

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 1189**

Chapter 125, Laws of 2003

58th Legislature  
2003 Regular Session

PUBLIC HOSPITAL DISTRICTS--POWERS

EFFECTIVE DATE: 7/27/03

Passed by the House February 12, 2003  
Yeas 97 Nays 0

FRANK CHOPP

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**Speaker of the House of Representatives**

Passed by the Senate April 11, 2003  
Yeas 49 Nays 0

BRAD OWEN

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**President of the Senate**

Approved May 7, 2003.

GARY LOCKE

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**Governor of the State of Washington**

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1189** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

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**Chief Clerk**

FILED

May 7, 2003 - 2:57 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 1189**

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Passed Legislature - 2003 Regular Session

**State of Washington                      58th Legislature                      2003 Regular Session**

**By** House Committee on Health Care (originally sponsored by Representatives Alexander, Cody, Skinner, Schual-Berke, Pflug, Morrell, Moeller, Darneille, Clibborn, Campbell and Bailey)

READ FIRST TIME 02/10/03.

1            AN ACT Relating to public hospital district recruitment and  
2 training; and amending RCW 70.44.060.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 70.44.060 and 2001 c 76 s 1 are each amended to read  
5 as follows:

6            All public hospital districts organized under the provisions of  
7 this chapter shall have power:

8            (1) To make a survey of existing hospital and other health care  
9 facilities within and without such district.

10           (2) To construct, condemn and purchase, purchase, acquire, lease,  
11 add to, maintain, operate, develop and regulate, sell and convey all  
12 lands, property, property rights, equipment, hospital and other health  
13 care facilities and systems for the maintenance of hospitals,  
14 buildings, structures, and any and all other facilities, and to  
15 exercise the right of eminent domain to effectuate the foregoing  
16 purposes or for the acquisition and damaging of the same or property of  
17 any kind appurtenant thereto, and such right of eminent domain shall be  
18 exercised and instituted pursuant to a resolution of the commission and  
19 conducted in the same manner and by the same procedure as in or may be

1 provided by law for the exercise of the power of eminent domain by  
2 incorporated cities and towns of the state of Washington in the  
3 acquisition of property rights: PROVIDED, That no public hospital  
4 district shall have the right of eminent domain and the power of  
5 condemnation against any health care facility.

6 (3) To lease existing hospital and other health care facilities and  
7 equipment and/or other property used in connection therewith, including  
8 ambulances, and to pay such rental therefor as the commissioners shall  
9 deem proper; to provide hospital and other health care services for  
10 residents of said district by facilities located outside the boundaries  
11 of said district, by contract or in any other manner said commissioners  
12 may deem expedient or necessary under the existing conditions; and said  
13 hospital district shall have the power to contract with other  
14 communities, corporations, or individuals for the services provided by  
15 said hospital district; and they may further receive in said hospitals  
16 and other health care facilities and furnish proper and adequate  
17 services to all persons not residents of said district at such  
18 reasonable and fair compensation as may be considered proper:  
19 PROVIDED, That it must at all times make adequate provision for the  
20 needs of the district and residents of said district shall have prior  
21 rights to the available hospital and other health care facilities of  
22 said district, at rates set by the district commissioners.

23 (4) For the purpose aforesaid, it shall be lawful for any district  
24 so organized to take, condemn and purchase, lease, or acquire, any and  
25 all property, and property rights, including state and county lands,  
26 for any of the purposes aforesaid, and any and all other facilities  
27 necessary or convenient, and in connection with the construction,  
28 maintenance, and operation of any such hospitals and other health care  
29 facilities, subject, however, to the applicable limitations provided in  
30 subsection (2) of this section.

31 (5) To contract indebtedness or borrow money for corporate purposes  
32 on the credit of the corporation or the revenues of the hospitals  
33 thereof, and the revenues of any other facilities or services that the  
34 district is or hereafter may be authorized by law to provide, and to  
35 issue and sell: (a) Revenue bonds, revenue warrants, or other revenue  
36 obligations therefor payable solely out of a special fund or funds into  
37 which the district may pledge such amount of the revenues of the  
38 hospitals thereof, and the revenues of any other facilities or services

1 that the district is or hereafter may be authorized by law to provide,  
2 to pay the same as the commissioners of the district may determine,  
3 such revenue bonds, warrants, or other obligations to be issued and  
4 sold in the same manner and subject to the same provisions as provided  
5 for the issuance of revenue bonds, warrants, or other obligations by  
6 cities or towns under the Municipal Revenue Bond Act, chapter 35.41  
7 RCW, as may hereafter be amended; (b) general obligation bonds therefor  
8 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as  
9 may hereafter be amended; or (c) interest-bearing warrants to be drawn  
10 on a fund pending deposit in such fund of money sufficient to redeem  
11 such warrants and to be issued and paid in such manner and upon such  
12 terms and conditions as the board of commissioners may deem to be in  
13 the best interest of the district; and to assign or sell hospital  
14 accounts receivable, and accounts receivable for the use of other  
15 facilities or services that the district is or hereafter may be  
16 authorized by law to provide, for collection with or without recourse.  
17 General obligation bonds shall be issued and sold in accordance with  
18 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue  
19 obligations may be issued and sold in accordance with chapter 39.46  
20 RCW.

