

House Bill No. 427

An act relating to the Health Care District of Palm Beach County; codifying, amending, and reenacting special acts relating to the District; providing a popular name; providing boundaries; providing for a governing board, rules of the board, and membership; providing powers and duties of the board; providing for an ad valorem tax; providing for issuance of bonds; providing for an annual report; repealing chapters 87-450, 92-340, 93-382, 96-509, and 2000-489, Laws of Florida; providing an effective date.

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 Health Care District of Palm Beach County. 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.

Section 2. Chapters 87-450, 92-340, 93-382, 96-509, and 2000-489, Laws of Florida, are codified, reenacted, amended, and repealed as herein provided.

Section 3. The charter for the Palm Beach County Health Care Act is recreated and reenacted to read:

Section 1. Popular Name.—This act shall be known and may be referred to by the popular name the “Palm Beach County Health Care Act.”

Section 2. Intent.—The Legislature recognizes that it is in the public interest to provide a source of funding for indigent and medically needy residents of Palm Beach County (the “County”) and to maximize the health and well-being of Palm Beach County residents by providing comprehensive planning, funding, and coordination of health care service delivery. Program elements should include, but not be limited to, preventive health services, community nursing services, ambulatory care, outpatient services, hospital services, trauma health services, and rehabilitative services, as feasible. All programs should be coordinated to maximize the delivery of quality health care. The most effective and efficient method to provide comprehensive health care services is through a countywide health care district.

Section 3. Name and Boundaries.—The name of the independent special district shall be the Health Care District of Palm Beach County (the “District”). The District shall embrace and include all of the property of Palm Beach County.

Section 4. District Board; Membership; Rules of Procedures.—

(1) The District shall be governed by a District Board which shall be composed of seven members. The appointing authority shall consider the

diverse geographic areas of Palm Beach County in selecting individuals to serve on the District Board, and at least one member, but not more than two, shall reside in the Glades area, that area of Palm Beach County lying west of the line between Range 39 East and Range 40 East. The membership of the District Board shall include three members appointed by the Governor, three members appointed by the Board of County Commissioners of Palm Beach County, and one member from the Palm Beach County Health Department, as provided below:

(a) The Governor shall appoint three members to serve on the District Board.

(b) The Board of County Commissioners of Palm Beach County shall appoint three members to the District Board, other than themselves, one of whom must be an elected official at the time of the appointment.

(c) The District Board member from the Palm Beach County Public Health Department shall be the director of the Palm Beach County Public Health Department.

(2) Any vacancies on the District Board for whatever cause shall be filled in the same manner as set forth in this act for an initial appointment.

(3) District Board members shall receive no compensation for their services; however, while acting for the District, they shall receive their actual expenses, including subsistence, lodging, travel, and other expenses in the amount actually incurred, as approved by the District Board.

(4) Each member of the District Board shall serve for a term of 4 years or until a successor is appointed.

(5) The term of office of a District Board member shall be construed to commence on October 1 of the year of appointment and to terminate September 30 of the year of the end of his or her term.

(6) No member of the District Board may serve more than two consecutive 4-year terms, with the exception of the director of the Palm Beach County Public Health Department.

(7) The members of the District Board shall elect among themselves a chair, vice chair, and secretary. The chair shall preside at all meetings of the District Board, except that the vice chair may preside in his or her absence. The chair, vice chair, and secretary shall each have an official vote in all matters considered by the District Board. The District Board is authorized to adopt bylaws providing for the orderly governance and operation of the District's affairs.

(8) The District Board shall meet regularly as determined by the bylaws of the District Board.

(9) Each District Board member shall give bond to the Governor for the faithful performance of his or her duties in the sum of \$5,000 with a surety company qualified to do business in the state, as surety, which bond shall

be approved and kept by the Clerk of the Circuit Court of Palm Beach County. The premiums on said bonds shall be paid as part of the expenses of the District Board.

