks of the election at each voting place and such lists shall be prima facie evidence of the total number of qualified electors eligible to participate in the election. No person shall be permitted to vote in such election whose name does not appear on such list.

Section 15. As far as practicable and where not inconsistent with the provisions of this act, the procedure outlined in chapter 100, Florida Statutes, providing the procedure for bond elections, shall govern.

Section 16. All bonds issued under this act shall be in the denomination of \$500 or some multiple thereof, shall bear interest payable annually or semiannually, and both principal and interest shall be payable at such prices as the board may determine. The form of such bond shall be fixed by resolution of the board and said bonds shall be signed by the chair and countersigned by the secretary under the seal of the district. The coupons, if any, shall be executed by the facsimile signatures of said officers. The delivery at any subsequent date of any bond and coupons so executed shall be valid, although before the date of delivery the persons signing bonds or coupons shall cease to hold office.

Section 17. Bonds issued hereunder may be either registered or coupon bonds. Coupon bonds may be registered as to principal in the holder's name on the books of the district, the registration being noted upon the bonds, after which no transfer shall be valid unless made on the district's books by the registered holder and similarly noted on the bonds. Bonds registered as to principal may be discharged from registration by being transferred to bearer, after which they shall be transferable by delivery, but may be again registered as to principal as before. The registration of the bonds as to principal shall not restrain the negotiability of the coupons by delivery merely.

Section 18. Before any bonds of the district are issued hereunder, the board shall investigate and determine the legality of the proceedings. The resolution authorizing the bonds may direct that they shall contain the following recital:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the constitution and statutes of the State of Florida."

Such recital shall be an authorized declaration by the board and shall import that there is constitutional and statutory authority for incurring the debts and issuing the bonds; that all the proceedings therefor are regular; that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the issuance of the bond have existed, happened, and been performed in due time, form, and manner, as required by law; and that the amount of the bond, together with all other indebtedness, does not exceed any limit prescribed by the constitution and statutes of this state. If any bond be issued containing the recital, it shall be conclusively presumed that the recital, construed according to the import hereby declared, is true, and the district shall not be permitted to question the validity or legality of the obligation in any court in any action or proceeding.

Section 19. In issuing bonds under the provision of this act, it shall be lawful for the board to include more than one (1) improvement or hospital purpose in any bond issue.

Section 20. All bonds issued hereunder shall be advertised for sale on sealed bids, which advertisement shall be published once a week for three (3) weeks, the first publication to be made at least twenty-one (21) days preceding the date fixed for the reception of bids, in a newspaper published in the hospital district. Notice of sale shall also be published once a week for three (3) weeks preceding the date fixed for the reception of bids, either in a financial paper published in the city of New York, the city of Chicago, or the city of Baltimore, or in a newspaper of general circulation published in a city in Florida having a population of not less than twenty thousand (20,000) inhabitants according to the latest official decennial census. The board may reject any and all bids. If the bonds are not sold pursuant to such advertisements, they may be sold by the board at private sale within sixty (60) days after the date advertised for the reception of sealed bids, but no private sale shall be made at a price less than the highest bid which shall have been received. If not sold, bonds shall be readvertised in the manner herein prescribed. No bonds issued hereunder shall be sold for less than ninety-five percent (95%) of the par value and accrued interest.

Section 21. No resolution or proceeding in respect to the issuance of bonds shall be necessary except as required by this act. Any publication prescribed hereby may be made in any newspaper conforming to the terms of this act, without regard to the designation thereof as the official organ of the district. Bonds issued hereunder shall have all the qualities of negotiable paper under the law merchant, shall not be invalid for any irregularity or defect in the proceedings for the issue and sale thereof, and shall be incontestable in the hands of a bona fide purchaser or holder for value.

