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SHB 2284 - S AMD TO S COMM AMD (S-4492.1)
By Senator McDonald

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On page 5, after line 19 of the Ways and Means Committee amendment, insert:

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"NEW SECTION. **Sec. 9.** The legislature finds that county hospitals that are used as primary university teaching hospitals serve vital public interests by treating the poor and infirm and by providing clinical resources unique in the state. It is the intent of sections 10 through 17 of this act to restructure the governance of such hospitals to further those interests and to strengthen their economic viability.

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Sec. 10. RCW 36.62.110 and 1984 c 26 s 8 are each amended to read as follows:

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(1) Except as provided in subsection (2) of this section, whenever any county, or any county and city jointly, or two or more counties jointly, establish a hospital for the care and treatment of the indigent, sick, injured, or infirm, under the provisions of this chapter, and such hospital is completed and ready for operation, the county legislative authority of the county in which the institution is located shall appoint thirteen persons as trustees for the institution. The thirteen trustees, together with the additional trustees required by RCW 36.62.130, if any, shall constitute a board of trustees for such hospital.

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(2) In the case of a hospital established prior to the

1 effective date of this 1992 act in a class AA county, the governor
2 shall appoint, subject to confirmation by the senate, four trustees
3 in the manner provided in RCW 36.62.120(2), and the county
4 legislative authority shall appoint eleven trustees.

5 **Sec. 11.** RCW 36.62.120 and 1984 c 26 s 9 are each amended to
6 read as follows:

7 (1) Except as provided in subsection (2) of this section, the
8 first members of the board of trustees of such institution shall be
9 appointed by the county legislative authority within thirty days
10 after the institution has been completed and is ready for
11 operation. The county legislative authority appointing the initial
12 members shall appoint three members for one-year terms, three
13 members for two-year terms, three members for three-year terms, and
14 four members for four-year terms, and until their successors are
15 appointed and qualified, and thereafter their successors shall be
16 appointed for terms of four years and until their successors are
17 appointed and qualified: PROVIDED, That the continuation of a
18 member past the expiration date of the term shall not change the
19 commencement date of the term of the succeeding member. Each term
20 of the initial trustees shall be deemed to commence on the first
21 day of August following the appointment but shall also include the
22 period intervening between the appointment and the first day of
23 August following the appointment.

24 ~~((For an institution which is already in existence on June 7,~~
25 ~~1984, the county legislative authority shall appoint within thirty~~
26 ~~days of June 7, 1984, three additional members for one year terms,~~

1 ~~two additional members for two-year terms, and two additional~~
2 ~~members for three-year terms, and until their successors are~~
3 ~~appointed and qualified, and thereafter their successors shall be~~
4 ~~appointed for terms of four years and until their successors are~~
5 ~~appointed and qualified: PROVIDED FURTHER, That the continuation~~
6 ~~of an additional member past the expiration date of the term shall~~
7 ~~not change the commencement date of the term of the succeeding~~
8 ~~member. Each term of the initial additional members shall be~~
9 ~~deemed to commence on the first day of August of the year of~~
10 ~~appointment but shall also include the period intervening between~~
11 ~~the appointment and the first day of August of the year of the~~
12 ~~appointment.~~

13 ~~Upon expiration of the terms of current members, the~~
14 ~~successors to current members shall be appointed for four-year~~
15 ~~terms and until their successors are appointed and qualified: AND~~
16 ~~PROVIDED FURTHER, That the continuation of a successor to a current~~
17 ~~member past the expiration date of the term shall not change the~~
18 ~~commencement date of the term of the succeeding member. Each term~~
19 ~~of the initial successors to current members shall be deemed to~~
20 ~~commence on the first day of August following the expiration of a~~
21 ~~current term but shall also include the period intervening between~~
22 ~~the appointment and the first day of August of the year of the~~
23 ~~appointment.))~~

24 (2) In the case of a hospital established prior to the
25 effective date of this 1992 act in a class AA county:

1 (a) The governor shall appoint two members of the board of
2 trustees for terms of four years beginning August 1, 1992; one
3 member for a term of three years beginning August 1, 1992; and one
4 member for a term of four years beginning August 1, 1993.
5 Thereafter, their successors shall be appointed for terms of four
6 years;

7 (b) Any persons serving as members of the board on the
8 effective date of this 1992 act may continue to serve for the
9 remainder of the terms to which the persons were appointed.
10 Thereafter, their successors shall be appointed for terms of four
11 years unless the county legislative authority elects, on a one-time
12 basis, to make any appointments for a lesser term in order to
13 achieve more evenly staggered terms; and

14 (c) A person is not eligible to be appointed to the board of
15 trustees after the effective date of this 1992 act if the person
16 has previously served as a trustee for four successive terms of
17 three years or more.

18 **Sec. 12.** RCW 36.62.140 and 1984 c 26 s 11 are each amended to
19 read as follows:

20 In making appointments to the board of trustees, the
21 appointing authority shall make efforts to ensure that diverse
22 social, cultural, ethnic, racial, and economic backgrounds and
23 perspectives are considered. The appointing authority shall seek
24 persons with demonstrated leadership abilities and recognized
25 experience in management, administration, planning, finance, health

1 service delivery, consumer representation, or institutional
2 operations. No person shall be eligible for appointment as a
3 trustee who holds or has held during the period of two years
4 immediately prior to appointment any salaried office or position in
5 any office, department, or branch of the government of the
6 appointing authority or the government which established or
7 maintained the hospital.