(10) Four District Board members shall constitute a quorum, and a vote of at least three District Board members shall be necessary to complete the transaction of any business of the District. The District Board members shall cause true and accurate minutes and records to be kept of all business transacted by them and shall keep full, true, and complete books of accounts and minutes, which minutes, records, and books of account shall at all reasonable times be open and subject to public inspection, and any person desiring to do so may make or procure a copy of said minutes, records, or books of account, or such portion thereof as such person may desire, at a reasonable cost determined by the District Board.

Section 5. Qualifications of District Board Members.—A District Board member or the spouse of a District Board member may not, at the time of appointment or for 1 year prior to appointment or during the term of office of the District Board member:

(1) Have any financial interest, other than ownership of shares in a mutual fund, pension plan, or profit-sharing plan, in any entity which, either directly or indirectly, receives funds from the District.

(2) Be employed, retained by, or engaged in any activity with any entity which, either directly or indirectly, receives funds from the District, except for the director of the Palm Beach County Public Health Department.

(3) Serve on the board of directors or board of trustees of any entity which, either directly or indirectly, receives funds from the District.

Section 6. District Board Powers.—The District Board is vested with the authority and responsibility to provide for the comprehensive planning and delivery of adequate health care facilities, including, but not limited to, hospitals, and services for the citizens of the County, particularly medically needy citizens. For those purposes, the District Board shall have and may utilize the following powers:

(1) To plan, set policy guidelines for, fund, establish, construct, lease, operate, and maintain such health care facilities as shall be necessary for the use of the people of the County, including the continued presence of at least one hospital in the Glades area, subject to and limited by the future financial resources and constraints of the District; however, hospitals may not be constructed by the District, except that the District may construct a hospital in the Glades area. Said health care facilities shall be established, constructed, leased, owned, operated, and maintained for the preservation of the public health, for the public good, and for the use of the public of the County. The locations of such health care facilities shall be determined by said District Board.

(2) To provide services and facilities jointly with other public or private health care providers, with appropriate provision to reduce the costs of providing service for all users thereof.

(3) To provide health care services to residents of the County through the utilization of health care facilities not owned and operated by the District. The provision of said care is hereby found and declared to be a public purpose and necessary for the preservation of the public health and welfare of the residents of the County.

(4) To adopt an official seal and alter the same at pleasure.

(5) To maintain an office at such place or places as it may designate.

(6) To sue and be sued in its own name and to plead and be impleaded, but with all sovereign immunity and limitations provided by the State Constitution or general law.

(7) To acquire by purchase, lease, gift, or otherwise, or to obtain options for the acquisition of, any property, real or personal, improved or unimproved, as said District Board deems proper to carry out the purposes of this act. However, the District shall not have the power of eminent domain. To hold and dispose of all assets or property, real or personal, improved or unimproved, upon such terms and for such consideration, or for no consideration, as the District Board deems proper to carry out the purposes of this act.

(8) To plan and fund the construction, acquisition, ownership, leasing, repair, maintenance, extension, expansion, improvement, rehabilitation, renovation, furnishing, and equipping of health care facilities and to pay all or any part of the costs thereof from the proceeds of operating revenue, bonds, lease-purchase financing, or other obligations of indebtedness of the District or from any contribution, gift, or donation or other funds of the District for such purpose.

(9) To make and execute agreements of lease, contracts, deeds, mortgages, notes, and other instruments necessary or convenient in the exercise of its powers and functions under this act.

(10) To lease as lessor or lessee to or from any person, firm, corporation, association, or body, public or private, any facilities or property of any nature for the use of the District to carry out any of the purposes authorized by this act.

(11) To pledge or assign any money, rents, charges, fees, or other revenues and any proceeds derived from sales of property, insurance, or condemnation awards.

(12) To borrow money and issue bonds, certificates, warrants, notes, or other evidence of indebtedness as hereinafter provided; to levy such tax as may be authorized; and to charge, collect, and enforce fees and other user charges.

(13) To raise, by user charges or fees authorized by resolution of the board, amounts of money which are necessary for the conduct of the District's activities and services and to enforce their receipt and collection in the manner prescribed by resolution not inconsistent with law.

(14) To employ administrators, physicians, attorneys, accountants, financial experts, consulting engineers, architects, surveyors, and such other employees and agents as may be necessary in its judgment and to fix their compensation.

