

## Council Substitute for House Bill No. 1391

An act relating to the North Broward Hospital District, Broward County; amending chapter 2006-347; Laws of Florida; providing for a President/Chief Executive Officer and providing powers of such officer; providing legislative findings; providing for a noninterference clause; providing for malfeasance; providing for rules of procedures; providing for a code of conduct and ethics; providing severability; providing an effective date.

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

Section 1. Subsection (1) of section 4 and section 5 of section 3 of chapter 2006-347, Laws of Florida, are amended to read:

Section 4. Powers of board of commissioners generally.—

(1) The Board of Commissioners of the North Broward Hospital District shall have all the powers of a body corporate, including the power to sue and be sued under the name of the North Broward Hospital District; to contract and be contracted with; to adopt and use a common seal and to alter the same at pleasure; to acquire, purchase, hold, lease as lessee or lessor, and convey such real and personal property as said board may deem proper or expedient to carry out the purposes of this act (any lease of real or personal property entered into by the board of commissioners shall be for such terms as the board of commissioners determines is in the best interest of the district); to appoint and employ a President/Chief Executive Officer (CEO) superintendent and such other agents and employees as said board may deem advisable; to borrow money, incur indebtedness, and issue notes, revenue certificates, bonds, and other evidences of indebtedness of said district; to establish and support subsidiary or affiliate organizations to assist the district in fulfilling its declared public purpose of providing for the health care needs of the people of the district and, to the extent permitted by the State Constitution, to support not-for-profit organizations that operate primarily within the district, as well as elsewhere, and that have as their purposes the health care needs of the people of the district by means of nominal interest loans of funds, nominal rent leases of real or personal property, gifts and grants of funds, or guaranties of indebtedness of such subsidiaries, affiliates, and not-for-profit organizations (any such support of a subsidiary or affiliate corporation or nonaffiliated, not-for-profit corporation is hereby found and declared to be a public purpose and necessary for the preservation of the public health and for public use and for the welfare of the district and inhabitants thereof); to the extent permitted by the State Constitution, to participate as a shareholder in a corporation, or as a joint venture in a joint venture, which provides health care or engages in activities related thereto, to provide debt or equity financing for the activities of such corporations or joint ventures, and to utilize, for any lawful purpose, the assets and resources of the district to the extent not needed for health care and related activities; and to carry out the provisions of this charter in the manner hereinafter provided. Said board of commissioners, pursuant to

chapter 218, Florida Statutes, is authorized and empowered, as the board of a special tax district of the state, to invest district “surplus funds,” as defined in that chapter, in such a manner as allowed under section 218.415 Florida Statutes, or by any general law amending or superseding section 218.415, Florida Statutes. The board of commissioners shall also have the power to delegate its authority to invest these surplus funds, as outlined above, to a state or national banking organization acting pursuant to a written trust agreement as a trustee of district funds, provided that such delegation is made in writing by the board of commissioners.

Section 5. Board of commissioners; rules of procedure; organization; non-interference; code of conduct and ethics.—

(1) Four commissioners shall constitute a quorum, and a vote of at least three commissioners shall be necessary to the transaction of any business of the district. The commissioners 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 account and minutes, which minutes, records, and books of account shall at all reasonable times be open and subject to the inspection of inhabitants of said district, and any person desiring to do so may make or procure copy of said minutes, records, books of account, or such portions thereof as he or she may desire.

(2) It is the finding of the Legislature that it is not in the public interest for any member of the board of commissioners to operate in the perceived role of management while simultaneously exercising the charter oversight duties contemplated by creation of this special act. It is therefore the intent of the Legislature that the board of commissioners only exercise its oversight function as a whole body and not through the actions of any individual commissioner. It is also the intent of the Legislature that there be an explicit segregation of duties between the functions of operational management of the district and oversight by the board of commissioners. Except for the purposes of inquiry or information, a member of the board of commissioners shall not give direction to or interfere with any employee, officer, or agent under the direct or indirect supervision of the President/CEO. Such action shall be malfeasance within the meaning of Art. IV, s. 7(a) of the Florida Constitution. Nothing contained herein shall prevent a commissioner from referring a citizen complaint to the President/CEO or to the board of commissioners or providing information about any issue to the President/CEO or to the board of commissioners.

(3)(a) The board of commissioners shall adopt a code of conduct and ethics that each member must acknowledge receipt of and agree to comply with. Failure to comply with the provisions of the code of conduct and ethics shall be malfeasance within the meaning of Art. IV, s. 7(a) of the Florida Constitution.

(b) The code of conduct and ethics shall include, at a minimum, provisions addressing:

1. Definition of conflict of interest and proper disclosure.

2. Appropriate procedures for disclosure if any outside entity with a vendor or contractual relationship with the district, or seeking a vendor or contractual relationship with the district, contacts a member of the board of commissioners with the intent to influence the decision of the board of commissioners.

3. Policies addressing the acceptance of gifts by members of the board of commissioners.

4. The responsibility of the board of commissioners for appropriate implementation of the district ethics and compliance program applicable to all financial and operational risks of the district.

5. Annual board education requirements.

Section 2. Severability.—Any provision of this act which for any reason may be held or declared invalid or unenforceable may be eliminated, and the remaining portion or portions thereof shall remain in full force and be valid and enforceable as if such invalid or unenforceable provision had not been incorporated therein.

Section 3. This act shall take effect upon becoming a law.

Approved by the Governor June 19, 2007.

Filed in Office Secretary of State June 19, 2007.