

## LEGISLATIVE BILL 693

Approved by the Governor April 13, 1974

Introduced by Skarda, 7; Hasebroock, 18

AN ACT to amend sections 23-343.01 and 23-343.14, Reissue Revised Statutes of Nebraska, 1943, and sections 23-343.92 and 23-343.100, Revised Statutes Supplement, 1972, relating to hospitals; to provide that certain county boards may act as boards of trustees for certain facilities; to change the interest rate on certain warrants; to specify revenue sources for payment of bonds; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 23-343.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-343.01. (1) When a county with a population of thirty-six hundred or more and less than two hundred thousand inhabitants or with an assessed valuation of all taxable real and personal property, excluding intangible property, of ten million dollars or more, shall establish such facility or facilities as provided by section 23-343, the county board of the county shall proceed at once to appoint a board of trustees. Such board shall consist of three or five members, as fixed by the county board. All members of such board shall be residents of said county. When such board is first established, one member shall be appointed for a term of two years, one for four years, and one for six years from the date they are appointed, if the county board provides for a three member board. Otherwise one additional member shall be appointed for four years and one for six years. When the board is changed to a five member board, the three members who are serving as such trustees at the time of a change from a three member to a five member board shall each complete his respective term of office. The two additional members shall be appointed by the county board, one for a term of four years and one for a term of six years. Thereafter, as their terms expire, members shall be appointed for a term of six years.

(2) Not over one member of said board of trustees shall be from the city in which such facility or facilities are located. If such facility or facilities are located outside of the corporate limits of a city,

not more than one member shall be appointed from the precinct in which such facility or facilities are located. The said trustees shall, within ten days after their appointment, qualify by taking the oath of county officers and by furnishing a bond in an amount to be fixed by the county board. They shall organize as a board of trustees by the election of one of their number as chairman and one as secretary. The county treasurer of the county in which such facility or facilities are located shall be the treasurer of the board of trustees. He shall receive and pay out all the money under the control of said board as ordered by it but shall receive no compensation from such board.

(3) When a member or trustee is absent from three consecutive board meetings either regular or special without being excused by the remaining members of the board, his office shall become vacant, and a new member shall be appointed by the county board to fill the vacancy for the unexpired term of such member as provided by section 23-343.09. Such vacancy shall become effective when the county board shall find that there is such a vacancy or shall fill the same as provided in this subsection.

(4) In counties having a population of two hundred thousand inhabitants or more, the county board of such county having such facility or facilities, in lieu of appointing a board of trustees of such facility or facilities, may elect to serve as the board of trustees of such facility or facilities. If the county board makes such election, that county board shall assume all the duties and responsibilities of the board of trustees of such institution. Such election shall be evidenced by the adoption of a resolution by that county board.

Sec. 2. That section 23-343.14, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-343.14. All claims against such facility or facilities as provided by section 23-343, may be paid by warrants, duly drawn on the treasurer of such facility or facilities, signed by the superintendent and countersigned by the chairman and secretary of the board of trustees. When such warrants have been issued and delivered, they may be presented to the treasurer of such facility or facilities, and, if such be the fact, endorsed not paid for want of funds. Such warrants shall be registered by the treasurer of such facility or facilities in the order of presentation. They shall draw interest at ~~the~~ a rate of ~~not to exceed~~ seven per cent per annum from the date of registration thereof. ~~All~~

warrants issued before the effective date of this act at a stated interest rate of less than seven per cent shall be valid and binding for the purposes for which such warrants were issued.

Sec. 3. That section 23-343.92, Revised Statutes Supplement, 1972, be amended to read as follows:

23-343.92. Each hospital authority shall have and exercise the following powers:

(1) To have perpetual succession as a body politic and corporate; Provided, that any county board having declared a hospital authority to be a public corporation and body politic of this state shall, upon a showing duly made and with appropriate notice given to the Secretary of State, but not sooner than upon expiration of a period of two years from and after the date upon which the record relating to formation of such hospital authority was filed with the Secretary of State pursuant to section 23-343.85, enter an order dissolving any hospital authority which does not then have under construction, own, lease as lessee or as lessor, or operate a hospital;

