

BILL

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YEAR

1 A bill to be entitled
 2 An act relating to the North Lake County Hospital
 3 District, Lake County; codifying special laws relating
 4 to the district; providing legislative intent;
 5 amending, codifying, reenacting, and repealing
 6 chapters 2002-348 and 2004-460, Laws of Florida,
 7 relating to the district; re-creating the district and
 8 re-creating and reenacting the charter; providing
 9 definitions; providing a public purpose; prohibiting a
 10 person from seeking election to the board of trustees
 11 if the person has previously served on the board of
 12 directors of certain entities within a specified time;
 13 requiring publication of the annual meeting notice on
 14 a publicly accessible website; providing general
 15 powers of the district, including the power to levy an
 16 ad valorem tax not to exceed a specified millage;
 17 establishing permitted uses of tax funds; providing
 18 restrictions on the district board's activities;
 19 prescribing requirements of the board for fiscal
 20 responsibility, transparency, and accountability;
 21 providing financial disclosure requirements and
 22 reporting, notice, and public meeting provisions for
 23 the board; providing for sovereign immunity; providing
 24 for expiration of the district at a specified time
 25 without further legislative action and permitting
 26 continuation of the district by referendum at the end
 27 of 10-year intervals; providing for a referendum;
 28 providing an effective date.

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

Section 1. This act constitutes the codification of all special acts relating to the North Lake County Hospital District. 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 authority granted to the district by its several legislative enactments and any additional authority granted by this act.

Section 2. Chapters 2002-348 and 2004-460, Laws of Florida, relating to the North Lake County Hospital District, are codified, reenacted, amended, and repealed as provided in this act.

Section 3. The North Lake County Hospital District is re-created, and the charter is re-created and reenacted to read:

Section 1. ESTABLISHMENT OF DISTRICT; BOUNDARIES.—

A. This act may be cited as the "North Lake County Hospital District Act."

B. There is created and established as an independent special taxing district of the state a hospital district in Lake County to be known as the "North Lake County Hospital District," which shall comprise and include the territory within Lake County described as follows:

Beginning at the range line dividing ranges 26 and 27 east at its intersection with the township line separating townships 20 and 21 south of the

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57 Tallahassee meridian; thence north on said range line
 58 to the township line dividing townships 19 and 20
 59 south; thence east on said township line to the Wekiva
 60 River; thence north along the thread of the said
 61 Wekiva River to the St. Johns River; thence in a
 62 northerly and northwesterly direction through the
 63 thread of the St. Johns River to the southwest shore
 64 of Lake George; thence north along the west shore of
 65 Lake George to the range line dividing ranges 26 and
 66 27 east; thence south on said range line to the
 67 township line dividing townships 17 and 18 south;
 68 thence west on said township line to the northeast
 69 corner of section 1, township 18 south, range 25 east;
 70 thence run south along the east range line for range
 71 25 to the southeast corner of section 36, township 18
 72 south, range 25 east; thence run east along the North
 73 boundary of section 6, township 19 south, range 26
 74 east, to the waters of Lake Eustis; thence
 75 southwesterly along the waters of Lake Eustis to the
 76 center of the mouth of Dead River; thence
 77 southwesterly along the center of Dead River to an
 78 extension of the west boundary of section 24, township
 79 19 south, range 25 east, extended south into Lake
 80 Harris; thence run southwesterly across Lake Harris to
 81 the intersection of the eastern boundary of section
 82 12, township 20 south, range 24 east, with the waters
 83 of Lake Harris; thence run southeasterly and
 84 south/southeasterly along the shoreline of Lake Harris

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85 and Little Lake Harris to the south boundary line of
 86 section 24, township 20 south, range 25 east; thence
 87 run west to the northwest corner of section 27,
 88 township 20 south, range 25 east; thence run south to
 89 the southwest corner of section 34, township 20 south,
 90 range 25 east; thence run east along the township line
 91 separating townships 20 and 21 south, to the
 92 Tallahassee Meridian to the point of beginning
 93 (hereinafter the "Northeast Territory").

