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SENATE BILL 6008

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State of Washington

64th Legislature

2015 Regular Session

By Senators Chase, Roach, Hasegawa, and Keiser

Read first time 02/16/15. Referred to Committee on Government Operations & Security.

1 AN ACT Relating to approval of a tax levy by a public hospital  
2 district board; and amending RCW 70.44.060.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.44.060 and 2011 c 37 s 1 are each amended to read  
5 as follows:

6 All public hospital districts organized under the provisions of  
7 this chapter shall have power:

8 (1) To make a survey of existing hospital and other health care  
9 facilities within and without such district.

10 (2) To construct, condemn and purchase, purchase, acquire, lease,  
11 add to, maintain, operate, develop and regulate, sell and convey all  
12 lands, property, property rights, equipment, hospital and other  
13 health care facilities and systems for the maintenance of hospitals,  
14 buildings, structures, and any and all other facilities, and to  
15 exercise the right of eminent domain to effectuate the foregoing  
16 purposes or for the acquisition and damaging of the same or property  
17 of any kind appurtenant thereto, and such right of eminent domain  
18 shall be exercised and instituted pursuant to a resolution of the  
19 commission and conducted in the same manner and by the same procedure  
20 as in or may be provided by law for the exercise of the power of  
21 eminent domain by incorporated cities and towns of the state of

1 Washington in the acquisition of property rights: PROVIDED, That no  
2 public hospital district shall have the right of eminent domain and  
3 the power of condemnation against any health care facility.

4 (3) To lease existing hospital and other health care facilities  
5 and equipment and/or other property used in connection therewith,  
6 including ambulances, and to pay such rental therefor as the  
7 commissioners shall deem proper; to provide hospital and other health  
8 care services for residents of said district by facilities located  
9 outside the boundaries of said district, by contract or in any other  
10 manner said commissioners may deem expedient or necessary under the  
11 existing conditions; and said hospital district shall have the power  
12 to contract with other communities, corporations, or individuals for  
13 the services provided by said hospital district; and they may further  
14 receive in said hospitals and other health care facilities and  
15 furnish proper and adequate services to all persons not residents of  
16 said district at such reasonable and fair compensation as may be  
17 considered proper: PROVIDED, That it must at all times make adequate  
18 provision for the needs of the district and residents of said  
19 district shall have prior rights to the available hospital and other  
20 health care facilities of said district, at rates set by the district  
21 commissioners.

22 (4) For the purpose aforesaid, it shall be lawful for any  
23 district so organized to take, condemn and purchase, lease, or  
24 acquire, any and all property, and property rights, including state  
25 and county lands, for any of the purposes aforesaid, and any and all  
26 other facilities necessary or convenient, and in connection with the  
27 construction, maintenance, and operation of any such hospitals and  
28 other health care facilities, subject, however, to the applicable  
29 limitations provided in subsection (2) of this section.

30 (5) To contract indebtedness or borrow money for corporate  
31 purposes on the credit of the corporation or the revenues of the  
32 hospitals thereof, and the revenues of any other facilities or  
33 services that the district is or hereafter may be authorized by law  
34 to provide, and to issue and sell: (a) Revenue bonds, revenue  
35 warrants, or other revenue obligations therefor payable solely out of  
36 a special fund or funds into which the district may pledge such  
37 amount of the revenues of the hospitals thereof, and the revenues of  
38 any other facilities or services that the district is or hereafter  
39 may be authorized by law to provide, to pay the same as the  
40 commissioners of the district may determine, such revenue bonds,

1 warrants, or other obligations to be issued and sold in the same  
2 manner and subject to the same provisions as provided for the  
3 issuance of revenue bonds, warrants, or other obligations by cities  
4 or towns under the municipal revenue bond act, chapter 35.41 RCW, as  
5 may hereafter be amended; (b) general obligation bonds therefor in  
6 the manner and form as provided in RCW 70.44.110 and 70.44.130, as  
7 may hereafter be amended; or (c) interest-bearing warrants to be  
8 drawn on a fund pending deposit in such fund of money sufficient to  
9 redeem such warrants and to be issued and paid in such manner and  
10 upon such terms and conditions as the board of commissioners may deem  
11 to be in the best interest of the district; and to assign or sell  
12 hospital accounts receivable, and accounts receivable for the use of  
13 other facilities or services that the district is or hereafter may be  
14 authorized by law to provide, for collection with or without  
15 recourse. General obligation bonds shall be issued and sold in  
16 accordance with chapter 39.46 RCW. Revenue bonds, revenue warrants,  
17 or other revenue obligations may be issued and sold in accordance  
18 with chapter 39.46 RCW. In connection with the issuance of bonds, a  
19 public hospital district is, in addition to its other powers,  
20 authorized to grant a lien on any or all of its property, whether  
21 then owned or thereafter acquired, including the revenues and  
22 receipts from the property, pursuant to a mortgage, deed of trust,  
23 security agreement, or any other security instrument now or hereafter  
24 authorized by applicable law: PROVIDED, That such bonds are issued in  
25 connection with a federal program providing mortgage insurance,  
26 including but not limited to the mortgage insurance programs  
27 administered by the United States department of housing and urban  
28 development pursuant to sections 232, 241, and 242 of Title II of the  
29 national housing act, as amended.

