

**Senate Study Bill 3128 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
STATE GOVERNMENT BILL BY  
CHAIRPERSON SMITH)

**A BILL FOR**

1 An Act relating to the transfer or assignment of a hospital  
2 license.

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

1 Section 1. Section 135B.5, subsection 1, Code 2018, is  
2 amended to read as follows:

3 1. Upon receipt of an application for license and the  
4 license fee, the department shall issue a license if the  
5 applicant and hospital facilities comply with **this chapter**  
6 and the rules of the department. Each licensee shall receive  
7 annual reapproval upon payment of five hundred dollars and  
8 upon filing of an application form which is available from the  
9 department. The annual licensure fee shall be dedicated to  
10 support and provide educational programs on regulatory issues  
11 for hospitals licensed under **this chapter** in consultation  
12 with the hospital licensing board. Licenses shall be either  
13 general or restricted in form. Each license shall be issued  
14 only for the premises and persons or governmental units named  
15 in the application and is not transferable or assignable except  
16 with the written approval of the department. The department  
17 shall only approve the transfer or assignment of a license of  
18 a hospital that offers only behavioral health services to a  
19 person or governmental unit for the sole purpose of offering  
20 behavioral health services. Licenses shall be posted in a  
21 conspicuous place on the licensed premises as prescribed by  
22 rule of the department.

23

EXPLANATION

24 The inclusion of this explanation does not constitute agreement with  
25 the explanation's substance by the members of the general assembly.

26 This bill allows the department of inspections and appeals  
27 to approve the transfer or assignment of a license of a  
28 hospital that offers only behavioral health services to a  
29 person or governmental unit for the sole purpose of offering  
30 behavioral health services.