94
 95 and

96
 97 Begin at the northwest (NW) corner of section 6, in
 98 township 18 south, range 24 east, and run east along
 99 the north township line of township 18 south, to the
 100 northeast corner of section 1, township 18 south,
 101 range 25 east; thence run south along the east range
 102 line of range 25 to the southeast corner of section
 103 36, township 18 south, range 25 east; thence run east
 104 along the north boundary of section 6, township 29
 105 south, range 26 east, to the waters of Lake Eustis;
 106 thence southwesterly along the waters of Lake Eustis
 107 to the center of the mouth of Dead River; thence
 108 southwesterly along the center of Dead River to an
 109 extension of the west boundary of section 24, township
 110 19 south, range 25 east, extended south into Lake
 111 Harris; thence run southwesterly across Lake Harris to
 112 the point that the eastern boundary of section 12,

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113 township 20 south, range 24 east intersects with the
 114 waters of Lake Harris; thence run in a general
 115 southeasterly direction along the waters of Lake
 116 Harris to the point that the southern boundary of
 117 section 24, township 20 south, range 25 east, and the
 118 waters of Lake Harris intersect; thence run west along
 119 the south boundary of sections 24, 23, and 22,
 120 township 20 south, range 25 east, to the southwest
 121 (SW) corner of said section 22, township 20 south,
 122 range 25 east; thence run south along the west
 123 boundary of sections 27 and 34, township 20 south,
 124 range 25 east to the southwest (SW) corner of section
 125 34, township 20 south, range 25 east; thence run west
 126 along the south line of said township 20 to western
 127 boundary of Lake County, and west boundary of range 24
 128 east; thence north along the west boundary of said
 129 range 24 to the point of beginning (hereinafter the
 130 "Northwest Territory").

131 Section 2. DEFINITIONS.—As used in this act and for
 132 purposes of this act, the term:

133 A. "Board of trustees" and "board" mean the Board of
 134 Trustees of the North Lake County Hospital District.

135 B. "District" means the North Lake County Hospital
 136 District.

137 C. "Indigent care" means medically necessary health care
 138 provided to residents of the North Lake County Hospital District
 139 who are determined to be qualified pursuant to the provisions of
 140 the Florida Health Care Responsibility Act, section 154.304(9),

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141 Florida Statutes, and the Florida Health Care Indigency
 142 Eligibility Certification Standards, Florida Administrative
 143 Code, rule 59H-1.0035(30).

144 D. "Provider" means a licensed hospital or primary care
 145 clinic physically located in the district.

146 Section 3. PUBLIC PURPOSE OF THE DISTRICT.—The public
 147 purpose of the district is to provide a means to pay for
 148 indigent care provided in accordance with this act. Indigent
 149 care may be provided to residents of the district in accordance
 150 with this act through the use of health care facilities not
 151 owned and operated by the board of trustees. The provision of
 152 such indigent care is found and declared to be a public purpose
 153 and necessary for the preservation of the public health of the
 154 residents of the district.

155 Section 4. MEMBERSHIP AND ORGANIZATION OF THE GOVERNING
 156 BOARD OF THE DISTRICT.—

157 A. General.—

158 1. The district shall be governed by a board of trustees
 159 composed of six persons to be elected by the electors residing
 160 within the district in a general election. The trustees
 161 currently serving on the board shall continue in their capacity
 162 to the completion of their terms. The term of office of each
 163 trustee shall be 4 years and a trustee may not serve more than
 164 two terms for a maximum of 8 years. The term of office shall
 165 expire on the date of the general election held 4 years after
 166 the date on which that trustee was elected. All elections for
 167 the office of trustee shall be conducted in the same manner as
 168 elections for county commissioners.

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169 2. The members of the board of trustees shall serve
 170 without pay. Each member shall give a bond to the Board of
 171 County Commissioners of Lake County and its successors in office
 172 for the use and benefit of the district for the faithful
 173 performance of his or her duties in the sum of \$1,000 with a
 174 surety company qualified to do business in this state as surety,
 175 which bond shall be approved and accepted by the Clerk of the
 176 Circuit Court of Lake County. The premiums on such bond shall be
 177 paid by the district as part of the expenses of the district.

