

SENATE BILL NO. 1019

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR CRAWFORD.

4774S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 96.192, 96.196, and 206.110, RSMo, and to enact in lieu thereof four new sections relating to hospitals.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 96.192, 96.196, and 206.110, RSMo,
2 are repealed and four new sections enacted in lieu thereof, to
3 be known as sections 96.192, 96.196, 206.110, and 206.158, to
4 read as follows:

96.192. 1. The board of trustees of any hospital
2 authorized under subsection 2 of this section, and
3 established and organized under the provisions of sections
4 96.150 to 96.229, may invest up to **[twenty-five] fifty**
5 percent of **[the hospital's] its** funds not required for
6 immediate disbursement in obligations or for the operation
7 of the hospital **[in any United States investment grade fixed**
8 **income funds or any diversified stock funds, or both] into:**

9 (1) **Any mutual funds that invest in stocks, bonds, or**
10 **real estate, or any combination thereof;**

11 (2) **Bonds that have:**

12 (a) **One of the five highest long-term ratings or the**
13 **highest short-term rating issued by a nationally recognized**
14 **rating agency; and**

15 (b) **A final maturity of ten years or less;**

16 (3) **Money-market investments; or**

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

17 (4) Any combination of investments described in
18 subdivisions (1) to (3) of this subsection.

19 The board shall invest the remaining percentage of funds not
20 required for immediate disbursement into any investment in
21 which the state treasurer is allowed to invest.

22 2. The provisions of this section shall only apply if
23 the hospital:

24 (1) Receives less than [one] **three** percent of its
25 annual revenues from municipal, county, or state taxes; and

26 (2) Receives less than [one] **three** percent of its
27 annual revenue from appropriated funds from the municipality
28 in which such hospital is located.

96.196. 1. A hospital organized under this chapter
2 may purchase, operate or lease, as lessor or lessee, related
3 facilities or engage in health care activities, except in
4 counties of the third or fourth classification (other than
5 the county in which the hospital is located) where there
6 already exists a hospital organized pursuant to this chapter
7 [and chapter 205 or 206]; provided, however, that this
8 exception shall not prohibit the continuation of existing
9 activities otherwise allowed by law.

10 2. If a hospital organized pursuant to this chapter
11 accepts appropriated funds from the city during the twelve
12 months immediately preceding the date that the hospital
13 purchases, operates or leases its first related facility
14 outside the city boundaries or engages in its first health
15 care activity outside the city boundaries, the governing
16 body of the city shall approve the hospital's plan for such
17 purchase, operation or lease prior to implementation of the
18 plan.

206.110. 1. A hospital district, both within and
outside such district, except in counties of the third or
fourth classification (other than within the district
boundaries) where there already exists a hospital organized
pursuant to [chapters 96, 205 or] this chapter; provided,
however, that this exception shall not prohibit the
continuation or expansion of existing activities otherwise
allowed by law, shall have and exercise the following
governmental powers, and all other powers incidental,
necessary, convenient or desirable to carry out and
effectuate the express powers:

(1) To establish and maintain a hospital or hospitals
and hospital facilities, and to construct, acquire, develop,
expand, extend and improve any such hospital or hospital
facility including medical office buildings to provide
offices for rental to physicians and dentists on the
district hospital's medical or dental staff, and the
providing of sites therefor, including offstreet parking
space for motor vehicles;

(2) To acquire land in fee simple, rights in land and
easements upon, over or across land and leasehold interest
in land and tangible and intangible personal property used
or useful for the location, establishment, maintenance,
development, expansion, extension or improvement of any
hospital or hospital facility. The acquisition may be by
dedication, purchase, gift, agreement, lease, use or adverse
possession or by condemnation;

(3) To operate, maintain and manage a hospital and
hospital facilities, and to make and enter into contracts,
for the use, operation or management of a hospital or
hospital facilities; to engage in health care activities;
and to make and enter into leases of equipment and real

