

5227-S

Sponsor(s): Senate Committee on Health & Long-Term Care (originally sponsored by Senators Deccio, Franklin, Patterson, Prentice, Benton, Wojahn and Long)

Brief Title: Regulating the sales of nonprofit hospitals.

SB 5227-S - DIGEST

(DIGEST AS ENACTED)

Declares that no person shall engage in the acquisition of a hospital owned by a nonprofit corporation without first having applied for and received the approval of the department and a favorable opinion by the attorney general.

Provides for public hearings prior to acquisition.

Provides that the department shall only approve an application if the parties to the acquisition have taken the proper steps to safeguard the value of charitable assets and ensure that any proceeds from the acquisition are used for appropriate charitable health purposes.

Provides that the department shall only approve an application if the acquisition in question will not detrimentally affect the continued existence of accessible, affordable health care that is responsive to the needs of the community in which the hospital to be acquired is located.

Provides for continuing review of the operations following an approved acquisition.

Authorizes actions upon discovery of a failure to comply with requirements for an acquisition.

VETO MESSAGE ON SB 5227-S

May 13, 1997

To the Honorable President and Members,
The Senate of the State of Washington
Ladies and Gentlemen:

I am returning herewith, without my approval as to section 21, Substitute Senate Bill No. 5227 entitled:

"AN ACT Relating to nonprofit hospital sales;"

Section 21 of SSB 5227 is an emergency clause requiring the immediate implementation of the bill. Although this legislation is important, it is not a matter necessary for the immediate preservation of the public peace, health or safety, or support of the state government and its existing public institutions. Without section 21, the bill will be effective July 27, 1997.

For this reason, I have vetoed section 21 of Substitute Senate Bill No. 5227.

With the exception of section 21, I am approving Substitute Senate Bill No. 5227.

Respectfully submitted,
Gary Locke
Governor