(15) To acquire existing health care facilities and to reimburse any health care facility for the cost of such facilities in accordance with an agreement between the District and the health care facility.

(16) To acquire existing health care facilities and to refund, refinance, or satisfy outstanding obligations, mortgages, or advances issued, made, or given by said health care facility.

(17) To mortgage any health care facility and the site thereof.

(18) To cooperate with, or contract with, other governmental agencies or private individuals or entities as may be necessary, convenient, incidental, or proper in connection with any of the powers, duties, or purposes authorized by this act.

(19) To assess and impose upon lands in the District ad valorem taxes as provided by this act.

(20) To annually determine and approve a district budget and millage in accordance with chapter 200, Florida Statutes.

(21) To promulgate and adopt policies and rules for the operation of the District.

(22) In its absolute discretion, to establish or become a part of one or more qualified self-insurance trust funds for the purpose of protecting District assets and operations, as well as related health care entities and individuals comprising the health care delivery system established at the direction or under the authority of the District. The protection from liability losses includes, without limitation, professional medical malpractice, comprehensive general liability, directors and officers' liability, workers' compensation liability, medical and health services, life, property, and such other liability exposures as may be permitted by Florida law. These self-insurance trust funds may be established for the benefit of the officers, directors, employees, and approved agents of the District as well as such other legal entities or individuals as the District may determine, by board resolution, are carrying out the health care purposes and mandates of the District during the period those entities or individuals are acting within the scope of the authority and duties devolving upon them through an agreement with or direct mandate from the District.

(23) To provide for reimbursement to hospitals, physicians, or other health care providers or facilities.

(24) The District is hereby restricted from reimbursing any health care providers or facilities, including hospitals and physicians, for their bad debts arising from those patients who are not eligible for reimbursement under district guidelines. The District, however, shall continue to reimburse such

health care providers for the medical care of medically needy patients, to the extent of the District's limited financial resources, taking into account funds available from other sources, including other governmental funding sources.

(25) To establish criteria for the provision of health care pursuant to this act.

(26) To be exempt from the payment of any fees, taxes, or increment revenue to community redevelopment agencies established pursuant to part III of chapter 163, Florida Statutes.

(27) Notwithstanding the prohibition against extra compensation set forth in section 215.425, Florida Statutes, to provide for an extra compensation program, including a lump-sum bonus payment program, to reward outstanding employees whose performances exceed standards, if the program provides that a bonus payment may not be included in an employee's regular base rate of pay and may not be carried forward in subsequent years.

(28) To plan, set policy for, and fund from its revenue sources the establishment and implementation of cooperative agreements with other government authorities and public and private entities within and outside of Palm Beach County which promote the efficiencies of local and regional trauma agencies, rural health networks, and cooperative health care delivery systems, provided that any such agreements with entities outside of Palm Beach County ensure that the costs associated with any trauma services are the responsibility of such entity.

(29) To establish, and appoint members to, such boards, committees, or advisory bodies as the District Board deems appropriate.

(30) To plan, coordinate, supervise, manage, and take such other action as appropriate to implement the school health programs as established by the District.

(31) To do all things necessary to carry out the purposes of this act.

All of the foregoing powers are hereby found and declared to be a public purpose and necessary for the preservation of the public health, for the public good, and for the welfare of the residents of the District.

Section 7. Indemnification of Members of the Board, Officers, Committee Members, Employees, and Others.—

(1) The District shall have power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by, or in the right of, the District) by reason of the fact that he or she is or was an agent of the District, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, including any appeal thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the District and, with respect to

any criminal action or proceeding, had no reasonable cause to believe this conduct was unlawful. The District shall also have the power to indemnify any such person against any loss of wages or earnings suffered during his or her defense, provided that, in the opinion of the commissioners of the District, those losses were directly attributable to that defense. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the District or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(2) No indemnification under this section shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the District unless, and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses, which such court shall deem proper.

