

CERTIFICATION OF ENROLLMENT

SENATE BILL 5116

Chapter 37, Laws of 2011

62nd Legislature
2011 Regular Session

PUBLIC HOSPITAL DISTRICTS--POWERS--REAL OR PERSONAL PROPERTY GIFTS

EFFECTIVE DATE: 07/22/11

Passed by the Senate March 2, 2011
YEAS 49 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 1, 2011
YEAS 93 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 13, 2011, 1:49 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5116** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 13, 2011

**Secretary of State
State of Washington**

SENATE BILL 5116

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

By Senators Swecker, Hatfield, and Parlette

Read first time 01/14/11. Referred to Committee on Government Operations, Tribal Relations & Elections.

1 AN ACT Relating to public health district authority as it relates
2 to gifts, grants, conveyances, bequests, and devises of real or
3 personal property; and amending RCW 70.44.060.

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

5 **Sec. 1.** RCW 70.44.060 and 2010 c 95 s 1 are each amended to read
6 as follows:

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

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

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

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

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

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

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

1 hospitals thereof, and the revenues of any other facilities or services
2 that the district is or hereafter may be authorized by law to provide,
3 to pay the same as the commissioners of the district may determine,
4 such revenue bonds, warrants, or other obligations to be issued and
5 sold in the same manner and subject to the same provisions as provided
6 for the issuance of revenue bonds, warrants, or other obligations by
7 cities or towns under the municipal revenue bond act, chapter 35.41
8 RCW, as may hereafter be amended; (b) general obligation bonds therefor
9 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as
10 may hereafter be amended; or (c) interest-bearing warrants to be drawn
11 on a fund pending deposit in such fund of money sufficient to redeem
12 such warrants and to be issued and paid in such manner and upon such
13 terms and conditions as the board of commissioners may deem to be in
14 the best interest of the district; and to assign or sell hospital
15 accounts receivable, and accounts receivable for the use of other
16 facilities or services that the district is or hereafter may be
17 authorized by law to provide, for collection with or without recourse.
18 General obligation bonds shall be issued and sold in accordance with
19 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue
20 obligations may be issued and sold in accordance with chapter 39.46
21 RCW. In connection with the issuance of bonds, a public hospital
22 district is, in addition to its other powers, authorized to grant a
23 lien on any or all of its property, whether then owned or thereafter
24 acquired, including the revenues and receipts from the property,
25 pursuant to a mortgage, deed of trust, security agreement, or any other
26 security instrument now or hereafter authorized by applicable law:
27 PROVIDED, That such bonds are issued in connection with a federal
28 program providing mortgage insurance, including but not limited to the
29 mortgage insurance programs administered by the United States
30 department of housing and urban development pursuant to sections 232,
31 241, and 242 of Title II of the national housing act, as amended.

32 (6) To raise revenue by the levy of an annual tax on all taxable
33 property within such public hospital district not to exceed fifty cents
34 per thousand dollars of assessed value, and an additional annual tax on
35 all taxable property within such public hospital district not to exceed
36 twenty-five cents per thousand dollars of assessed value, or such
37 further amount as has been or shall be authorized by a vote of the
38 people. Although public hospital districts are authorized to impose

1 two separate regular property tax levies, the levies shall be
2 considered to be a single levy for purposes of the limitation provided
3 for in chapter 84.55 RCW. Public hospital districts are authorized to
4 levy such a general tax in excess of their regular property taxes when
5 authorized so to do at a special election conducted in accordance with
6 and subject to all of the requirements of the Constitution and the laws
7 of the state of Washington now in force or hereafter enacted governing
8 the limitation of tax levies. The said board of district commissioners
9 is authorized and empowered to call a special election for the purpose
10 of submitting to the qualified voters of the hospital district a
11 proposition or propositions to levy taxes in excess of its regular
12 property taxes. The superintendent shall prepare a proposed budget of
13 the contemplated financial transactions for the ensuing year and file
14 the same in the records of the commission on or before the first day of
15 November. Notice of the filing of said proposed budget and the date
16 and place of hearing on the same shall be published for at least two
17 consecutive weeks, at least one time each week, in a newspaper printed
18 and of general circulation in said county. On or before the fifteenth
19 day of November the commission shall hold a public hearing on said
20 proposed budget at which any taxpayer may appear and be heard against
21 the whole or any part of the proposed budget. Upon the conclusion of
22 said hearing, the commission shall, by resolution, adopt the budget as
23 finally determined and fix the final amount of expenditures for the
24 ensuing year. Taxes levied by the commission shall be certified to and
25 collected by the proper county officer of the county in which such
26 public hospital district is located in the same manner as is or may be
27 provided by law for the certification and collection of port district
28 taxes. The commission is authorized, prior to the receipt of taxes
29 raised by levy, to borrow money or issue warrants of the district in
30 anticipation of the revenue to be derived by such district from the
31 levy of taxes for the purpose of such district, and such warrants shall
32 be redeemed from the first money available from such taxes when
33 collected, and such warrants shall not exceed the anticipated revenues
34 of one year, and shall bear interest at a rate or rates as authorized
35 by the commission.

36 (7) To enter into any contract with the United States government or
37 any state, municipality, or other hospital district, or any department

1 of those governing bodies, for carrying out any of the powers
2 authorized by this chapter.

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

6 (9) To pay actual necessary travel expenses and living expenses
7 incurred while in travel status for (a) qualified physicians or other
8 health care practitioners who are candidates for medical staff
9 positions, and (b) other qualified persons who are candidates for
10 superintendent or other managerial and technical positions, which
11 expenses may include expenses incurred by family members accompanying
12 the candidate, when the district finds that hospitals or other health
13 care facilities owned and operated by it are not adequately staffed and
14 determines that personal interviews with said candidates to be held in
15 the district are necessary or desirable for the adequate staffing of
16 said facilities.

17 (10) To employ superintendents, attorneys, and other technical or
18 professional assistants and all other employees; to make all contracts
19 useful or necessary to carry out the provisions of this chapter,
20 including, but not limited to, (a) contracts with private or public
21 institutions for employee retirement programs, and (b) contracts with
22 current or prospective employees, physicians, or other health care
23 practitioners providing for the payment or reimbursement by the public
24 hospital district of health care training or education expenses,
25 including but not limited to debt obligations, incurred by current or
26 prospective employees, physicians, or other health care practitioners
27 in return for their agreement to provide services beneficial to the
28 public hospital district; to print and publish information or
29 literature; and to do all other things necessary to carry out the
30 provisions of this chapter.

31 (11) To solicit and accept gifts, grants, conveyances, bequests,
32 and devises of real or personal property, or both, in trust or
33 otherwise, and to sell, lease, exchange, invest, or expend gifts or the
34 proceeds, rents, profits, and income therefrom, and to enter into
35 contracts with for-profit or nonprofit organizations to support the
36 purposes of this subsection, including, but not limited to, contracts

1 providing for the use of district facilities, property, personnel, or
2 services.

Passed by the Senate March 2, 2011.

Passed by the House April 1, 2011.

Approved by the Governor April 13, 2011.

Filed in Office of Secretary of State April 13, 2011.