Section 22. The board shall have the power to provide by resolution for the issuance of refunding bonds to refund principal and interest of an existing bond indebtedness, for the payment of which the tax moneys derived from the district is pledged, and such bonds may be issued at or prior to maturity of the bonds to be refunded. Such resolution may be adopted at a regular or special meeting, and at the same meeting at which it is introduced, by a majority of the members of the board then in office. It is determined and declared as a matter of legislative intent that no election to



authorize the issuance of refunding bonds shall be necessary except in cases where an election may be required by the state constitution. In all cases where it is not necessary under the constitution to hold an election on the issuance of such refunding bonds, such resolution shall take effect immediately upon the adoption thereof. No other proceedings shall be required for the issuance of bonds by the district other than the provisions of section 20 of this act which shall be applicable to this section.

Section 23. The resolution of the board authorizing the issuance of the refunding bonds may provide that the refunding bonds may be issued in one (1) or more series, bear the date, mature at the time not exceeding thirty (30) years from their respective dates, bear interest at the rate not exceeding the maximum rate of interest borne by the notes, bonds, or other obligations refinanced thereby, be in the denomination, be in the form either coupon or registered, carry the registration and conversion privileges, be executed in the manner, be payable in the medium of payment at the place, be subject to the terms of redemption with or without a premium, be declared or become due before the maturity date thereof, provide for the replacement of mutilated, destroyed, stolen, or lost bonds, be authenticated in the manner and upon compliance with the conditions, and contain such other terms and covenants as may be desired. Notwithstanding the form or tenor of a bond and in the absence of an express recital on the face that the bond is nonnegotiable, all refunding bonds shall be considered negotiable instruments for all purposes.

Section 24. Refunding bonds bearing the signature of board officers of the district in office on the date of the signing thereof shall be valid and binding obligations of the district for all purposes, notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be officers of the district. Any resolution authorizing refunding bonds may provide that any refunding bonds issued pursuant to this act may contain such a recital, and any refunding bond issued under authority of any resolution shall be conclusively deemed to be valid and to have been issued in conformity with the provisions of this act. The authority of a district to issue obligations under this act may be determined and obligations to be issued under this act may be validated as provided by law.

Section 25. Refunding bonds may be sold or exchanged as follows:

(1) In installments at different times, or an entire issue or series may be sold or exchanged at one (1) time. Any issue or series of refunding bonds may be exchanged in part or sold in parts in installments at different times or at one (1) time. The refunding bonds may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds, certificates, or other obligations to be refinanced thereby.

(2) If the board determines to exchange any refunding bonds, the refunding bonds may be exchanged privately for and in payment and discharge of any of the outstanding notes, bonds, or other obligations of the district. The refunding bonds may be exchanged for a like or greater principal amount of notes, bonds, or other obligations of the district, except the principal amount of the outstanding notes, bonds, or other obligations to the extent necessary

or advisable, in the discretion of the board, to fund interest in arrears or about to become due. The holder of outstanding notes, bonds, or other obligations need not pay accrued interest on the refunding bonds to be delivered in exchange therefor if and to the extent that interest is due or accrued and unpaid on the outstanding notes, bonds, or other obligations to be surrendered.

(3) If the board determines to sell any refunding bonds, the refunding bonds shall be sold at not less than ninety-five percent (95%) of par at public or private sale, in such manner and upon the terms the board shall deem best for the interest of the district.

Section 26. All bonds or refunding bonds issued pursuant to this act shall be legal investments for state, county, municipal, and all other public funds and for banks, savings banks, insurance companies, executors, administrators, trustees, and all other fiduciaries, and shall also be and constitute securities eligible as collateral security for all state, county, municipal, or other public funds.

Section 27. The funds of the district shall be paid out only upon warrants signed by the chair or vice chair or such other member of the board designated by the board. Warrants shall have affixed thereto the corporate seal of the district which may be an impression thereon or facsimile thereof. No warrant shall be drawn or issued against funds of the district except for a purpose authorized by this act after the account or expenditure for which the same is to be given in payment has been ordered and approved by the board at a meeting in which a quorum is present.

