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SENATE FILE

386

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(COMPANION TO LSB 2577HH BY DOLECHECK)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the management and operation of certain public  
2 hospitals.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 386 LOCAL GOVERNMENT

1 Section 1. Section 37.9, unnumbered paragraphs 1 and 5,  
2 Code 1999, are amended to read as follows:

3 When the proposition to erect any such building or monument  
4 has been carried by a majority vote, the board of supervisors  
5 or the city council, as the case may be, shall appoint a  
6 commission consisting of five or seven members, in the manner  
7 and with the qualifications provided in this chapter, which  
8 shall have charge and supervision of the erection of the  
9 building or monument, and when erected, the management and  
10 control of the building or monument.

11 Commencing with the commissioners appointed to take office  
12 after January 1, 1952, ~~one commissioner shall be appointed for~~  
13 ~~a term of one year, two commissioners shall be appointed for a~~  
14 ~~term of two years, and two commissioners shall be appointed~~  
15 ~~for a term of three years, or in each instance until a~~  
16 ~~successor is appointed and qualified~~ the terms of office of  
17 the commissioners shall be staggered so that all  
18 commissioners' terms will not end in the same year.

19 Thereafter, the successors in each instance shall hold office  
20 for a term of three years or until a successor is appointed  
21 and qualified.

22 Sec. 2. Section 347.9, Code 1999, is amended to read as  
23 follows:

24 347.9 TRUSTEES -- APPOINTMENT -- TERMS OF OFFICE.

25 When it has been determined by the voters of a county to  
26 establish a county public hospital, the board shall appoint  
27 seven trustees chosen from among the resident citizens of the  
28 county with reference to their fitness for office, and not  
29 more than four of the trustees shall be residents of the city  
30 at which the hospital is located. The trustees shall hold  
31 office until the following general election, at which time  
32 their successors shall be elected, two for a term of two  
33 years, two for four years, and three for six years, and they  
34 shall determine by lot their respective terms, and thereafter  
35 their successors shall be elected for regular terms of six

1 years each. A person or spouse of a person with medical or  
2 special staff privileges in the county public hospital or who  
3 receives direct or indirect compensation in an amount greater  
4 than one thousand five hundred dollars in a calendar year from  
5 the county public hospital or direct or indirect compensation  
6 in an amount greater than one thousand five hundred dollars in  
7 a calendar year from a person contracting for services with  
8 the hospital shall not be eligible to serve as a trustee for  
9 that county public hospital.

10 Sec. 3. Section 347.12, unnumbered paragraph 3, Code 1999,  
11 is amended to read as follows:

12 The secretary of the hospital board of trustees shall file  
13 monthly on or before the ~~tenth~~ thirtieth day of each month  
14 with such board a complete statement of all receipts and  
15 disbursements from all funds during the preceding month, and  
16 also the balance remaining on hand in such funds at the close  
17 of the period covered by said statement.

18 Sec. 4. Section 347.13, subsection 2, Code 1999, is  
19 amended to read as follows:

20 2. Cause plans ~~and-specifications~~ to be made and adopted  
21 published for all hospital buildings~~7-and-advertise-for-bids7~~  
22 ~~as-required-by-law-for-other-county-buildings7~~ at least sixty  
23 days before making a contract for the construction of a  
24 building.

25 Sec. 5. Section 347.13, subsection 7, Code 1999, is  
26 amended by striking the subsection.

27 Sec. 6. Section 347.13, subsection 11, Code 1999, is  
28 amended by striking the subsection and inserting in lieu  
29 thereof the following:

30 11. Make available to the board of supervisors a statement  
31 of all receipts and expenditures from the preceding fiscal  
32 year.

33 Sec. 7. Section 347.14, subsection 11, Code 1999, is  
34 amended to read as follows:

35 11. Do all things necessary for the management, control

1 and government of said hospital and exercise all the rights  
2 and duties pertaining to hospital trustees generally,  
3 including but not limited to authorizing delivery of any  
4 health care service, assisted or independent living service,  
5 or other ancillary service, unless such rights of hospital  
6 trustees generally are specifically denied by this chapter, or  
7 unless such duties are expressly charged by this chapter.

8 Sec. 8. Section 347.14, Code 1999, is amended by adding  
9 the following new subsection:

10 NEW SUBSECTION. 16. Borrow moneys to be secured solely by  
11 hospital revenues for the purposes of improvement,  
12 maintenance, or replacement of the hospital or for hospital  
13 equipment.

14 Sec. 9. Section 347.30, Code 1999, is amended to read as  
15 follows:

16 347.30 NOTICE AND HEARING.

17 A county or city hospital shall serve notice and hold a  
18 public hearing before selling or leasing any real property  
19 pursuant to sections 347.28 and 347.29. The notice shall  
20 definitely describe the property, indicate the date and  
21 location of the hearing, and shall be published by at least  
22 one insertion each week for two consecutive weeks in a  
23 newspaper having general circulation in the county where the  
24 property is located. The hearing shall not take place prior  
25 to two weeks after the second publication.