(3) If an individual has been determined by the District to be an agent entitled to compensation under these indemnity provisions and to the extent that such agent of the District has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in the subsections above or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Any such successful agent shall also be indemnified against any loss of wages or personal service earnings suffered during his or her defense, provided that, by the vote of the District Board acting through a quorum consisting of members who are not parties to such action, suit, or proceeding, it is determined that those losses were directly attributable to the time involved in that defense. If, however, a quorum of disinterested members cannot be convened, the decision shall be made by independent legal counsel, who may be the legal counsel for the District.

(4) Unless otherwise determined by a court pursuant to subsection (2), any indemnification under the above subsections shall be made by the District only as authorized in the specific case upon a determination of a quorum of District Board members who are not parties to such action, suit, or proceeding, or, if that is not possible, by independent legal counsel, who may be the legal counsel of the District, that indemnification of the agent of the District is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the above subsections.

(5) Expenses including attorneys' fees and lost wages or earnings incurred in defending a civil or criminal action, suit, or proceeding may be paid by the District in advance of the final disposition of such action, suit, or proceeding upon a preliminary determination following one of the procedures set forth in the above subsections that the agent of the District met

the applicable standard of conduct set forth in the above subsections and upon receipt of an undertaking by or on behalf of the agent of the District to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the District as authorized in this section.

(6) Indemnification as provided in this section shall continue as to a person who has ceased to be an agent of the District and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(7) As used in this section, the term “agent of the District” means a District Board member, District officer, committee member appointed by the District, or District employee including persons employed by the District to provide executive, physician, nursing, dental, paramedical, technical, business, management, legal, and other supporting services for the District, together with such other approved agents of the District or subdistricts as well as such other legal entities or individuals as the District may determine, by board resolution, are carrying out the health care purposes and mandates of the District during the period those entities or individuals are acting within the scope of the authority and duties devolving upon them through an agreement with or direct mandate from the District or subdistricts, excluding medical malpractice claims asserted individually against such persons, but including a person serving at the direction of the District Board. All such agents of the District, in order to be entitled to indemnification for the liability arising out of the act in question, shall have been acting within the scope of their employment on District related business.

(8) The District shall have power to purchase and maintain insurance on behalf of such agents of the District as the District Board may, from time to time, deem appropriate, against any liability asserted against the agent of the District and incurred by the agent of the District in any such capacity or arising out of his or her status as agent of the District, whether or not the District would have the power to indemnify him or her against such liability under the provisions of this section. This subsection, however, is not intended to be a waiver of sovereign immunity or a waiver of any other defense or immunity to such lawsuits.

Section 8. Taxes.—

(1) Ad Valorem Taxes.—The District Board shall have the power to levy and assess an ad valorem tax on all the taxable property in the District for the purposes and needs of the District incurred in exercising the powers and for the purposes set forth herein, including, but not limited to, the power to fund the construction, operation, and maintenance of assessable improvements, to pay the principal of and interest on any bonds of the District, and to provide for any sinking or other funds established in connection with any such bonds. The ad valorem tax levied by the District Board for District purposes shall not exceed 2 mills. As an additional restriction on the levying of taxes by the District Board, said District Board shall not levy a tax that increases its annual millage levy more than one-quarter of a mill from the amount levied by the District in the previous year.

(2) Procedure.—The levy by said District Board of the taxes authorized by any provision of this act shall be in accordance with the procedure set forth in the State Constitution and general law.

(3) Financial Statement.—At least once each year, the District Board shall cause to be published once in a newspaper of general circulation in the County a copy of the District's annual audited financial statement summary which shows a complete summary of the financial condition of the District.

(4) Enforcement of Taxes.—The collection and enforcement of all taxes levied by the District shall be at the same time and in like manner as county taxes, and the provisions of the Florida Statutes relating to liens for taxes and the enforcement thereof; the sale of lands for unpaid and delinquent taxes; the issuance, sale, and delivery of tax certificates for such unpaid and delinquent county taxes; the redemption thereof; the issuance to individuals of tax deeds based thereon; and all other procedures in connection therewith shall be applicable to the District to the same extent as if such statutory provisions were expressly set forth herein. All taxes shall be subject to the same discounts as county taxes.