Section 28. A special account shall be set up which shall require only the signature of the administrator of the hospital or hospitals or such other employees as the board shall determine for such purposes. The administrator's account shall be such sum or sums as the board deems necessary from time to time and shall be used only as a payroll account or for such other purposes as the board shall determine.

Section 29. The board is authorized and directed annually to levy upon taxable real property only within the district, not exempt by law, a sufficient tax necessary for the purposes and needs of the district incurred in the exercise of the powers and purposes herein granted. The rate of taxation per annum shall not exceed two (2) mills on the dollar of the county assessed valuation of the property within the district for tax purposes. The term "mill" as used in this section shall be deemed to mean one-tenth ( $\frac{1}{10}$ ) part of one cent (1c) or one thousandth ( $\frac{1}{1000}$ ) of a dollar (\$1).

Section 30. The levy by the board of the taxes authorized by any provision of this act shall be by resolution of the board duly entered upon the minutes of the board. Certified copies of such resolution executed in the name of the board by its chair, under its corporate seal, shall be made and delivered to the board of county commissioners of Monroe County and to the comptroller of the state no later than July 1 of each year. It shall be the mandatory duty of the county commissioners of Monroe County to order and require the county tax assessor of the county to assess, and the county tax collector of the county to collect the amount of taxes so assessed or levied by the board

of the district upon the taxable property in the district, not exempt by law, at the rate of taxation adopted by the board of the district for the year and included in the warrant of the tax assessor and attached to the assessment roll of taxes for said county of each year. The tax collector shall collect such tax so levied by the board in the same manner as other taxes are collected and shall pay the same over to the board within the time and in the manner prescribed by law for the payment by the tax collector of county taxes to the county depository. All such taxes shall be held by the board and paid out by them as provided in this act. The board is authorized to pay necessary expenses to the forenamed officers for the assessment and collection of taxes on a reasonable fee basis. If any surplus shall occur in the operation and maintenance fund, the board is authorized to use the surplus or any portion thereof to retire bonded indebtedness, but not to the extent that the financial security of the operation and maintenance fund shall be impaired.

Section 31. The board is authorized to pay from the funds of the district all expenses of the organization of the board and all expenses necessarily incurred with the formation of the district and all other reasonable and necessary expenses approved and certified by the board, including the fees and expenses of an attorney in the transaction of the business of the district, and in carrying out and accomplishing the purposes of this act. This section, however, shall not be construed to limit or destroy any of the powers vested in the board by any other section or provision of this act.

Section 32. (1) Subject to such provisions and restrictions as may be set forth in the resolution authorizing or securing any bonds issued under the provisions of this act, the board shall have the power to enter into contracts with the government of the United States or any agency or instrumentality thereof, or with the state or any county, municipality, district, authority, or political subdivision, private corporation, partnership, association, or individual providing for or relating to the construction or acquisition of additions, extensions, and improvements to the hospital or hospitals, medical facilities, or other health care related facilities, and any other matters relevant thereto or otherwise necessary to effect the purpose of this act, and to receive and accept from any federal agency, state agency, or other public body grants or loans for or in aid of said purposes and to receive and accept aid or contributions or loans from any other source of either money, property, labor, or other things of value, to be held, used, and applied only for the purpose for which such grants, contributions, or loans may be made.

(2) The board is hereby authorized and empowered to lease or sell any real or personal property owned by the district, or to otherwise relinquish and dispose of the district's title or right to immediate possession of such property, according to the following terms and conditions:

(a) Any real or personal property of a fair value of less than \$2,500 may be leased or sold, or the title or right to immediate possession otherwise relinquished or disposed of according to the manner and procedure and according to the terms and conditions the board at the time might determine.

(b) Any real or personal property of a fair market value of more than \$2,500 may be leased, or the right to immediate possession otherwise relin-

quished, according to the procedures, terms, and conditions that the board approves, to a public or private health service organization for the provision of medical services that the board cannot on its own provide, as authorized by section 6.

