

REPRINTED

FEB 20 2002
Place On Calendar

HOUSE FILE 2459
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HF 2169)

Passed House, ^(P. 772) Date 3-13-02 Passed Senate, Date _____
Vote: Ayes 85 Nays 8 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the authority of city hospital and health care
2 facility boards of trustees.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2459

1 Section 1. Section 392.6, unnumbered paragraph 6, Code
2 2001, is amended to read as follows:

3 The board of trustees shall be vested with authority to
4 ~~provide-for-the-management~~ manage, control, govern, and
5 government exercise ownership of the operations and real
6 estate of the city hospital or health care facility
7 established as permitted by this section, and shall provide
8 all needed rules for the economic conduct thereof and shall
9 annually prepare a condensed statement of the total receipts
10 and expenditures for the hospital or health care facility and
11 cause the same to be published in a newspaper of general
12 circulation in the city in which the hospital or health care
13 facility is located. In the management of the hospital or
14 health care facility no discrimination shall be made against
15 practitioners of any school of medicine recognized by the laws
16 of the state.

17 Sec. 2. Section 392.6, Code 2001, is amended by adding the
18 following new unnumbered paragraph after unnumbered paragraph
19 7:

20 NEW UNNUMBERED PARAGRAPH. A board of trustees shall not
21 dispose of an interest in real property by sale, lease for a
22 term of more than three years, or gift, except in accordance
23 with the following procedure:

24 1. The board shall set forth its proposal in a resolution
25 and shall publish notice as provided in section 362.3, of the
26 resolution and of a date, time, and place of a public hearing
27 on the proposal.

28 2. After the public hearing, the board may make a final
29 determination on the proposal by resolution.

30 3. A board of trustees shall not dispose of real property
31 by gift except to a governmental body for a public purpose.

32 EXPLANATION

33 This bill gives the board of trustees of a city hospital or
34 health care facility authority to exercise ownership of the
35 operations and real estate of the city hospital or health care

1 facility.

2 The bill also provides that the board of trustees of a city
3 hospital cannot dispose of real property or enter into a lease
4 for a term of more than three years without first holding a
5 public hearing on disposal of the property.

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HOUSE FILE 2459

H-8212

1 Amend House File 2459 as follows:

2 1. Page 1, line 18, by striking the words
3 "paragraph after" and inserting the following:
4 "paragraphs after".

5 2. Page 1, by inserting after line 31, the
6 following:

7 "NEW UNNUMBERED PARAGRAPH. The proceeds of such
8 sale may only be applied for the retirement of bonds
9 or other indebtedness issued and outstanding in
10 connection with the purchase of the property sold or
11 in connection with operation of the hospital or health
12 care facility or for repairs or improvements to
13 property owned or for the purchase or lease of
14 equipment as the board of trustees may determine. If
15 all of the property essential to the operation of the
16 city hospital or health care facility is offered for
17 sale by the board of trustees, the board shall not
18 sell such property for an amount that is less than the
19 amount of bonds or other indebtedness issued and
20 outstanding at the time of the sale."

By ALONS of Sioux

KLEMME of Plymouth

H-8212 FILED MARCH 7, 2002

Adopted
3-13-02 (p. 771)

S. 3/13/02 Local Gov.
S. 3/18/02 Amend/As Pass
W/S- 5174

HOUSE FILE 2459
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HF 2169)

(As Amended and Passed by the House March 13, 2002)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the authority of city hospital and health care
2 facility boards of trustees.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____

1 Section 1. Section 392.6, unnumbered paragraph 6, Code
2 2001, is amended to read as follows:

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4 ~~provide-for-the-management~~ manage, control, govern, and
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6 estate of the city hospital or health care facility
7 established as permitted by this section, and shall provide
8 all needed rules for the economic conduct thereof and shall
9 annually prepare a condensed statement of the total receipts
10 and expenditures for the hospital or health care facility and
11 cause the same to be published in a newspaper of general
12 circulation in the city in which the hospital or health care
13 facility is located. In the management of the hospital or
14 health care facility no discrimination shall be made against
15 practitioners of any school of medicine recognized by the laws
16 of the state.

17 Sec. 2. Section 392.6, Code 2001, is amended by adding the
18 following new unnumbered paragraphs after unnumbered paragraph
19 7:

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22 term of more than three years, or gift, except in accordance
23 with the following procedure:

24 1. The board shall set forth its proposal in a resolution
25 and shall publish notice as provided in section 362.3, of the
26 resolution and of a date, time, and place of a public hearing
27 on the proposal.

28 2. After the public hearing, the board may make a final
29 determination on the proposal by resolution.

30 3. A board of trustees shall not dispose of real property
31 by gift except to a governmental body for a public purpose.

32 NEW UNNUMBERED PARAGRAPH. The proceeds of such sale may
33 only be applied for the retirement of bonds or other
34 indebtedness issued and outstanding in connection with the
35 purchase of the property sold or in connection with operation

1 of the hospital or health care facility or for repairs or
2 improvements to property owned or for the purchase or lease of
3 equipment as the board of trustees may determine. If all of
4 the property essential to the operation of the city hospital
5 or health care facility is offered for sale by the board of
6 trustees, the board shall not sell such property for an amount
7 that is less than the amount of bonds or other indebtedness
8 issued and outstanding at the time of the sale.