8 The board of trustees may submit nominations to the appointing
9 authority or recommend those attributes, skills, or expertise that
10 would contribute to the work of the board.

11 **Sec. 13.** RCW 36.62.150 and 1984 c 26 s 12 are each amended to
12 read as follows:

13 (1) The county legislative authority which appointed a member
14 of the board of trustees may remove the member for cause and in the
15 manner provided in this section. Notice shall be provided by the
16 county appointing authority to the trustee and the board of
17 trustees generally. The notice shall set forth reasons which
18 justify removal. The trustee shall be provided opportunity for a
19 hearing before the county appointing authority: PROVIDED, That
20 three consecutive unexcused absences from regular meetings of the
21 board of trustees shall be deemed cause for removal of a trustee
22 without hearing. Any trustee removed for a cause other than three
23 consecutive unexcused absences may appeal the removal within twenty
24 days of the order of removal by seeking a writ of review before the
25 superior court pursuant to chapter 7.16 RCW. Removal shall

1 disqualify the trustee from subsequent reappointment.

2 (2) Members of the board of trustees appointed by the governor
3 under RCW 36.62.110 may be removed pursuant to RCW 43.06.070.

4 **Sec. 14.** RCW 36.62.160 and 1984 c 26 s 13 are each amended to
5 read as follows:

6 Any vacancy in the board of trustees shall be filled by
7 appointment by the ((~~county~~ legislative)) authority making the
8 original appointment, and such appointee shall hold office for the
9 remainder of the term of the trustee replaced.

10 **Sec. 15.** RCW 36.62.180 and 1984 c 26 s 15 are each amended to
11 read as follows:

12 The board of trustees shall:

13 (1) Have general supervision and care of such hospitals and
14 institutions and the buildings and grounds thereof and power to do
15 everything necessary to the proper maintenance ((~~and~~)), operation,
16 renovation, and capital improvement thereof within the limits of
17 approved budgets and the appropriations authorized. Each year, the
18 board of trustees shall submit to the county legislative authority
19 an annual capital expenditure plan and an updated six-year capital
20 plan;

21 (2) Elect from among its members a president and vice
22 president;

23 (3) Adopt bylaws and rules for its own guidance and for the
24 government of the hospital;

25 (4) Prepare annually a budget covering both hospital

1 operations and capital projects, in accordance with the provisions
2 of applicable law, and file such budgets with the county treasurer
3 or if the hospital has been established by more than one county,
4 with the county treasurer of each county, and if a city has
5 contributed to the establishment of the hospital, with the official
6 of the city charged by law with the preparation of the city budget;
7 and

8 (5) File with the legislative authority of each county and
9 city contributing to the establishment of such hospital, at a time
10 to be determined by the county legislative authority of the county
11 in which the hospital is located, a report covering the proceedings
12 of the board with reference to the hospital during the preceding
13 twelve months and an annual financial report and statement.

14 **Sec. 16.** RCW 36.62.290 and 1984 c 26 s 22 are each amended to
15 read as follows:

16 Whenever any county, or any county and city jointly, or two or
17 more counties jointly, establish a hospital under the provisions of
18 this chapter, the board of trustees of the hospital is empowered,
19 with the approval of the county legislative authority, to enter
20 into a contract with the board of regents of a state university to
21 provide hospital services, including management under the direction
22 of a hospital administrator for the hospital, to provide for the
23 rendering of medical services in connection with the hospital and
24 to provide for the conduct of teaching and research activities by
25 the university in connection with the hospital. Any such board of

1 regents is empowered to enter into such a contract, to provide such
2 hospital services, and to provide for the rendition of such medical
3 services and for the carrying on of teaching and research in
4 connection with such a hospital. If such a contract is entered
5 into(~~(7)~~): (1) The provisions of RCW 36.62.210 and 36.62.230 shall
6 not be applicable during the term of the contract (~~and~~); (2) all
7 of the powers, duties, and functions vested in the superintendent
8 in this chapter shall be vested in the board of trustees; and (3)
9 one of the trustees appointed by the governor under RCW 36.62.110
10 may be selected from among the board of regents of the university,
11 which trustee, notwithstanding any provisions to the contrary under
12 any county charter, shall not by virtue of appointment as a trustee
13 be deemed a county employee and shall be authorized to participate
14 fully in all business of the board of trustees and in all business
15 of the board of regents. The board of trustees shall provide for
16 such conditions and controls in the contract as it shall deem to be
17 in the community interest.

18 NEW SECTION. Sec. 17. A new section is added to chapter
19 36.62 RCW to read as follows:

20 A hospital established under this chapter is not in any manner
21 an agency of the state and nothing in this chapter shall be
22 construed to mean that such a hospital is a state agency or that
23 the state is liable for the debts of or claims against the
24 hospital."

25 Renumber remaining sections consecutively and correct internal

1 references accordingly.

2 **SHB 2284** - S AMDS TO S COMM AMD (S-4492.1)

3 By Senator McDonald

4 On page 6, line 6 of the title amendment, after "27.24.067"
5 insert "36.62.110, 36.62.120, 36.62.150, 36.62.160, 36.62.180,
6 36.62.290,"

7 On page 6, line 6 of the title amendment, after "3.62 RCW;"
8 insert "adding a new section to chapter 36.62 RCW; creating a new
9 section;"