

MAR 10 1999

LOCAL GOVERNMENT

HOUSE FILE

619

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TEIG, ARNOLD, DRAKE, and
WEIDMAN

(COMPANION TO LSB 2577SS BY JOHNSON)

Passed House, Date _____ Passed Senate, 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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HF 619

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, ~~and advertise for bids,~~
22 ~~as required by law for other county buildings,~~ 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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