

By Senator Argenziano

3-322-05

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A bill to be entitled

An act relating to the indigent care surtax;  
reviving, reenacting, and amending s.  
212.055(7), F.S.; allowing small counties  
having a specified population to levy an  
indigent care surtax; providing procedures;  
providing uses of the surtax; providing a  
maximum tax rate; providing an effective date.

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

Section 1. Notwithstanding the repeal scheduled in  
section 11 of chapter 2000-312, Laws of Florida, subsection  
(7) of section 212.055, Florida Statutes, shall not stand  
repealed on October 1, 2005, but is revived, reenacted, and  
amended to read:

212.055 Discretionary sales surtaxes; legislative  
intent; authorization and use of proceeds.--It is the  
legislative intent that any authorization for imposition of a  
discretionary sales surtax shall be published in the Florida  
Statutes as a subsection of this section, irrespective of the  
duration of the levy. Each enactment shall specify the types  
of counties authorized to levy; the rate or rates which may be  
imposed; the maximum length of time the surtax may be imposed,  
if any; the procedure which must be followed to secure voter  
approval, if required; the purpose for which the proceeds may  
be expended; and such other requirements as the Legislature  
may provide. Taxable transactions and administrative  
procedures shall be as provided in s. 212.054.

(7) VOTER-APPROVED INDIGENT CARE SURTAX.--

1 (a)1. The governing body in each county that has a  
2 population of fewer ~~less~~ than 800,000 residents may levy an  
3 indigent care surtax pursuant to an ordinance conditioned to  
4 take effect only upon approval by a majority vote of the  
5 electors of the county voting in a referendum. The surtax may  
6 be levied at a rate not to exceed 0.5 percent, except that if  
7 a publicly supported medical school is located in the county,  
8 the rate shall not exceed 1 percent.

9 2. Notwithstanding subparagraph 1., the governing body  
10 of any county that has a population of fewer than 50,000  
11 residents may levy an indigent care surtax pursuant to an  
12 ordinance conditioned to take effect only upon approval by a  
13 majority vote of the electors of the county voting in a  
14 referendum. The surtax may be levied at a rate not to exceed 1  
15 percent.

16 (b) A statement that includes a brief and general  
17 description of the purposes to be funded by the surtax and  
18 that conforms to the requirements of s. 101.161 shall be  
19 placed on the ballot by the governing body of the county. The  
20 following questions shall be placed on the ballot:

21  
22 FOR THE. . . .CENTS TAX  
23 AGAINST THE. . . .CENTS TAX  
24

25 (c)1. The ordinance adopted by the governing body  
26 providing for the imposition of the surtax must set forth a  
27 plan for providing health care services to qualified  
28 residents, as defined in paragraph (d). The plan and  
29 subsequent amendments to it shall fund a broad range of health  
30 care services for indigent persons and the medically poor,  
31 including, but not limited to, primary care and preventive

1 care, as well as hospital care. It shall emphasize a  
2 continuity of care in the most cost-effective setting, taking  
3 into consideration a high quality of care and geographic  
4 access. Where consistent with these objectives, it shall  
5 include, without limitation, services rendered by physicians,  
6 clinics, community hospitals, mental health centers, and  
7 alternative delivery sites, as well as at least one regional  
8 referral hospital where appropriate. It shall provide that  
9 agreements negotiated between the county and providers shall  
10 include reimbursement methodologies that take into account the  
11 cost of services rendered to eligible patients, recognize  
12 hospitals that render a disproportionate share of indigent  
13 care, provide other incentives to promote the delivery of  
14 charity care, and require cost containment, including, but not  
15 limited to, case management. The plan must also include  
16 innovative health care programs that provide cost-effective  
17 alternatives to traditional methods of service delivery and  
18 funding.

19 2. In addition to the uses specified or services  
20 required to be provided under this subsection, the ordinance  
21 adopted by a county that has a population of fewer than 50,000  
22 residents may pledge surtax proceeds to service new or  
23 existing bond indebtedness incurred to finance, plan,  
24 construct, or reconstruct a public or not-for-profit hospital  
25 in such county and any land acquisition, land improvement,  
26 design, or engineering costs related to such hospital, if the  
27 governing body of the county determines that a public or  
28 not-for-profit hospital existing at the time of issuance of  
29 the bonds authorized under this subparagraph would, more  
30 likely than not, otherwise cease to operate. The plan required  
31 under this paragraph may, by an extraordinary vote of the

1 governing body of such county, provide that some or all of the  
2 surtax revenues and any interest earned must be expended for  
3 the purpose of servicing such bond indebtedness. Such county  
4 may also use the services of the Division of Bond Finance of  
5 the State Board of Administration pursuant to the State Bond  
6 Act to issue bonds under this subparagraph. A jurisdiction may  
7 not issue bonds under this subparagraph more frequently than  
8 once per year. Any county that has a population of fewer than  
9 50,000 residents at the time any bonds authorized in this  
10 subparagraph are issued retains the authority granted under  
11 this subparagraph throughout the terms of such bonds,  
12 including the term of any refinancing bonds, regardless of any  
13 subsequent increase in population which would result in such  
14 county having 50,000 or more residents.

15 (d) For the purpose of this subsection, the term  
16 "qualified residents" means residents of the authorizing  
17 county who are:

- 18 1. Qualified as indigent persons as certified by the  
19 authorizing county;
- 20 2. Certified by the authorizing county as meeting the  
21 definition of the medically poor, defined as persons having  
22 insufficient income, resources, and assets to provide the  
23 needed medical care without using resources required to meet  
24 basic needs for shelter, food, clothing, and personal  
25 expenses; not being eligible for any other state or federal  
26 program or having medical needs that are not covered by any  
27 such program; or having insufficient third-party insurance  
28 coverage. In all cases, the authorizing county shall serve as  
29 the payor of last resort; or
- 30 3. Participating in innovative, cost-effective  
31 programs approved by the authorizing county.

1 (e) Moneys collected pursuant to this subsection  
2 remain the property of the state and shall be distributed by  
3 the Department of Revenue on a regular and periodic basis to  
4 the clerk of the circuit court as ex officio custodian of the  
5 funds of the authorizing county. The clerk of the circuit  
6 court shall:

7 1. Maintain the moneys in an indigent health care  
8 trust fund.

9 2. Invest any funds held on deposit in the trust fund  
10 pursuant to general law.

11 3. Disburse the funds, including any interest earned,  
12 to any provider of health care services, as provided in  
13 paragraphs (c) and (d), upon directive from the authorizing  
14 county.

15 4. Disburse the funds, including any interest earned,  
16 to service any bond indebtedness authorized in this subsection  
17 upon directive from the authorizing county, which directive  
18 may be irrevocably given at the time the bond indebtedness is  
19 incurred.

20 (f) Notwithstanding any other provision of this  
21 section, a county may not levy local option sales surtaxes  
22 authorized in this subsection and subsections (2) and (3) in  
23 excess of a combined rate of 1 percent or, if a publicly  
24 supported medical school is located in the county or the  
25 county has a population of fewer than 50,000 residents, in  
26 excess of a combined rate of 1.5 percent.

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

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SENATE SUMMARY

Allows small counties having a population of fewer than  
50,000 residents to levy an indigent care surtax.  
Provides procedures. Provides uses of the surtax.  
Provides a maximum tax rate.