26 Sec. 10. Section 347A.1, unnumbered paragraph 1, Code  
27 1999, is amended to read as follows:

28 A county having a population less than one hundred fifty  
29 thousand may issue revenue bonds for a county hospital as  
30 provided in section 331.461, subsection 2, paragraph "e". The  
31 administration and management of the hospital shall be vested  
32 in a board of hospital trustees consisting of five or seven  
33 members appointed. Appointments for a five-member board shall  
34 be made by the board of supervisors from among the resident  
35 citizens of the county with reference to their fitness for

1 office, and not more than two of the trustees shall be  
2 residents of the same township. Expansion from a five-member  
3 to a seven-member board of trustees shall occur only on  
4 approval of a majority of the five-member board of trustees.  
5 The five-member board of trustees shall appoint members to the  
6 additional vacancies; one appointee shall serve until the  
7 succeeding general election and the other appointee shall  
8 serve until the second succeeding general election at which  
9 times successors shall be elected.

10 Sec. 11. Section 384.95, subsection 1, Code 1999, is  
11 amended to read as follows:

12 1. "Public improvement" means any building or construction  
13 work, either within or outside the corporate limits of a city,  
14 to be paid for in whole or in part by the use of funds of the  
15 city, regardless of sources, including a building or  
16 improvement constructed or operated jointly with any other  
17 public or private agency, but excluding urban renewal and low-  
18 rent housing projects, industrial aid projects authorized  
19 under chapter 419, emergency work or work performed by  
20 employees of a city or a city utility, and projects of a  
21 municipal hospital if authorized by the hospital trustees.

22 Sec. 12. Section 392.6, unnumbered paragraph 2, Code 1999,  
23 is amended to read as follows:

24 Cities maintaining an institution as provided for in this  
25 section which have a board of trustees consisting of three  
26 members may by ordinance increase the number of members to  
27 five or seven and provide for the appointment of one of the  
28 additional member in the expansion to a five-member board or  
29 two additional members in the expansion to a seven-member  
30 board until the next succeeding general or city election, and  
31 for the appointment of the one or two other additional member  
32 members until the second succeeding general or city election.  
33 Thereafter, the terms of office of such additional members  
34 shall be four years. However, if a city has adopted an  
35 ordinance which increases the number of members of the board

1 of trustees to five or seven members and the terms of office  
2 of four of the five members or six of the seven members end in  
3 the same year, the date of expiration of the term of one of  
4 the four members or two of the six members, to be determined  
5 by lot, shall be extended by an additional two years.

6 EXPLANATION

7 This bill authorizes the expansion of the membership of the  
8 board of trustees for memorial hospitals or other buildings  
9 and other city or county public hospitals to seven members.

10 The bill also provides that a person who receives direct or  
11 indirect compensation greater than \$1,500 per calendar year  
12 from the county hospital or greater than \$1,500 per calendar  
13 year from a person contracting services from the county  
14 hospital is not eligible to be a member of the board of  
15 trustees of that county hospital.

16 The bill provides that the secretary of the county hospital  
17 board of trustees shall file a complete monthly statement of  
18 all receipts and disbursements of all funds for the preceding  
19 month not later than the 30th day of the month.

20 This bill provides that a board of trustees of a county  
21 hospital shall cause plans for construction of a building to  
22 be published at least 60 days before making a contract for the  
23 construction of the building and strikes language relating to  
24 advertising for bids. It also strikes a requirement that at  
25 least one member of the board of trustees visit and examine  
26 the hospital at least twice each month. The bill also  
27 provides that a statement of all receipts and expenditures for  
28 the preceding fiscal year shall be made available to the board  
29 of supervisors, but it removes the requirement that the  
30 statement be filed by the fourth week in July.

31 This bill authorizes the trustees of a county hospital to  
32 deliver any health care service, assisted or independent  
33 living service, palliative service, or other ancillary service  
34 unless otherwise limited by law. The trustees are also  
35 authorized to borrow money which is secured solely by hospital

1 revenue for improvement, maintenance, or replacement of the  
2 hospital or its equipment. The bill also restricts the  
3 requirement for notice and a public hearing on the sale or  
4 lease of property to real property.

5 The bill authorizes hospitals established pursuant to Code  
6 chapter 347A to expand their boards of trustees to seven  
7 members. Expansion to seven members must be approved by a  
8 majority of the five-member board of trustees and the five-  
9 member board shall appoint the initial sixth and seventh  
10 members. One of the appointees shall serve an initial term  
11 until a successor is elected at the next general election and  
12 the seventh member shall serve an initial term until a  
13 successor is elected at the second succeeding general  
14 election.

15 The bill also amends the definition of "public improvement"  
16 in Code section 384.95 relating to contract letting procedures  
17 to include projects of municipal hospitals if authorized by  
18 the board of trustees.

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