(c) Any real or personal property of a fair value of more than \$2,500 may be sold, or leased for a term of more than 1 year and 1 day, or the title or right to immediate possession otherwise relinquished or disposed of for a term of more than 1 year and 1 day, after the board has determined by appropriate resolution that such property is surplus to the needs and requirements of the district, and after the board has submitted the property to the general public for offers by publishing a Notice of Intent to Dispose of Property in a newspaper of general circulation published in Key West at least 30 days in advance of such lease, sale, or other disposition. Any person desiring such property shall submit his or her offer to lease or buy to the board during such 30-day period, or during such longer period as the board might establish, along with the terms and conditions of such offer. The published notice shall be sufficient if it shall reasonably identify the property in question and inform any persons interested in such property that the board desires to dispose of said property and seeks offers to lease or buy thereon. It is not required that such notice specify the terms and conditions desired by the district, and if such terms and conditions are included in such notice, or otherwise provided, they are to be for general information only and shall not prevent the board from accepting different terms and conditions which the board might determine to be more beneficial to the district. Offers submitted by the bidders are not required to be sealed or to be kept confidential to the district, unless otherwise specified in the published notice, and any bidder may submit any number of alternate offers at any time during the bidding period.

(d) The board is hereby authorized and empowered to accept any bid upon surplus property, and to lease, sell, or otherwise convey said property, in accordance with the provisions of this section, or to reject all the bids, as the board might determine to be in the best interests of the district.

(e) The board is authorized and empowered to convey to Monroe County, or to any municipality or to any other governmental body or agency of the State of Florida or of the United States located partially or entirely within the boundaries of the district, any surplus property for a nominal consideration and according to those terms and conditions as the board may at that time determine, regardless of the value of such property, whenever it shall appear to the board that such conveyance would be in the best interests of the district and the residents thereof; provided, however, that such conveyance for nominal consideration shall not be made until at least 30 days after the terms and conditions thereof shall have been published in a newspaper of general circulation published in Key West, or until residents and taxpayers of the district shall have been afforded an opportunity to be heard upon such conveyance at a regular meeting of the board.

(f) Except as authorized in this section, any real or personal property of a fair market value of more than \$2,500 may not be leased, nor may right to immediate possession be otherwise relinquished, for a term exceeding 1 year and 1 day.

Section 33. At least once each year the board shall publish once in some newspaper published in the district, a complete detailed annual statement of all moneys received and disbursed by them since the creation of the district as to the first published statement and since the last published statement as to any other year. The statements shall also show the several sources from which the funds were received and shall show the balance on hand at the time of the published statement. It shall show a complete statement of the financial condition of the district.

Section 34. Each hospital, medical facility, or other health care related facility established under this act shall be for the use and benefit of the residents of the district. Residents shall be admitted to the hospital or hospitals or any of the related facilities and shall be entitled to hospitalization and treatment, subject, however, to the rules and regulations prescribed by the board effective as of the date of admission of such resident. The board shall be authorized to accept money from any welfare funds provided for Monroe County or moneys available to the indigent patients from a federal, state, or county agency or municipality or moneys available to Monroe County from said governmental agencies for welfare and hospital purposes, for the payment of costs of treatment and care of indigent residents of the district; the board may collect from patients financially able such charges as the board may from time to time establish. The board may exclude from treatment and care any person having a communicable or contagious disease where such disease may be a detriment to the best interests of the hospital or hospitals or related facilities or which may constitute a source of contagion or infection to the patients in its care, unless the institution involved has a separate building or ward for the special treatment of such persons and can properly and with safety to the other patients retain the communicable or contagious case in such separate ward or building. The board may extend the privileges and use of a hospital or related facilities to nonresidents of the district but who pay the rates established by the board and upon such terms and conditions as the board may from time to time by its rules and regulations provide. However, the residents of the district wherein a hospital or related facility is located shall have first claim to admission. The board further shall have the power to furnish and extend the benefits of a hospital or related facility and treatment to the homes of indigent residents of the district. Each municipal corporation situated within the district and the law enforcing agencies of Monroe County shall be liable to the board for the occupancy, care, medicine, and treatment of prisoners in the custody of the municipal corporation or county officers who are admitted to the hospital or other facility operated by the board.