(5) When Unpaid Tax is Delinquent; Penalty.—All taxes provided for in this act shall become delinquent and bear penalties on the amount of such taxes in the same manner as county taxes.

(6) Tax Exemption.—All bonds issued hereunder and interest paid thereon and all fees, charges, and other revenues derived by the District from the services provided by this act are exempt from all taxes by the state or by any political subdivision, agency, or instrumentality thereof to the extent allowed by general law.

Section 9. Short-term Borrowing; Bonds.—

(1) Issuance of Bond Anticipation Notes.—In addition to the other powers provided for in this act, the District Board shall have the power to borrow money in anticipation of the sale of bonds and to issue bond anticipation notes in a principal sum not in excess of the authorized maximum amount of such bond issue. Such notes shall be in such denomination or denominations, bear interest at such rate as the District Board may determine in compliance with general law, mature at such time or times not later than 5 years from the date of issuance, and be in such form and executed in such manner as the District Board shall prescribe. Such notes may be sold at either public or private sale or, if such notes shall be renewal notes, may be exchanged for notes then outstanding on such terms as the District Board shall determine. Such notes shall be paid from the proceeds of such bonds when issued. The District Board may, in its discretion, in lieu of retiring the notes by means of bonds, retire them by means of current revenues or from any taxes or assessments levied for the payment of such bonds, but in such event a like amount of the bonds authorized shall not be issued.

(2) Short-term Borrowing.—The District at any time may obtain loans, in such amount and on such terms and conditions as the District Board may approve, for the purpose of paying any of the expenses of the District or any costs incurred or that may be incurred in connection with any of the projects of the District, which loans shall bear such interest as the District Board may determine in compliance with general law, and may be payable from and secured by a pledge of such funds, revenues, taxes, and assessments as the District Board may determine. The District may issue negotiable notes,

warrants, or other evidence of debt to be payable at such times, to bear such interest as the District Board may determine in compliance with general law, and to be sold or discounted at such price or prices not less than 95 percent of par value and on such terms as the District Board may deem advisable. The District Board shall have the right to provide for the payment thereof by pledging the whole or any part of the funds, revenues, taxes, and assessments of the District. The approval of the electors residing in the County shall not be necessary except when required by the State Constitution.

(3) Authorization and Forms of Bonds.—Any general obligation bonds or revenue bonds may be authorized by resolution or resolutions of the District Board which shall be adopted by a majority of all the members thereof then in office. Such resolution or resolutions may be adopted at the same meeting at which they are introduced and need not be published or posted. The District Board may, by resolution, authorize the issuance of bonds and fix the aggregate amount of bonds to be issued; the purpose or purposes for which the moneys derived therefrom shall be expended; the rate or rates of interest, in compliance with general law; the denomination of the bonds; whether or not the bonds are to be issued in one or more series; the date or dates of maturity, which shall not exceed 40 years from their respective dates of issuance; the medium of payment; the place or places within or without the state where payment shall be made; registration privileges; redemption terms and privileges, whether with or without premium; the manner of execution; the form of the bonds; the manner of execution of bonds; and any and all other terms, covenants, and conditions thereof and the establishment of revenue or other funds. Such authorizing resolution shall further provide that such bonds shall be executed in accordance with chapter 279, Florida Statutes, the Registered Public Obligations Act of Florida. The seal of the District may be affixed, lithographed, engraved, or otherwise reproduced in facsimile on such bonds. In case any officer whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until such delivery.

(4) Issuance of Additional Bonds.—The District Board may authorize the issuance of additional bonds, upon such terms and conditions as the District Board may provide in the resolution authorizing the issuance thereof, but only in compliance with the resolution or other proceedings authorizing the issuance of the original bonds.

