

CHAPTER 2025-179

Committee Substitute for Senate Bill No. 68

An act relating to health facilities; amending s. 154.205, F.S.; revising the definition of the term “health facility” to include other entities and associations organized not for profit; amending s. 154.209, F.S.; revising the powers of health facilities authorities to include the power to issue certain loans and execute related loan agreements; amending s. 154.213, F.S.; specifying requirements for projects financed by loan agreements issued by a health facilities authority; specifying provisions that may be included in such loan agreements; amending s. 395.1042, F.S.; authorizing, rather than requiring, a hospital to perform a confirmation test under certain circumstances; amending ss. 154.219, 154.221, 154.225, 154.235, and 154.247, F.S.; conforming provisions to changes made by the act; providing an effective date.

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

Section 1. Subsection (8) of section 154.205, Florida Statutes, is amended to read:

154.205 Definitions.—The following terms, whenever used in this part, shall have the following meanings unless a different meaning clearly appears from the context:

(8) “Health facility” means any private corporation or other entity or association organized not for profit, including, but not limited to, a limited liability company that is organized as a not-for-profit organization and controlled directly or indirectly by one or more not-for-profit organizations, and authorized by law to provide:

- (a) Hospital services in accordance with chapter 395;
- (b) Nursing home care services in accordance with chapter 400;
- (c) Life care services in accordance with chapter 651;
- (d) Services for the developmentally disabled under chapter 393;
- (e) Services for the mentally ill under chapter 394;
- (f) Assisted living services in accordance with chapter 429; or
- (g) Hospice services in accordance with chapter 400.

The term also includes any private corporation or other entity or association organized not for profit which offers independent living facilities and services as part of a retirement community that provides nursing home care services or assisted living services on the same campus.

Section 2. Present subsection (19) of section 154.209, Florida Statutes, is redesignated as subsection (21), a new subsection (19) and subsection (20) are added to that section, and subsections (6), (8), (9), (13), and (18) of that section are amended, to read:

154.209 Powers of authority.—The purpose of the authority shall be to assist health facilities in the acquisition, construction, financing, and refinancing of projects in any incorporated or unincorporated area within the geographical limits of the local agency. For this purpose, the authority is authorized and empowered:

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

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

(9) To fix, charge, and collect rents, loan payments, fees, and charges for the use of any project.

(13) To acquire existing projects and to refund outstanding bonds, obligations, mortgages, or advances issued, made, or given by or on behalf of a health facility for the cost of such project.

(18) To participate in and issue bonds and other forms of indebtedness for the purpose of establishing and maintaining an accounts receivable program on behalf of a health facility or group of health facilities. Notwithstanding any other provisions of this part, the structuring and financing of an accounts receivable program pursuant to this subsection shall constitute a project and may be structured for the benefit of health facilities within or outside the geographical limits of the local agency. An accounts receivable program may include the financing of accounts receivable acquired by a health facility from other not-for-profit health care ~~organizations~~ corporations, whether or not controlled by or affiliated with the health facility and regardless of location within or outside the geographical limits of this state.

(19) To make mortgage or other secured or unsecured loans to or for the benefit of any health facility for the cost of a project in accordance with an agreement between the authority and the health facility. Such loans may be made to any entity affiliated with a health facility that undertakes such financing, if the proceeds of such loan are made available to or applied for the benefit of such health facility.

(20) To make mortgage or other secured or unsecured loans to or for the benefit of a health facility in accordance with an agreement between the authority and the health facility to refund or refinance outstanding bonds, obligations, loans, indebtedness, or advances issued, made, given, or

incurred by or for the benefit of such health facility for the cost of a project. Such loans may be made to any entity affiliated with a health facility that undertakes such refunding or refinancing, if the proceeds of such loan are made available to or applied for the benefit of such health facility.

Section 3. Section 154.213, Florida Statutes, is amended to read:

154.213 Agreements of lease; loan agreements.—In undertaking any project pursuant to this part, the authority shall first obtain a valid certificate of need evidencing need for the project and a statement that the project serves a public purpose by advancing the commerce, welfare, and prosperity of the local agency and its people. ~~A No project financed under the provisions of this part may not shall~~ be operated by the authority or any other governmental agency; however, the authority may temporarily operate or cause to be operated all or any part of a project to protect its interest therein pending any leasing of such project in accordance with the ~~provisions of this part~~. The authority may lease a project or projects to a health facility for operation and maintenance in such manner as to effectuate the purposes of this part under an agreement of lease in form and substance not inconsistent herewith. Projects financed or refinanced by the authority with the proceeds of bonds issued for the benefit of a health facility pursuant to s. 154.209(19) or (20) shall be governed by one or more loan agreements made between the authority and a health facility, or between the authority and an entity affiliated with a health facility that undertakes such financing, if the proceeds of such loan are made available to or applied for the benefit of such health facility.

(1) Any such agreement of lease or loan agreement may provide, among other provisions, that:

(a) The lessee under an agreement of lease or an obligor under a loan agreement shall at its own expense operate, repair, and maintain the project or projects financed or refinanced leased thereunder.

(b) The rent payable under the agreement of lease or the loan payments made pursuant to the loan agreement shall in the aggregate be not less than an amount sufficient to pay all of the interest, principal, and redemption premiums, if any, on the bonds that ~~are shall be~~ issued by the authority to pay the cost of the project or projects financed or refinanced leased thereunder.

(c) The lessee under an agreement of lease or the obligor under a loan agreement shall pay all costs incurred by the authority in connection with the acquisition, financing, construction, and administration of the project or projects financed or refinanced leased, except as may be paid out of the proceeds of bonds or otherwise, including, but ~~not without being limited to~~, insurance costs, the cost of administering the bond resolution authorizing such bonds and any trust agreement securing the bonds, and the fees and expenses of trustees, paying agents, attorneys, consultants, and others.