178 3. Four of the trustees shall constitute a quorum, and a
 179 vote of at least four of the trustees is necessary for the
 180 transaction of any business of the district. The board of
 181 trustees may select from among its membership a chair, vice
 182 chair, secretary, and treasurer. The board of trustees shall
 183 cause true and accurate minutes and records to be kept of all
 184 business transacted by them and shall keep full, true, and
 185 complete books of account and minutes, which minutes and books
 186 shall be open and subject to the inspection of the residents of
 187 the district at all reasonable times during normal business
 188 hours. Any person desiring to do so may obtain a copy of the
 189 minutes and books of account or such portions thereof as he or
 190 she may desire upon payment of the costs of reproduction.

191 B. Election of the board of trustees.—

192 1. Registration of electors.—Any person who is a resident
 193 of the district, at least 18 years of age, and registered with
 194 the Supervisor of Elections for Lake County is eligible to vote
 195 for the election of members of the board of trustees.

196 2. Qualifications of candidate.—All trustees must be duly

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197 qualified electors who reside in the district. Three trustees
 198 must reside in the Northeast Territory and three trustees must
 199 reside in the Northwest Territory. Beginning with the general
 200 election in 2014 and in each general election thereafter, a
 201 person is not eligible to seek election to the board of trustees
 202 if that person served, within the previous 4 years before the
 203 election, as an officer or member of a board of directors of a
 204 hospital physically located in the district, a parent
 205 corporation of such a hospital, or a foundation of such a
 206 hospital.

207 3. Vacancies.—Vacant trustee seats shall be filled through
 208 appointment by the Governor; appointees shall serve until the
 209 expiration of the term for which they are appointed.

210 C. Annual meeting.—The annual meeting shall be held before
 211 January 31 of each year at such time and place within the
 212 district as is determined by the board of trustees. Notice of
 213 the date, time, and place of the annual meeting shall be
 214 published online on a publicly accessible website maintained by
 215 the district and in a daily newspaper of general circulation, in
 216 a section other than the legal ad or classified ad sections, in
 217 the district once per week for 2 consecutive weeks. The date of
 218 the first publication of such notice must be at least 15, and
 219 not more than 30, days before the annual meeting. The agenda at
 220 the annual meeting of the board of trustees shall include, but
 221 is not limited to:

- 222 1. Call to order.
- 223 2. Presentation and approval of minutes of the last annual
- 224 meeting and of any special meeting held since that meeting.

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225 3. Financial report.
 226 4. Presentation of the annual report of the board of
 227 trustees.
 228 5. Transaction of any business that may properly be
 229 brought before the board.
 230 6. Election of officers of the board of trustees.
 231 D. Special meetings.—Special meetings of the board of
 232 trustees may be called at any time by the chair or upon the
 233 written request of four members of the board of trustees.
 234 Notices of special meetings of the board of trustees shall be
 235 published online on a publicly accessible website maintained by
 236 the district and by publication in a daily newspaper of general
 237 circulation in the district at least 7 days before such meeting,
 238 stating the date and place and general matters of the business
 239 to be considered.
 240 E. Removal of members from the board of trustees.—Any
 241 member of the board of trustees may be removed by the Governor
 242 at any time, for cause, in which event such vacancy or vacancies
 243 thereby occurring shall be filled through appointment by the
 244 Governor for the unexpired term.
 245 Section 5. POWERS, FUNCTIONS, AND DUTIES.—
 246 A. General powers.—The district may:
 247 1. Adopt an official seal and alter it at pleasure.
 248 2. Maintain an office within the district's geographical
 249 territory at a place it may designate.
 250 3. Sue and be sued in its own name and plead and be
 251 impleaded, but with all sovereign immunity and limitations
 252 provided by the State Constitution and general law.