(5) Refunding Bonds.—The District shall have the power to issue bonds to provide for the retirement or refunding of any bonds or obligations of the District that at the time of such issuance are or subsequently thereto become due and payable, or that at the time of issuance have been called or are or will be subject to call for redemption within 10 years thereafter, or the surrender of which can be procured from the holders thereof at prices satisfactory to the District Board. Refunding bonds may be issued at any time when in the judgment of the District Board such issuance will be advantageous to the District. No approval of the qualified electors residing in the District shall be required for the issuance of refunding bonds except in cases

in which such approval is required by the State Constitution. The District Board may by resolution confer upon the holders of such refunding bonds all rights, powers, and remedies to which the holders would be entitled if they continued to be the owners and had possession of the bonds for the refinancing of which such refunding bonds are issued, including, but not limited to, the preservation of the lien of such bonds on the revenues of any project or on pledged funds, without extinguishment, impairment, or diminution thereof. The provisions of this act pertaining to bonds of the District shall, unless the context otherwise requires, govern the issuance of refunding bonds, the form and other details thereof, the rights of the holders thereof, and the duties of the District Board with respect thereto.

(6) Revenue Bonds.—

(a) The District shall have the power to issue revenue bonds from time to time without limitation as to amount. Such revenue bonds may be secured by, or payable from, the gross or net pledge of the revenues to be derived from any health facility or combination of facilities; from the rates, fees, or other charges to be collected from the users of any health facility or facilities; from any revenue-producing undertaking or activity of the District; or from any other sources or pledged security. Such bonds shall not constitute an indebtedness of the District, and the approval of the qualified electors shall not be required unless such approval is required by the State Constitution.

(b) Any two or more hospitals or health facilities may be combined and consolidated into a single hospital or facility and may hereafter be operated and maintained as a single hospital or facility. The revenue bonds authorized herein may be issued to finance any one or more of such hospitals or facilities, regardless of whether or not such hospitals or facilities have been combined and consolidated into a single hospital or facility. If the District Board deems it advisable, the proceedings authorizing such revenue bonds may provide that the District may thereafter combine the projects then being financed or theretofore financed with other projects to be subsequently financed by the District and that revenue bonds to be thereafter issued by the District shall be on parity with the revenue bonds then being issued, all on such terms, conditions, and limitations as shall have been provided in the proceeding which authorized the original bonds.

(7) General Obligation Bonds.—

(a) The District shall have the power from time to time to issue general obligation bonds to finance or refinance capital projects or to refund outstanding bonds. Except for refunding bonds, no general obligation bonds shall be issued unless the bonds are issued to finance or refinance a capital project and the issuance has been approved at an election held in accordance with the requirements for such election as prescribed by the State Constitution. Such elections shall be called by the District Board. The expenses of calling and holding an election shall be at the expense of the District, and the District shall reimburse the County for any expenses incurred in calling or holding such election.

(b) The District may pledge its full faith and credit for the payment of the principal and interest on such general obligation bonds and for any reserve

funds provided therefor and may unconditionally and irrevocably pledge itself to levy ad valorem taxes on all taxable property in the District, to the extent necessary for the payment thereof, without limitations as to rate or amount.

(c) If the District Board determines to issue general obligation bonds for more than one capital project, the approval of the issuance of the bonds for each and all such projects may be submitted to the electors on one and the same ballot. The failure of the electors to approve the issuance of bonds for any one or more capital projects shall not defeat the approval of bonds for any capital project which has been approved by the electors.

(8) Limitation on Issuance of Bonds.—

(a) Ad valorem funding shall not be used to support the issuance of bonds, unless the bond issue has been approved by referendum.

(b) Annual debt service (annual retirement of long-term debt plus all interest) as a percentage of total revenue from millage must be less than 10 percent of all District revenue.

(9) Additional Authority.—The District shall have the authority to determine whether to issue taxable or tax-exempt bonds under this section and whether the bonds are to bear interest at a fixed rate or a variable rate or rates, and the District shall have the authority to determine the security for the bonds, including any credit enhancements.

Section 10. Lien on Behalf of the Health Care District of Palm Beach County when Other Parties are Liable.—

(1) The District shall be entitled to a lien, as determined by this section, for payments made by the District for health care services provided to ill or injured persons, upon any proceeds of judgments, settlements, or settlement agreements concerning the liability of tortfeasors or other third parties causing or contributing to said illness or injuries thus necessitating such health care services. For purposes of this section, any such ill or injured persons or their legal representatives may be referred to as “claimant.”