(d) The terms of the agreement of lease or loan agreement shall terminate not earlier than the date on which all such bonds and all other obligations incurred by the authority in connection with the project or projects financed or refinanced leased thereunder are ~~shall be~~ paid in full, including interest, principal, and redemption premiums, if any, or adequate funds for such payment are ~~shall be~~ deposited in trust.

(e) The lessee's obligation to pay rent under the agreement of lease and the obligor's obligation to make loan payments under a loan agreement may ~~shall not be subject to cancellation, termination, or abatement by the lessee or the obligor until such payment of the bonds or provision for such payment is shall be made.~~

(2) Such agreement of lease or loan agreement may contain such additional provisions as in the determination of the authority are necessary or convenient to effectuate the purposes of this part, including provisions for extensions of the term and renewals of the lease or loan agreement and vesting in the lessee an option to purchase the project leased thereunder pursuant to such terms and conditions consistent with this part as shall be prescribed in the lease. Except as may otherwise be expressly stated in the agreement of lease or loan agreement, to provide for any contingencies involving the damaging, destruction, or condemnation of the project financed or refinanced leased or any substantial portion thereof, such option to purchase may not be exercised unless all bonds issued for such project, including all principal, interest, and redemption premiums, if any, and all other obligations incurred by the authority in connection with such project, shall have been paid in full or sufficient funds shall have been deposited in trust for such payment. The purchase price of such project shall not be less than an amount sufficient to pay in full all of the bonds, including all principal, interest, and redemption premiums, if any, issued for the project then outstanding and all other obligations incurred by the authority in connection with such project.

Section 4. Paragraph (b) of subsection (2) of section 395.1042, Florida Statutes, as created by CS for HB 1195, 2025 Regular Session, is amended to read:

395.1042 Fentanyl testing.—

(2)

(b) If the test results are positive for fentanyl, the hospital may ~~must~~ perform a confirmation test as defined in s. 440.102(1).

Section 5. Paragraph (b) of subsection (4) of section 154.219, Florida Statutes, is amended to read:

154.219 Revenue bonds.—

(4) Any resolution or resolutions authorizing any revenue bonds or any issue of revenue bonds may contain provisions which shall be a part of the contract with the holders of the revenue bonds to be authorized, as to:

(b) The rentals, loan payments, fees, and other charges to be charged, the amounts to be raised in each year thereby, and the use and disposition of the revenues.

Section 6. Section 154.221, Florida Statutes, is amended to read:

154.221 Security of bondholders.—In the discretion of the authority, any bonds issued under ~~the provisions of this part~~ may be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside ~~without~~ the state. Such trust agreement or resolution providing for the issuance of such bonds may pledge or assign the fees, rents, charges, or proceeds from the sale of any project or part thereof, insurance proceeds, condemnation awards, and other funds and revenues to be received therefor, and may provide for the mortgaging of any project or any part thereof as security for repayment of the bonds. Such trust agreement or resolution providing for the issuance of such bonds shall contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation, and insurance of the project or projects in connection with which such bonds shall have been authorized; the fees, rents, loan payments, and other charges to be fixed and collected; the sale of any project, or part thereof, or other property; the terms and conditions for the issuance of additional bonds; and the custody, safeguarding, and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds, revenues, or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust agreement or resolution shall set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the project or projects in connection with which bonds are issued or as an expense of administration of such projects, as the case may be.

Section 7. Section 154.225, Florida Statutes, is amended to read:

154.225 Revenues.—

(1) The authority is hereby authorized to fix and to collect fees, rents, loan payments, and charges for the use of any project or projects and any

part or section thereof. The authority may require that the health facility operating any project or any part thereof financed or refinanced under this chapter or the lessee of any project or part thereof shall operate, repair, and maintain the project and bear the cost thereof and other costs of the authority in connection with the project or projects financed or refinanced leased as may be provided in the agreement of lease, loan agreement, or other contract with the authority, in addition to other obligations imposed under such agreement or contract.

(2) The fees, rents, loan payments, and charges shall be so fixed as to provide a fund sufficient to pay the principal of, and the interest on, such bonds as the same shall become due and payable and to create reserves, if any, deemed by the authority to be necessary for such purposes. The fees, rents, loan payments, charges, and all other revenues and proceeds derived from the project or projects in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary for such reserves or any expenditures as may be provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be specified in such resolution or such trust agreement in a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. The fees, rents, loan payments, charges, and other revenues and moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. The use and disposition of money to the credit of such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in the resolution or the trust agreement, the sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

Section 8. Subsection (1) of section 154.235, Florida Statutes, is amended to read:

154.235 Refunding bonds.—

(1) The authority is hereby authorized to provide for the issuance of revenue bonds for the purpose of refunding:

(a) Any of its revenue bonds then outstanding; and

(b) Revenue bonds of other issuers, the proceeds of which were used to finance or refinance projects of one or more health facilities.

Such refunds may include,~~including~~ the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of such revenue bonds.

Section 9. Section 154.247, Florida Statutes, is amended to read:

154.247 Financing of projects located outside of local agency.—Notwithstanding any provision of this part to the contrary, an authority may, if it finds that there will be a benefit or a cost savings to a health facility located within its jurisdiction, issue bonds for such health facility to finance projects for such health facility, or for another private corporation or other entity or association organized ~~not-for-profit corporation~~ under common control with such health facility, located outside the geographical limits of the local agency or outside this state.

Section 10. This act shall take effect July 1, 2025.

Approved by the Governor June 25, 2025.

Filed in Office Secretary of State June 25, 2025.