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253 4. Make and execute agreements of lease, contracts, and
 254 other instruments necessary in the exercise of its powers and
 255 functions under this act.

256 5. Lease as lessor or lessee to or from any person, firm,
 257 corporation, association, or body, public or private, any
 258 facilities or property for the use of the district to carry out
 259 the purpose of the district in its reasonable judgment.

260 6. Employ attorneys, accountants, and such other employees
 261 and agents as may be necessary, in its reasonable judgment, to
 262 carry out the purpose of the district, and fix their reasonable
 263 compensation.

264 7. Levy an ad valorem tax in the district not to exceed 1
 265 mill on the dollar of the value of all nonexempt property within
 266 that area of Lake County which comprises the district. Such tax
 267 shall be paid into the district fund.

268 8. Cooperate with, apply for and receive grants from, or
 269 contract with other governmental agencies or private individuals
 270 or entities as may be necessary, convenient, or proper in
 271 connection with any of the powers and duties authorized by this
 272 act and to carry out the public purpose of the district in its
 273 reasonable judgment.

274 9. Adopt and promulgate policies, rules, and procedures
 275 for the efficient and effective operation of the district and to
 276 ensure the proper implementation of this act.

277 10. Do all things necessary to carry out the purpose of
 278 the district and to ensure the proper implementation of this
 279 act.

280 B. Collection of taxes.—It is the duty of the Property

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281 Appraiser of Lake County to assess, and the Tax Collector of
 282 Lake County to collect, the ad valorem tax levied by the board
 283 of trustees upon the taxable property in the district. The tax
 284 collector shall collect such tax as levied by the board of
 285 trustees in the same manner as other taxes are collected and
 286 shall pay the same over to the board of trustees within the time
 287 and in the manner prescribed by law for the payment of the Tax
 288 Collector of Lake County taxes to the county depository. It is
 289 the duty of the Department of Revenue to assess all such
 290 property in accordance with section 193.085, Florida Statutes.
 291 The amount of each county or state taxes and the taxes for the
 292 district shall be assessed by the officer respectively as are
 293 county taxes upon such property, and such tax shall be remitted
 294 by the collecting officer to the board of trustees. All such
 295 taxes shall be held by the board of trustees and paid out by
 296 them for purposes of this act.

297 C. Liens and foreclosures.—Liens and foreclosure of liens
 298 resulting from failure to pay ad valorem taxation shall be
 299 treated as liens and foreclosures resulting from other ad
 300 valorem taxes.

301 Section 6. PERMITTED USES OF TAX FUNDS.—Consistent with
 302 the public purpose of the district, the use of funds received
 303 through the district's taxing power and any interest thereon may
 304 be used:

305 A. For reasonable expenses incurred by the district to
 306 administer and enforce this act, including the use of private
 307 vendors.

308 B. To pay for indigent care provided by licensed hospitals

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309 physically located in the district according to policies and
 310 procedures adopted by the board of trustees pursuant to and
 311 consistent with this act.

312 C. To pay for indigent care provided by licensed primary
 313 care clinics physically located in the district that are
 314 approved by the board of trustees, if the care does not overlap
 315 or duplicate care available through other public health clinics
 316 physically located in the district and serving medically
 317 indigent residents of the district.

318 D. To maximize public or private grant or matching funds
 319 available for indigent care, including, but not limited to,
 320 Medicaid Supplemental Hospital Funding Programs, the Low-Income
 321 Pool Program, the Disproportionate Share Hospital Program, and
 322 similar programs.

323 E. To contract with the Lake County Board of County
 324 Commissioners for services performed for the district by
 325 personnel employed by the county, as well as logistical and
 326 technical support, to carry out, in its reasonable judgment, the
 327 purpose of the district.

328 F. To lower the millage rate in succeeding years.

329 Section 7. RESTRICTIONS.—

330 A. The district board may not issue bonds, raise tax
 331 revenue from any other source, or impose non-ad valorem
 332 assessments.