(2) To have and use a corporate seal and alter it at pleasure;

(3) To sue and be sued in all courts and places and in all actions and proceedings whatever;

(4) To purchase, receive, have, take, hold, lease as lessee, use, and enjoy property of every kind and description within the limits of the authority, and to control, dispose of, sell for a nominal or other consideration, convey, and encumber the same and create a leasehold interest in the same, as lessor, with any nonprofit person, firm, partnership, association or corporation, other than a county, city or village in this state, for the benefit of the authority;

(5) To administer any trust declared or created for hospitals of the authority, and receive by gift, devise, or bequest and hold in trust or otherwise, property situated in this state or elsewhere, and where not otherwise provided, dispose of the same for the benefit of such hospitals;

(6) To employ legal counsel to advise the board of trustees in all matters pertaining to the business of the authority, and to perform such functions in respect to the legal affairs of the authority as the board may direct;

(7) To employ such technical experts, and such officers, agents and employees, permanent and temporary, as it may require, and to determine their qualifications, duties and compensation, such technical experts, officers, agents and employees to hold their offices or positions at the pleasure of the board;

(8) To delegate to one or more of its agents or employees such powers and duties as it deems proper;

(9) To do any and all things which an individual might do which are necessary for and to the advantage of a hospital;

(10) To purchase, construct, establish, or otherwise acquire and to improve, alter, maintain and operate one or more hospitals situated within the territorial limits of the authority. The term hospital as used in sections 23-343.74 to 23-343.120 shall mean and include, except as used in section 23-343.95, any structure or structures suitable for use as a hospital, nursing home, clinic, or other health care facility, laboratory, laundry, nurses' or interns' residences and dormitories, administration buildings, research facilities, and maintenance, storage or utility facilities and other structures or facilities reasonably related thereto or required or useful for the operation thereof, including parking and other facilities or structures essential or convenient for the orderly operation thereof and shall also include furniture, instruments, equipment and machinery and other similar items necessary or convenient for the operations thereof, and, any hospital authority which has established or acquired a hospital may also purchase, construct or otherwise acquire and improve, alter, maintain, and operate all types of ancillary care facilities, including rehabilitation, recreational, and research facilities for children, addicted persons, disabled individuals, and elderly persons, including both residential and outpatient care and ancillary facilities for physicians, technicians, educators, psychologists, social scientists, scientists, nutritionists, administrators, interns, residents, nurses, students preparing to engage in the health service field, and other health care related personnel;

(11) To enter into contracts and other agreements for the purchase, construction, establishment, acquisition, management, operation and maintenance of any hospital or any part thereof upon such terms and conditions and for such periods of time as its board of trustees may determine;

(12) To do any and all other acts and things necessary to carry out the provisions of sections 23-343.74 to 23-343.120, including the power to borrow money on its bonds, notes, debentures, or other evidences of indebtedness and to secure the same by pledges of its revenue in the manner and to the extent provided in sections 23-343.74 to 23-343.120, and to fund or refund the same; and

(13) To acquire, maintain, and operate ambulances or ambulance services within and without the authority.

Sec. 4. That section 23-343.100, Revised Statutes Supplement, 1972, be amended to read as follows:

23-343.100. The principal and interest on such bonds shall be payable exclusively from the income and revenue of the facilities purchased, constructed, altered, renovated, remodeled, furnished and equipped with the proceeds of such bonds or with such proceeds together with the proceeds of a grant from the federal government to aid in financing, furnishing or equipping thereof; Provided, that an authority may, in its discretion, also pledge to the payment of the principal and interest on any such bonds all or any part of the income and revenue derived from the operation of any or all of the other facilities then ~~or at any time~~ thereafter owned or operated by it; and provided further, that an authority may in its discretion, also expressly provide that any such bonds shall be general obligations of the authority payable out of any revenue, income, receipts, profits, or other money or funds of the authority derived from any source whatsoever. Such bonds may be additionally secured by a trust indenture.

Sec. 5. That original sections 23-343.01 and 23-343.14, Reissue Revised Statutes of Nebraska, 1943, and sections 23-343.92 and 23-343.100, Revised Statutes Supplement, 1972, are repealed.

Sec. 6. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.