

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #: HB 531

FINAL HOUSE FLOOR ACTION:

SPONSOR(S): Richardson

119 Y's

0 N's

**COMPANION
BILLS:** SB 640

GOVERNOR'S ACTION: Pending

SUMMARY ANALYSIS

HB 531 passed the House on April 22, 2014, and subsequently passed the Senate on April 30, 2014.

This bill amends s. 154.11, F.S., to authorize the board of trustees for a public health trust to lease, as lessor, office space controlled by the public trust without the approval of the board of county commissioners and without having to perform any requirements for notice, negotiation, or disposition established by a county ordinance pursuant to s. 125.35, F.S.

This bill has no fiscal impact on state government. However, this bill may result in additional revenues being generated by a public health trust from the lease of real property under its control.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2014.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

Public Health Trusts

Each county is authorized to create a public corporate body known as a public health trust.¹ A public health trust may only be created if the governing body of the county of a public health trust declares that there is a need for the trust to function.² The governing body of the county must then designate health care facilities to be operated and governed by the trust and appoint a board of trustees (board).³

The purpose of a public health trust is to exercise supervisory control over the operation, maintenance, and governance of the designated health care facilities. A designated facility is any county-owned or county-operated facility used in connection with the delivery of health care.⁴ Designated facilities include:⁵

- Sanatoriums;
- Clinics;
- Ambulatory care centers;
- Primary care centers;
- Hospitals;
- Rehabilitation centers;
- Health training facilities;
- Nursing homes;
- Nurses' residence buildings;
- Infirmaries;
- Outpatient clinics;
- Mental health facilities;
- Residences for the aged;
- Rest homes;
- Health care administration buildings; and
- Parking facilities and areas serving health care facilities.

The board of each public health trust is authorized to become the operator of, and governing body for, any designated facility.⁶ The board is selected by the governing body of the county where the trust is located and consists of between 7 and 21 members.⁷ The members must be residents of the county in which the trust is located and are appointed on staggered terms which may not exceed 4 years.⁸ The members serve without compensation, but are entitled to necessary expenses incurred in the discharge of their duties.⁹

The board of each public health trust is deemed to exercise a public and essential governmental function of both the state and the county.¹⁰ The board is granted specific authority and powers to

¹ Section 154.07, F.S.

² Id.

³ Section 154.08, F.S., and s. 154.09, F.S.

⁴ Section 154.08, F.S.

⁵ Id.

⁶ Id.

⁷ Section 154.09, F.S.

⁸ Id.

⁹ Id.

¹⁰ Section 154.11, F.S.

accomplish this function. This authority is subject to the limitation of the governing body of the county where the trust is located and includes the authority to:¹¹

- Sue and be sued;
- Make and adopt bylaws and rules and regulations for the board's guidance and for the operation, governance, and maintenance of designated facilities;
- Make and execute contracts;
- Appoint and remove a chief executive officer of the trust;
- Appoint, remove, or suspend employees or agents of the board;
- Cooperate with and contract with any governmental agency or instrumentality, federal, state, municipal, or county;
- Employ legal counsel; and
- 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.

Section 125.35, F.S., authorizes the board of county commissioners to sell and convey any real or personal property, and to lease real property, belonging to the county, whenever the board determines that it is in the best interest of the county to do so. The board of county commissioners may also establish by ordinance standards and procedures to be used by the county when leasing county property.¹² At a minimum, these standards and procedures must provide for¹³:

- Establishment of competition and qualification standards upon which disposition will be determined;
- Reasonable public notice of the intent to consider disposition of county property and the availability of copies of the standards;
- Identification of the form and manner by which an interested person may acquire county property;
- Types of negotiation procedures applicable to the selection of a person to whom county properties may be disposed;
- The manner in which interested persons will be notified of the board's intent to consider final action at a regular meeting of the board on the disposition of a property and the time and manner for making objections; and
- Adherence in the disposition of real property to the governing comprehensive plan and zoning ordinances.

Public Health Trust of Miami-Dade County

Miami-Dade County is the only county to have created a public health trust. In 1973 Miami-Dade County created the Public Health Trust of Miami-Dade County (Trust).¹⁴ The Trust's designated facilities include Jackson Memorial Hospital and all related facilities and real and personal property. The related facilities include:¹⁵

- Multiple primary care and specialty care centers;
- A variety of school-based clinics serving many elementary, middle and high schools;
- Two long-term care nursing facilities;
- Six corrections health services clinics;
- A network of mental health facilities;
- Holtz Children's Hospital;

¹¹ Id.

¹² Section 125.35, F.S.

¹³ Id.

¹⁴ Chapter 25A of the Miami-Dade County Code.

¹⁵ *About Jackson Health System: Overview*, <http://www.jacksonhealth.org/about.asp> (last visited on March 1, 2014)

- Jackson Rehabilitation Hospital;
- Jackson Behavioral Health Hospital;
- Jackson North Medical Center; and
- Jackson South Community Hospital.

Effect of Proposed Changes

Currently, s. 154.11(f), F.S., authorizes the board of trustees of a public health trust to lease, as lessor, any real property under its control. However, any such lease is subject to the approval by the board of county commissioners of the county where the public health trust is located.¹⁶ The bill authorizes the board of trustees for a public health trust to lease, as lessor, office space controlled by the public health trust without the approval of the board of county commissioners and without having to perform any requirements for notice, negotiation or disposition established by a county ordinance pursuant to s. 125.35, F.S.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

This bill may result in additional revenues being generated by a public health trust from the lease of real property under its control.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

¹⁶ Section 125.35, F.S.
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