

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 19-0543.01 Richard Sweetman x4333

HOUSE BILL 19-1065

HOUSE SPONSORSHIP

Soper and Roberts, Buentello, Galindo, Michaelson Jenet

SENATE SPONSORSHIP

Rankin,

House Committees
Health & Insurance

Senate Committees
Health & Human Services

A BILL FOR AN ACT

101 **CONCERNING PUBLIC HOSPITAL BOARDS OF TRUSTEES, AND, IN**
102 **CONNECTION THEREWITH, ELIMINATING THE RESTRICTION**
103 **THAT A BOARD MAY NOT INCLUDE MORE THAN FOUR LOCAL**
104 **RESIDENTS AND ALLOWING A BOARD TO UNILATERALLY**
105 **ACQUIRE REAL OR PERSONAL PROPERTY BY LEASE IF THE BOARD**
106 **HAS DESIGNATED THE PUBLIC HOSPITAL AS AN ENTERPRISE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, not more than 4 of the 7 trustees of a public

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
2nd Reading Unamended
March 25, 2019

HOUSE
3rd Reading Unamended
March 11, 2019

HOUSE
2nd Reading Unamended
March 8, 2019

hospital board of trustees (hospital board) may be residents of the city or town in which the associated hospital is located. The bill removes this restriction.

Current law states that a hospital board may acquire real and personal property by lease only with the approval of the board of county commissioners. The bill clarifies this requirement and creates an exception to it; that is, a hospital board that has designated its public hospital as an enterprise for purposes of section 20 of article X of the state constitution is not required to obtain such approval.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 25-3-302, **amend** (1)
3 as follows:

4 **25-3-302. Board of trustees.** (1) If ~~the~~ A board of county
5 commissioners decides to create ~~such~~ A public hospital board OF
6 TRUSTEES, levy ~~such~~ AN annual tax, and appropriate funds to purchase,
7 erect, and maintain or turn over to ~~it~~ THE PUBLIC HOSPITAL BOARD OF
8 TRUSTEES control of ~~such~~ A county hospital, the board of county
9 commissioners shall proceed at once to appoint TO THE PUBLIC HOSPITAL
10 BOARD OF TRUSTEES, for designated terms, ~~a board of seven public~~
11 ~~hospital~~ trustees chosen from the citizens at large with reference to their
12 fitness for ~~such~~ office. All of ~~whom shall~~ THE TRUSTEES MUST be
13 residents of the county, and none of ~~whom shall~~ MAY be an ~~elective~~
14 ELECTED or ~~appointive~~ APPOINTED state, county, or city official. ~~Not more~~
15 ~~than four of said hospital trustees shall be residents of the city or town in~~
16 ~~which said hospital is to be located.~~ Nothing in this article shall require
17 ~~that~~ ARTICLE 3 REQUIRES a licensed physician TO be appointed to ~~the~~ A
18 PUBLIC HOSPITAL board of ~~hospital~~ trustees; however, ~~should~~ IF a licensed
19 physician ~~be~~ IS appointed to ~~the~~ A PUBLIC HOSPITAL board OF TRUSTEES,
20 membership on that board ~~shall be~~ IS limited to one licensed physician at

1 any given time. The seven appointees ~~shall~~ constitute the PUBLIC
2 HOSPITAL board of ~~hospital~~ trustees for ~~said~~ THE public hospital. ~~Such~~
3 THE PUBLIC HOSPITAL board ~~shall be~~ OF TRUSTEES IS a body corporate
4 under the name "Board of Trustees for Hospital", the name of
5 the hospital being inserted in the blank.

6 **SECTION 2.** In Colorado Revised Statutes, 25-3-304, **amend** (1)
7 as follows:

8 **25-3-304. Trustees - powers and duties.** (1) (a) ~~The~~ A PUBLIC
9 HOSPITAL board of ~~public hospital~~ trustees shall make and adopt such
10 bylaws, rules, and regulations for its own guidance and for the
11 government of the hospital as it deems expedient for the economic and
12 equitable conduct thereof, not inconsistent with state law or the
13 ordinances of the city or town ~~wherein such~~ IN WHICH THE public hospital
14 is located.

15 (b) The public hospital board ~~shall have the~~ OF TRUSTEES HAS
16 exclusive control of:

17 (I) The use and expenditure of all ~~moneys~~ MONEY collected to the
18 credit of the hospital, including the right to invest or have invested
19 ~~hospital moneys and funds~~ MONEY held by the hospital or in the office of
20 the county treasurer and to receive the interest and income therefrom;

21 (II) ~~and of~~ The purchase of sites;

22 (III) The purchase, construction, or enlargement of any hospital
23 building; and

24 (IV) The supervision, care, and custody of ~~the~~ ANY grounds,
25 rooms, or buildings ~~purchased, constructed, leased, or set apart for that~~
26 ~~purpose~~ THAT IT PURCHASES, CONSTRUCTS, OR LEASES.

27 (c) ~~the~~ EXCEPT AS DESCRIBED IN SUBSECTION (1)(d) OF THIS

1 SECTION, A PUBLIC hospital board OF TRUSTEES may acquire by lease real
2 and personal property subject to the approval of the board of county
3 commissioners. All tax ~~moneys~~ MONEY received for hospital purposes
4 ~~shall~~ MUST be paid out of the county treasury only upon warrants drawn
5 by the county commissioners upon sworn vouchers approved by the
6 PUBLIC hospital board OF TRUSTEES. All other ~~moneys~~ MONEY received
7 for ~~such~~ THE hospital ~~shall~~ MUST be deposited in the treasury of the
8 hospital and paid out only upon order of ~~said~~ THE PUBLIC hospital board
9 OF TRUSTEES. IF A PUBLIC HOSPITAL BOARD OF TRUSTEES ACQUIRES AND
10 HOLDS hospital property and facilities, including real and personal
11 property, ~~may be acquired and held by lease or~~ BY conveyance on transfer
12 of title, ~~but if by conveyance~~ THEN title to all lands ~~shall~~ MUST be in the
13 name of the county. County hospitals situated in home rule counties ~~shall~~
14 have the additional borrowing authority ~~as~~ granted by section 30-35-201
15 (23)(b). ~~C.R.S.~~

16 (d) A PUBLIC HOSPITAL BOARD OF TRUSTEES THAT HAS ELECTED
17 TO DESIGNATE ITS PUBLIC HOSPITAL AS AN ENTERPRISE FOR PURPOSES OF
18 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, AS DESCRIBED IN
19 SUBSECTION (3) OF THIS SECTION, IS NOT REQUIRED TO OBTAIN THE
20 APPROVAL OF THE BOARD OF COUNTY COMMISSIONERS BEFORE ACQUIRING
21 REAL OR PERSONAL PROPERTY BY LEASE.

22 **SECTION 3. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly (August
25 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
26 referendum petition is filed pursuant to section 1 (3) of article V of the
27 state constitution against this act or an item, section, or part of this act

1 within such period, then the act, item, section, or part will not take effect
2 unless approved by the people at the general election to be held in
3 November 2020 and, in such case, will take effect on the date of the
4 official declaration of the vote thereon by the governor.