

ESB 5241 - H AMD TO APP COMM AMD (H-3433.2/24) **1258**

By Representative Reeves

NOT CONSIDERED 03/07/2024

1 On page 17, after line 30 of the striking amendment, insert the
2 following:

3 "NEW SECTION. **Sec. 14.** (1) For any material change transactions
4 included under RCW 19.390.040(3), which are not limited to the
5 preliminary review under section 10 of this act, the attorney general
6 must engage an independent contractor, which may include educational
7 institutions or private entities with subject matter expertise, to
8 carry out a social vulnerability assessment of the impacts of the
9 material change transaction. Social vulnerability refers to the
10 resilience of communities when confronted by external stresses on
11 human health, such as natural or human-caused disasters, or disease
12 outbreaks.

13 (2) The independent contractor shall be screened for any conflicts
14 of interest in advance, agree to maintain confidentiality of
15 information pursuant to this chapter, agree to charge a reasonable
16 market-rate fee, and have necessary experience and expertise.

17 (3) In conducting a social vulnerability assessment, the
18 independent contractor must engage with and provide input in the
19 assessment from the department of health, local public health
20 jurisdictions, emergency health care coalitions, health care entities,
21 public health experts, health care advocates, socially vulnerable
22 community members who reside in the service areas of the parties to
23 the material change transaction, and other individuals or
24 organizations the attorney general, secretary of health, or
25 independent contractor determine should be consulted.

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1 (4) A social vulnerability assessment conducted under this section
2 must be completed 30 days prior to the attorney general's deadline to
3 complete a review under section 10 of this act.

4 (5) The social vulnerability assessment must contain information
5 and data, including, but not limited to:

6 (a) The affected communities' most recent social vulnerability
7 index as determined by the federal centers for disease control and
8 prevention and agency for toxic substances and disease registry; and

9 (b) A discussion of conditions or modifications that the attorney
10 general may impose on the material change transaction to minimize
11 negative impacts of the transaction on socially vulnerable populations
12 within the communities affected by the transaction.

13 (6) The attorney general must use the information contained in the
14 social vulnerability assessment to better inform the attorney general
15 as to whether the parties meet the requirements for a material change
16 transaction under section 9 of this act and in determining under
17 section 11 of this act whether to impose conditions or modifications
18 or disapprove the material change transaction.

19 (7) The social vulnerability assessment must be posted on the
20 attorney general's website."

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22 Renumber the remaining sections consecutively and correct any
23 internal references accordingly.

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EFFECT: Adds a new section requiring that, for material change transactions subject to enhanced notice requirements and which advance to a comprehensive review stage, the attorney general must engage an independent contractor to carry out a social vulnerability assessment of the impacts of the transaction. Establishes contractor requirements. Establishes assessment engagement, timing, publication, and information requirements. Requires the Attorney General to use the assessment in determining whether the transaction meets standards and whether to impose conditions or modifications on the transaction or disapprove the transaction.

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