21 (6) To raise revenue by the levy of an annual tax on all taxable  
22 property within such public hospital district not to exceed fifty cents  
23 per thousand dollars of assessed value, and an additional annual tax on  
24 all taxable property within such public hospital district not to exceed  
25 twenty-five cents per thousand dollars of assessed value, or such  
26 further amount as has been or shall be authorized by a vote of the  
27 people. Although public hospital districts are authorized to impose  
28 two separate regular property tax levies, the levies shall be  
29 considered to be a single levy for purposes of the limitation provided  
30 for in chapter 84.55 RCW. Public hospital districts are authorized to  
31 levy such a general tax in excess of their regular property taxes when  
32 authorized so to do at a special election conducted in accordance with  
33 and subject to all of the requirements of the Constitution and the laws  
34 of the state of Washington now in force or hereafter enacted governing  
35 the limitation of tax levies. The said board of district commissioners  
36 is authorized and empowered to call a special election for the purpose  
37 of submitting to the qualified voters of the hospital district a  
38 proposition or propositions to levy taxes in excess of its regular

1 property taxes. The superintendent shall prepare a proposed budget of  
2 the contemplated financial transactions for the ensuing year and file  
3 the same in the records of the commission on or before the first day of  
4 November. Notice of the filing of said proposed budget and the date  
5 and place of hearing on the same shall be published for at least two  
6 consecutive weeks, at least one time each week, in a newspaper printed  
7 and of general circulation in said county. On or before the fifteenth  
8 day of November the commission shall hold a public hearing on said  
9 proposed budget at which any taxpayer may appear and be heard against  
10 the whole or any part of the proposed budget. Upon the conclusion of  
11 said hearing, the commission shall, by resolution, adopt the budget as  
12 finally determined and fix the final amount of expenditures for the  
13 ensuing year. Taxes levied by the commission shall be certified to and  
14 collected by the proper county officer of the county in which such  
15 public hospital district is located in the same manner as is or may be  
16 provided by law for the certification and collection of port district  
17 taxes. The commission is authorized, prior to the receipt of taxes  
18 raised by levy, to borrow money or issue warrants of the district in  
19 anticipation of the revenue to be derived by such district from the  
20 levy of taxes for the purpose of such district, and such warrants shall  
21 be redeemed from the first money available from such taxes when  
22 collected, and such warrants shall not exceed the anticipated revenues  
23 of one year, and shall bear interest at a rate or rates as authorized  
24 by the commission.

25 (7) To enter into any contract with the United States government or  
26 any state, municipality, or other hospital district, or any department  
27 of those governing bodies, for carrying out any of the powers  
28 authorized by this chapter.

29 (8) To sue and be sued in any court of competent jurisdiction:  
30 PROVIDED, That all suits against the public hospital district shall be  
31 brought in the county in which the public hospital district is located.

32 (9) To pay actual necessary travel expenses and living expenses  
33 incurred while in travel status for (a) qualified physicians or other  
34 health care practitioners who are candidates for medical staff  
35 positions, and (b) other qualified persons who are candidates for  
36 superintendent or other managerial and technical positions, which  
37 expenses may include expenses incurred by family members accompanying  
38 the candidate, when the district finds that hospitals or other health

1 care facilities owned and operated by it are not adequately staffed and  
2 determines that personal interviews with said candidates to be held in  
3 the district are necessary or desirable for the adequate staffing of  
4 said facilities.

5 (10) To (~~make contracts,~~) employ superintendents, attorneys, and  
6 other technical or professional assistants and all other employees; to  
7 make all contracts useful or necessary to carry out the provisions of  
8 this chapter, including, but not limited to, (a) contracts with private  
9 or public institutions for employee retirement programs, and (b)  
10 contracts with current or prospective employees, physicians, or other  
11 health care practitioners providing for the payment or reimbursement by  
12 the public hospital district of health care training or education  
13 expenses, including but not limited to debt obligations, incurred by  
14 current or prospective employees, physicians, or other health care  
15 practitioners in return for their agreement to provide services  
16 beneficial to the public hospital district; to print and publish  
17 information or literature; and to do all other things necessary to  
18 carry out the provisions of this chapter.

Passed by the House February 12, 2003.

Passed by the Senate April 11, 2003.

Approved by the Governor May 7, 2003.

Filed in Office of Secretary of State May 7, 2003.