333 B. Funds received through the district's taxing power and
 334 any interest thereon may not be used:

335 1. To compensate for a provider's inability to collect
 336 debts arising from serving persons who are not eligible for

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337 indigent care under this act.

338 2. To cover shortfalls or deficiencies in the amounts paid
 339 by Medicare or private insurance from patients who are not
 340 eligible for indigent care under this act.

341 3. To compensate for normal business overhead or expenses.

342 4. For capital expenditures incurred by or for a provider.

343 5. For indigent care based on assumptions, models,
 344 studies, or expert analyses or opinions.

345 6. For indigent care in excess of the actual cost of
 346 providing such care; however, the payment for indigent care
 347 provided may not exceed the amount payable by the Medicare
 348 program for identical or substantially similar care in the
 349 territory of the district.

350 Section 8. FISCAL RESPONSIBILITY, TRANSPARENCY, AND
 351 ACCOUNTABILITY.—

352 A. The board of trustees shall annually determine and
 353 approve a balanced district budget and millage in accordance
 354 with chapter 200, Florida Statutes, this act, and generally
 355 accepted accounting principles.

356 B. At least once each year, the board of trustees shall
 357 post online on a publicly accessible website maintained by the
 358 district and publish once in a daily newspaper of general
 359 circulation in the district a complete detailed statement of all
 360 moneys received and disbursed by it since the creation of the
 361 district as to the first published statement and since the last
 362 published statement as to any other year. The statement must
 363 include the sources from which the funds were received, the
 364 balance on hand at the time of the published statement, and a

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365 complete statement of the financial condition of the district.

366 C. Any provider receiving funds from the district is
 367 subject to an audit of its records relative to the patients for
 368 whom payment is sought in order to ensure compliance with this
 369 act. All auditors must contractually agree to comply with
 370 applicable patient confidentiality rules, including the Health
 371 Insurance Portability and Accountability Act of 1996 (HIPAA;
 372 Pub. L. No. 104-191, 110 Stat. 1936) and rules implementing that
 373 act.

374 D. The district must conduct financial integrity and
 375 compliance audits of providers receiving payments in any one
 376 fiscal year in excess of 10 percent of the district's tax
 377 revenue in that year, and may initiate other audits of any
 378 provider at any time, to ensure compliance with this act and to
 379 provide transparency and accountability to the taxpayers. All
 380 audit reports become public records upon acceptance by the board
 381 of trustees. If, upon completion of an audit, it is determined
 382 that payment was made by the district that was not in compliance
 383 with this act, a rebuttable presumption is created that the
 384 district is entitled to a recoupment of the amounts in question.
 385 Notice to the provider and an opportunity to go forward with
 386 evidence rebutting the presumption in an informal setting shall
 387 be provided. Pending any judicial determination, the district
 388 may set off the amounts in question against any other amounts
 389 owed or to be owed to the provider. If informal resolution
 390 cannot be reached between the parties, a formal mediation
 391 conference is required and is a condition precedent to the
 392 filing of a lawsuit. Venue for any legal proceedings is in the

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393 Circuit Court of Lake County.

394 E. The board of trustees shall adopt and promulgate
 395 eligibility verification criteria and procedures designed to
 396 ensure that all recipients of indigent care for which payment is
 397 sought under this act are qualified by the provider as medically
 398 indigent persons and residents of the district.

399 F. Any indigent care for which payment is requested in
 400 whole or in part from the district must be certified by the
 401 provider as medically necessary.

402 G. A provider requesting payment under this act must
 403 certify, under penalty of perjury, that the eligibility
 404 verification procedures adopted by the board of trustees have
 405 been complied with and that he or she, in good faith, believes
 406 that the person is qualified to receive indigent care under this
 407 act.

408 H. If estimated payments are made to a provider eligible
 409 to receive payment from the district, to ensure public
 410 oversight, accountability, and public benefit, the hospital or
 411 clinic shall maintain such funds in a separate accounting fund
 412 and document each payment or draw down from that account so that
 413 a complete audit record is established. The separate account and
 414 all direct support documentation that is part of the audit
 415 record is subject to disclosure as provided in chapter 119,
 416 Florida Statutes.