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HOUSE FILE 2459

S-5174

1 Amend House File 2459, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 28, by striking the word "final".
4 2. Page 1, by inserting after line 29 the
5 following:
6 "____. A resolution approved by the board of
7 trustees under subsection 2 must be affirmed by vote
8 of a majority of the membership of the city council in
9 order to be final."

By COMMITTEE ON LOCAL GOVERNMENT
DAVID MILLER, Chairperson

S-5174 FILED MARCH 18, 2002

HOUSE FILE 2459

S-5273

1 Amend House File 2459, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 2, by inserting after line 8, the
4 following:
5 "NEW UNNUMBERED PARAGRAPH. If all of the property
6 essential to the operation of the city hospital or
7 health care facility is offered for sale by the board
8 of trustees, the document transferring the property
9 shall include, as a condition of transfer, a provision
10 allowing employees of the city hospital or health care
11 facility the option of remaining city employees for
12 purposes of coverage under chapter 97B."

By JOHN P. KIBBIE

S-5273 FILED MARCH 28, 2002

HOUSE FILE 2459

S-5400

1 Amend House File 2459, as amended, passed, and
2 reprinted by the House, as follows:
3 1. By striking everything after the enacting
4 clause and inserting the following:
5 "Section 1. CITY HOSPITAL AND HEALTH CARE FACILITY
6 STUDY. The legislative council is requested to
7 establish a legislative interim study committee on
8 city hospitals and health care facilities. The
9 committee shall study the feasibility of giving city
10 hospital and health care facility boards of trustees
11 authority to sell all of the property essential to the
12 operation of the city hospital or health care
13 facility. The committee shall report to the general
14 assembly on or before January 1, 2003."

By JOHN P. KIBBIE
DONALD B. REDFERN

Adopted 4/8/02 p. 995)

S-5400 FILED APRIL 4, 2002

HOUSE FILE 2459

S-5404

1 Amend House File 2459, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 4, by striking the word
4 "govern,".
5 2. Page 1, line 5, by striking the words
6 "exercise ownership of" and inserting the following:
7 "of govern".
8 3. Page 1, by striking lines 25 through 27, and
9 inserting the following: "and shall publish notice of
10 the resolution and of a date, time, and place of a
11 public hearing on the proposal pursuant to section
12 362.3, except that the notice shall be published at
13 least ten days before the hearing."
14 4. By striking page 1, line 32 through page 2,
15 line 8, and inserting the following:
16 "NEW UNNUMBERED PARAGRAPH. The proceeds of such
17 sale shall first be applied to the retirement of bonds
18 or other indebtedness issued and outstanding in
19 connection with the hospital or health care facility.
20 Remaining proceeds shall be paid over to the city.
21 The city council shall repeal the ordinance
22 establishing the board of trustees upon consummation
23 of the sale."
24 5. Page 2, by inserting before line 9, the
25 following:
26 "NEW UNNUMBERED PARAGRAPH. If the board of
27 trustees adopts a resolution containing a final
28 determination proposing the sale of all of the
29 property essential to the operation of the city
30 hospital or health care facility, the sale shall not
31 be final until the proposition to sell is approved by
32 residents of the city at an election called for that
33 purpose. Immediately after passage of the resolution,
34 the board of trustees shall notify the county auditor
35 that an election is to be held on the proposition.
36 Such an election shall be held within sixty days of
37 passage of such resolution. If a majority of the
38 votes cast on the proposition is in favor of the
39 proposition to sell the property, the board of
40 trustees may proceed with the sale of the property."
41 6. Page 2, by inserting before line 9, the
42 following:
43 "Sec. _____. Section 392.6, Code 2001, is amended by
44 adding the following new unnumbered paragraph after
45 unnumbered paragraph 9:
46 "NEW UNNUMBERED PARAGRAPH. The provisions of this
47 section do not apply to any city-owned hospital or
48 health care facility that is operated without an
49 elected board of trustees by a private not-for-profit
50 hospital pursuant to a management lease agreement

S-5404

S-5404

Page 2

1 entered into before July 1, 2002."

By LARRY MCKIBBEN
STEWART IVERSON, Jr.
JEFF ANGELO

S-5404 FILED APRIL 8, 2002

HOUSE FILE 2459

S-5282

1 Amend House File 2459, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 8, the
4 following:

5 "NEW UNNUMBERED PARAGRAPH. If the board of
6 trustees adopts a resolution containing a final
7 determination proposing the sale of all of the
8 property essential to the operation of the city
9 hospital or health care facility, the sale shall not
10 be final until the proposition to sell is approved by
11 residents of the city at an election called for that
12 purpose. Immediately after passage of the resolution,
13 the board of trustees shall notify the county auditor
14 that an election is to be held on the proposition.
15 Such an election shall be held within sixty days of
16 passage of such resolution. If a majority of the
17 votes cast on the proposition is in favor of the
18 proposition to sell the property, the board of
19 trustees may proceed with the sale of the property."

By JOHNIE HAMMOND
HUBERT M. HOUSER

JEFF ANGELO
JOHN P. KIBBIE

S-5282 FILED APRIL 1, 2002