Section 35. Realizing that factors other than professional must enter into qualification of those who practice medicine and surgery, the board is authorized to promulgate and adopt rules, regulations, and bylaws for the governing of the operation of any hospital, nursing home, ambulance service, or such other services as may be established under this act and the hospital staff, nursing home, nursing home staff, ambulance service, and medical staff; and the board is authorized to give, refuse, grant, revoke, suspend, and otherwise curtail licenses and/or privileges of staff members so that the welfare and health of patients and the interests of any such hospital, nursing home, and ambulance service may be best served at all

times. The board further is authorized to set up rules and regulations for the hospital, nursing home, and an ambulance service, which terms shall include nurses on general duty or on private duty attending patients, and all other personnel in the hospital, nursing home, and ambulance service who are in any capacity in attendance upon patients. There shall be no liability on the part of, and no cause of action of any nature shall arise against any hospital, nursing home, hospital medical staff, ambulance service, district board of commissioners, individually or collectively, or hospital disciplinary body or its agents or employees for any action taken in good faith and without malice in carrying out the provisions of this section. However, nothing in this section shall be construed to relieve any person of liability in the case of medical malpractice or negligence.

Section 36. The board on behalf of the district shall secure and keep in force in amounts it may determine reasonable, in companies duly authorized to do business in Florida, liability insurance covering vehicles and premises. The board on behalf of the district shall attempt to secure and keep in force in amounts it may determine reasonable, in companies duly authorized to do business in Florida, liability insurance covering professional malpractice. In the event such professional malpractice insurance is not available or is otherwise available at costs the board deems unreasonable, the board on behalf of the district may elect to self-insure for such risk. In consideration of the premium at which each policy of insurance, if any, shall be written, it shall be part of the insurance contract that the insurance company shall not be entitled to the benefit of the defense of governmental immunity for the insured by reason of exercising a governmental function on any suit brought against the insured. Immunity of the hospital district against liability damages is waived to the extent of liability insurance carried. However, no attempt shall be made at the trial of any action against the district to suggest the existence of any insurance which covers in whole or in part any judgment which may be rendered in favor of a plaintiff. The board, on its behalf individually and on behalf of the district, shall be indemnified by the district for any and all acts taken by it, both collectively and individually, in good faith and without malice in carrying out their duties under this act.

Section 37. The board is empowered to destroy any of its records together with any of the records of the hospital or hospitals or related facilities established under this act provided that the records are photographed or microfilmed prior to their destruction.

Section 38. It is declared to be the legislative intent that if any section, subsection, paragraph, sentence, clause, or provision of this act is held invalid, the remainder of the act shall not be affected.

Section 39. This act shall become effective only upon approval by a majority vote of the qualified freeholder electors voting in a referendum election in which a majority of the freeholders who are qualified registered electors in the district shall participate, to be held in Monroe County at a special election to be called by the county commission within forty-five (45) days from the date this act is filed with the Secretary of State. If the election so held is favorable to the establishment of a hospital district, then the cost of said election shall be borne by the hospital commission created thereby. If

such measure fails, then the cost of the special election shall be borne by the county commission of Monroe County.

Section 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared severable.

Section 5. This act shall be construed as a remedial act and shall be liberally construed to promote the purpose for which it is intended.

Section 6. Chapters 67-1724, 69-1322, 72-617, 73-555, 73-558, 75-450, 77-600, 77-601, 77-602, 77-603, 78-565, 79-511, 82-414, 87-459, 89-551, and 94-415, Laws of Florida, are repealed.

Section 7. This act shall take effect upon becoming a law.

Approved by the Governor June 10, 2003.

Filed in Office Secretary of State June 10, 2003.