417 I. Annual financial statements.-All hospitals receiving
 418 any payments from the district in a given fiscal year, and their
 419 parent corporations and foundations, shall each file annual
 420 audited financial statements with the district.

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421 J. The board of trustees shall timely provide to each
 422 member of the Lake County Legislative Delegation:

423 1. All financial statements and reports of the district.

424 2. All audit reports of the district and of all providers
 425 that are the subjects of audits initiated by the district.

426 3. By January 31 of each year, an annual report for the
 427 previous fiscal year providing a detailed review of the
 428 performance of the district containing actual data and analyses
 429 of patients served, the names and types of providers used, the
 430 ratio of administrative to direct patient expenditures, problems
 431 encountered, and recommendations for improvement, including
 432 proposed legislative changes to this act.

433 Section 9. FINANCIAL DISCLOSURE AND NOTICE.—

434 A. Members of the board of trustees are subject to the
 435 same financial disclosure requirements imposed by general law on
 436 county commissioners.

437 B. Except as otherwise expressly required in this act, the
 438 board of trustees is subject to the reporting, notice, and
 439 public meetings requirements of sections 189.415, 189.417, and
 440 189.418, Florida Statutes. All meeting and workshop notices and
 441 minutes of meetings and workshops shall be posted online on a
 442 publicly accessible website maintained by the district.

443 Section 10. AMENDMENTS TO THE CHARTER.—This act may not be
 444 amended except by action of the Legislature.

445 Section 11. SOVEREIGN IMMUNITY.—For purposes of sovereign
 446 immunity pursuant to section 768.28(2), Florida Statutes, any
 447 primary care clinic physically located in the district the main
 448 purpose of which is to provide indigent care and which directly

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449 delivers that care for compensation from the district as
 450 provided in this act, and any health care provider who
 451 volunteers his or her services to the primary care clinics to
 452 provide indigent care without receiving personal financial
 453 compensation, shall be conclusively deemed to be primarily
 454 acting as an instrumentality of the state.

455 Section 12. COMPREHENSIVE PLANNING.—Except as may
 456 otherwise be required by general law, comprehensive planning is
 457 not required by this act.

458 Section 13. ESTABLISHMENT AND DISSOLUTION OF THE
 459 DISTRICT.—The district, established pursuant to section
 460 189.4042, Florida Statutes, is reestablished by this act as a
 461 special district under chapter 189, Florida Statutes. The
 462 district may be dissolved by action of the Legislature.

463 Section 14. DURATION AND CONTINUATION.—The district
 464 expires and shall be dissolved at the end of its fiscal year in
 465 2017 without further action by the Legislature. However, the
 466 district may be continued at the end of that period for 10 years
 467 if in the general election in 2016 a majority of the electors
 468 voting in a referendum called for that purpose approve its
 469 continuation. The district is subject to a continuation vote in
 470 like manner every 10 years thereafter. If the district is
 471 dissolved without further action by the Legislature as provided
 472 in this act, all property owned by the district is transferred
 473 to, and all indebtedness of the district is assumed by, the Lake
 474 County Board of County Commissioners effective upon such
 475 dissolution.

476 Section 15. REFERENDUM.—The Board of County Commissioners

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477 of Lake County shall call, and the Supervisor of Elections of
 478 Lake County shall conduct, in conjunction with the general
 479 election to be held on November 8, 2016, or such other general
 480 election date as provided by general law, a referendum as
 481 follows:

482
 483 CONTINUATION OF THE NORTH LAKE COUNTY HOSPITAL DISTRICT

484
 485 Shall the independent special district known as the
 486 North Lake County Hospital District with authority to
 487 levy each year an ad valorem tax not to exceed 1 mill
 488 to fund indigent care to qualified residents of the
 489 district be continued for another 10 years?

490
 491 Yes

492
 493 No

494
 495 Section 4. Chapters 2002-348 and 2004-460, Laws of
 496 Florida, are repealed.

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