(2) Upon suit being filed by the claimant against any tortfeasor or other third party, the claimant shall send the District, if the District made any payments on the claimant’s behalf, a copy of the complaint by certified or registered mail as notification of such suit. Within 60 days after receipt of the claimant’s notification, the District may file in the suit a Notice of Payments Made for Health Care Services. Such notice must specify the amount the District paid, and it shall constitute a lien upon any recovery to the extent allowed by this section. If suit has not been filed, the claimant shall send the district notification by certified or registered mail of the claimant’s intent to claim damages from the tortfeasor or other third party. Within 60 days after receipt of the claimant’s notification, the District may send to the claimant by certified or registered mail a Notice of Payments Made for Health Care Services. Such notice must specify the amount the District paid, and it shall constitute a lien upon any recovery to the extent allowed by this section. If the District made any payments on the claimant’s

behalf and becomes aware of a suit or claim for damages prior to being notified by the claimant in accordance with this subsection, it may file or send its Notice of Payments Made for Health Care Services at that time. Such notice must specify the amount paid by the District, and it shall constitute a lien upon any recovery to the extent allowed by this section. The notice of payments made may be amended by the District to reflect amounts paid by the District subsequent to the filing of said notice.

(3) The amount of the lien created by this section shall be the entire amount paid by the District pursuant to the Notice of Payments Made for Health Care Services, as amended, less the District's pro rata share of reasonable attorney's fees, costs, and expenses of litigation for the claimant's attorney; however, the amount of the lien created by this section shall in no event be greater than two-thirds of the amount remaining from the proceeds of judgment, settlement, or settlement agreement after the deduction of attorney's fees and other reasonable costs and expenses of litigation.

(4) No release or satisfaction of any judgment, settlement, or settlement agreement shall be valid against such lien unless the District joins therein or executes a release of such lien.

(5) The District, when claiming a lien under this section, shall cooperate with the claimant by producing such information as is reasonably necessary to prove the amount paid by the District for health care services provided.

(6) The lien created by this act shall not preempt the lien rights of any hospital in Palm Beach County created by ordinance, special act, or general law. This act shall not affect any subrogation rights of the District.

Section 11. Reorganized District-owned Hospitals.—The District has the authority to reorganize any hospital it owns in accordance with state law.

Section 12. Glades Rural Area Support Board.—The District Board, in the exercise of its powers relative to the planning and delivery of adequate health care facilities and services for the citizens of Palm Beach County, particularly medically needy citizens, and as otherwise stated in section 6, may establish a Glades Rural Area Support Board ("Glades Support Board") and may delegate certain authority to the Glades Support Board for the planning of support for the provision of health care in the Glades area, that area of Palm Beach County lying West of the line between Range 39 East and Range 40 East, all subject to the policies and procedures established by the District Board. Among the powers that the District Board may delegate to the Glades Support Board is some or all of the District Board's authority to provide for tax support and reimbursement to hospitals, physicians, and/or such other health care providers or facilities for the medical care of medically needy patients. If so requested by the District Board, the Glades Support Board shall recommend to the District Board amounts of reimbursement appropriate for hospitals, physicians, and such other health care providers or facilities which provide health care to eligible medically needy patients in the Glades area. The District Board may amend, rescind, modify, or suspend any or all of the delegated powers of the Glades Support Board at any time or from time to time, in the discretion of the District Board.

Section 13. Report to the County Commissioners and Legislative Delegation.—The District Board shall annually submit a report, including its budget, to the Palm Beach County Commissioners and to the Palm Beach County Legislative Delegation.

Section 14. No Effect.—If any provision of this act or the application thereof to any person or circumstance is held invalid or unconstitutional by any court of competent jurisdiction, the invalidity or unconstitutionality 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 15. Remedial Act.—This act shall be construed as a remedial act and shall be liberally construed to promote the purpose for which it is intended.

Section 4. Chapters 87-450, 92-340, 93-382, 96-509, and 2000-489, Laws of Florida, are repealed.

Section 5. This act shall take effect upon becoming a law.

Approved by the Governor July 16, 2003.

Filed in Office Secretary of State July 16, 2003.