

## CHAPTER 2014-235

### House Bill No. 915

An act relating to the Board of Trustees of Bay Medical Center, Bay County; amending chapter 2005-343, Laws of Florida; providing for the removal of a certain board member; providing an effective date.

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

Section 1. Section 3 of section 3 of chapter 2005-343, Laws of Florida, is amended to read:

Section 3. The Board of Trustees of Bay Medical Center shall consist of nine persons, one of whom shall be nominated and confirmed by the board of county commissioners, six of whom shall be nominated by the board of trustees and confirmed by the board of county commissioners, and two of whom shall be nominated by the medical staff of the primary hospital operated by the board of trustees and confirmed by the board of county commissioners. Each medical staff nominee shall be selected by majority vote of active medical staff members conducted in accordance with the bylaws governing regular medical staff affairs and approved by the board of trustees for submission to the board of county commissioners. The board of county commissioners shall nominate and confirm its single appointee approximately 30 days prior to the end of the expiring term, who may be removed and replaced by the board of county commissioners at any time, without cause. For all other appointments, one qualified person shall be nominated for each vacancy approximately 60 days prior to the end of the expiring term. The board of county commissioners shall confirm or reject such nominee within 30 days after the nomination is made. If the nominee is rejected, one additional qualified person shall be nominated within 30 days thereafter and the process shall be repeated in like manner until the appointment is complete or three nominations have been made. If the third nominee is rejected, the board of county commissioners alone shall make the appointment. The appointment of all members of the board of trustees in office on the effective date of this act, and the seats and terms for which they were appointed, are hereby ratified and validated. Upon the expiration of their respective terms, successors to Seats One, Two, Three, Four, Five, and Six shall be nominated by the board of trustees and confirmed by the board of county commissioners for a term of 4 years; successors to Seats Eight and Nine shall be nominated by the medical staff as provided herein and confirmed by the board of county commissioners for a term of 4 years; and successors to Seat Seven shall be nominated and confirmed by the board of county commissioners alone for a term of 4 years. In the event a seat becomes vacant by reason of resignation, death, removal, suspension, or otherwise, the bodies or body nominating and confirming that member shall by similar procedure nominate and confirm a member to fill the vacant seat for the remainder of the term or, in the event of a suspension, the period of suspension. Every member shall serve until the expiration of that member's

term or the confirmation of that member's successor by the board of county commissioners, whichever occurs later. A person who has served two full, consecutive terms as a member of the board of trustees shall not be eligible for reconfirmation until the next regular appointment process occurring approximately 2 years after that person's termination of service. Each member of the board of trustees shall be and remain a citizen and resident of the state, of sound mind and good moral character, and without economic or other interests either in competition with the best interests of the facilities, services, and businesses operated and provided by Bay Medical Center or likely to create a continuing or frequently recurring temptation to disregard the member's fiduciary duty to Bay Medical Center. Without limiting the foregoing, the following persons are declared to be disqualified from service on the board of trustees: any person employed by Bay Medical Center or any entity controlled by Bay Medical Center; any person employed by, holding a material interest in, or serving as an officer, director, manager of, or business consultant or advisor to, any business entity operating or providing facilities or services the majority of which are in competition with the facilities or health care services operated or offered by Bay Medical Center or any entity controlled by Bay Medical Center; and any person serving upon any executive, administrative, or credentialing committee of the medical staff of any facility or organization operated by Bay Medical Center or any entity controlled by Bay Medical Center. As used herein, "material interest" means direct or indirect, legal, equitable, or beneficial ownership of or interest in more than 5 percent of the total assets or capital stock of any business entity. For purposes of this act, indirect ownership includes, without limitation, ownership by a spouse or minor child. A determination by the board of county commissioners, after full and fair disclosure of all relevant facts, that a nominee or board member is qualified notwithstanding the appearance of a conflict shall constitute a legislative determination of that fact. Members of the board of trustees may be removed by the Governor for cause. Notwithstanding the qualifications for members of the board of trustees set forth above, any otherwise valid act of the board of trustees shall be valid notwithstanding a subsequent determination that one or more members of the board of trustees were not qualified under this act to serve at the time such action was taken.

Section 2. This act shall take effect upon becoming a law.

Approved by the Governor May 12, 2014.

Filed in Office Secretary of State May 12, 2014.