33 property, a hospital or hospital facilities, as lessor or
34 lessee, regardless of the duration of such lease; and to
35 provide rules and regulations for the operation, management
36 or use of a hospital or hospital facilities. Any agreement
37 entered into pursuant to this subsection pertaining to the
38 lease of the hospital shall have a definite termination date
39 as negotiated by the parties, but this shall not preclude
40 the trustees from entering into a renewal of the agreement
41 with the same or other parties pertaining to the same or
42 other subjects upon such terms and conditions as the parties
43 may agree;

44 (4) To fix, charge and collect reasonable fees and
45 compensation for the use or occupancy of the hospital or any
46 part thereof, or any hospital facility, and for nursing
47 care, medicine, attendance, or other services furnished by
48 the hospital or hospital facilities, according to the rules
49 and regulations prescribed by the board from time to time;

50 (5) To borrow money and to issue bonds, notes,
51 certificates, or other evidences of indebtedness for the
52 purpose of accomplishing any of its corporate purposes,
53 subject to compliance with any condition or limitation set
54 forth in this chapter or otherwise provided by the
55 Constitution of the state of Missouri;

56 (6) To employ or enter into contracts for the
57 employment of any person, firm, or corporation, and for
58 professional services, necessary or desirable for the
59 accomplishment of the corporate objects of the district or
60 the proper administration, management, protection or control
61 of its property;

62 (7) To maintain the hospital for the benefit of the
63 inhabitants of the area comprising the district who are
64 sick, injured, or maimed regardless of race, creed or color,

65 and to adopt such reasonable rules and regulations as may be
66 necessary to render the use of the hospital of the greatest
67 benefit to the greatest number; to exclude from the use of
68 the hospital all persons who willfully disregard any of the
69 rules and regulations so established; to extend the
70 privileges and use of the hospital to persons residing
71 outside the area of the district upon such terms and
72 conditions as the board of directors prescribes by its rules
73 and regulations;

74 (8) To police its property and to exercise police
75 powers in respect thereto or in respect to the enforcement
76 of any rule or regulation provided by the ordinances of the
77 district and to employ and commission police officers and
78 other qualified persons to enforce the same;

79 (9) To lease to or allow for any institution of higher
80 education to use or occupy the hospital, any real estate or
81 facility owned or leased by the district or any part thereof
82 for the purpose of health care-related and general education
83 or training.

84 2. The use of any hospital or hospital facility of a
85 district shall be subject to the reasonable regulation and
86 control of the district and upon such reasonable terms and
87 conditions as shall be established by its board of directors.

88 3. A regulatory ordinance of a district adopted under
89 any provision of this section may provide for a suspension
90 or revocation of any rights or privileges within the control
91 of the district for a violation of any such regulatory
92 ordinance.

93 4. Nothing in this section or in other provisions of
94 this chapter shall be construed to authorize the district or
95 board to establish or enforce any regulation or rule in
96 respect to hospitalization or the operation or maintenance

97 of such hospital or any hospital facilities within its
98 jurisdiction which is in conflict with any federal or state
99 law or regulation applicable to the same subject matter.

206.158. 1. The board of trustees of any hospital
2 authorized under subsection 2 of this section, and
3 established and organized under the provisions of sections
4 206.010 to 206.160, may invest up to fifty percent of its
5 funds not required for immediate disbursement in obligations
6 or for the operation of the hospital into:

7 (1) Any mutual funds that invest in stocks, bonds, or
8 real estate, or any combination thereof;

9 (2) Bonds that have:

10 (a) One of the five highest long-term ratings or the
11 highest short-term rating issued by a nationally recognized
12 rating agency; and

13 (b) A final maturity of ten years or less;

14 (3) Money-market investments; or

15 (4) Any combination of investments described in
16 subdivisions (1) to (3) of this subsection.

17 The board shall invest the remaining percentage of funds not
18 required for immediate disbursement into any investment in
19 which the state treasurer is allowed to invest.

20 2. The provisions of this section shall only apply if
21 the hospital district receives less than three percent of
22 its annual revenues from hospital district or state taxes.

✓