30 (6) To raise revenue by the levy of an annual tax on all taxable  
31 property within such public hospital district not to exceed fifty  
32 cents per thousand dollars of assessed value, and an additional  
33 annual tax on all taxable property within such public hospital  
34 district not to exceed twenty-five cents per thousand dollars of  
35 assessed value, or such further amount as has been or shall be  
36 authorized by a vote of the people; except that if a public hospital  
37 district is governed by a board that has both elected and appointed  
38 members, the public hospital district may not raise revenue by the  
39 levy of an annual tax on all taxable property within the public  
40 hospital district not to exceed fifty cents per thousand dollars of

1 assessed value, and an additional annual tax on all taxable property  
2 within the public hospital district not to exceed twenty-five cents  
3 per thousand dollars of assessed value unless approved by a majority  
4 of the elected public hospital district commissioners. Although  
5 public hospital districts are authorized to impose two separate  
6 regular property tax levies, the levies shall be considered to be a  
7 single levy for purposes of the limitation provided for in chapter  
8 84.55 RCW. Public hospital districts are authorized to levy such a  
9 general tax in excess of their regular property taxes when authorized  
10 so to do at a special election conducted in accordance with and  
11 subject to all of the requirements of the Constitution and the laws  
12 of the state of Washington now in force or hereafter enacted  
13 governing the limitation of tax levies. The said board of district  
14 commissioners is authorized and empowered to call a special election  
15 for the purpose of submitting to the qualified voters of the hospital  
16 district a proposition or propositions to levy taxes in excess of its  
17 regular property taxes. The superintendent shall prepare a proposed  
18 budget of the contemplated financial transactions for the ensuing  
19 year and file the same in the records of the commission on or before  
20 the first day of November. Notice of the filing of said proposed  
21 budget and the date and place of hearing on the same shall be  
22 published for at least two consecutive weeks, at least one time each  
23 week, in a newspaper printed and of general circulation in said  
24 county. On or before the fifteenth day of November the commission  
25 shall hold a public hearing on said proposed budget at which any  
26 taxpayer may appear and be heard against the whole or any part of the  
27 proposed budget. Upon the conclusion of said hearing, the commission  
28 shall, by resolution, adopt the budget as finally determined and fix  
29 the final amount of expenditures for the ensuing year. Taxes levied  
30 by the commission shall be certified to and collected by the proper  
31 county officer of the county in which such public hospital district  
32 is located in the same manner as is or may be provided by law for the  
33 certification and collection of port district taxes. The commission  
34 is authorized, prior to the receipt of taxes raised by levy, to  
35 borrow money or issue warrants of the district in anticipation of the  
36 revenue to be derived by such district from the levy of taxes for the  
37 purpose of such district, and such warrants shall be redeemed from  
38 the first money available from such taxes when collected, and such  
39 warrants shall not exceed the anticipated revenues of one year, and

1 shall bear interest at a rate or rates as authorized by the  
2 commission.

3 (7) To enter into any contract with the United States government  
4 or any state, municipality, or other hospital district, or any  
5 department of those governing bodies, for carrying out any of the  
6 powers authorized by this chapter.

7 (8) To sue and be sued in any court of competent jurisdiction:  
8 PROVIDED, That all suits against the public hospital district shall  
9 be brought in the county in which the public hospital district is  
10 located.

11 (9) To pay actual necessary travel expenses and living expenses  
12 incurred while in travel status for (a) qualified physicians or other  
13 health care practitioners who are candidates for medical staff  
14 positions, and (b) other qualified persons who are candidates for  
15 superintendent or other managerial and technical positions, which  
16 expenses may include expenses incurred by family members accompanying  
17 the candidate, when the district finds that hospitals or other health  
18 care facilities owned and operated by it are not adequately staffed  
19 and determines that personal interviews with said candidates to be  
20 held in the district are necessary or desirable for the adequate  
21 staffing of said facilities.

22 (10) To employ superintendents, attorneys, and other technical or  
23 professional assistants and all other employees; to make all  
24 contracts useful or necessary to carry out the provisions of this  
25 chapter, including, but not limited to, (a) contracts with private or  
26 public institutions for employee retirement programs, and (b)  
27 contracts with current or prospective employees, physicians, or other  
28 health care practitioners providing for the payment or reimbursement  
29 by the public hospital district of health care training or education  
30 expenses, including but not limited to debt obligations, incurred by  
31 current or prospective employees, physicians, or other health care  
32 practitioners in return for their agreement to provide services  
33 beneficial to the public hospital district; to print and publish  
34 information or literature; and to do all other things necessary to  
35 carry out the provisions of this chapter.

36 (11) To solicit and accept gifts, grants, conveyances, bequests,  
37 and devises of real or personal property, or both, in trust or  
38 otherwise, and to sell, lease, exchange, invest, or expend gifts or  
39 the proceeds, rents, profits, and income therefrom, and to enter into  
40 contracts with for-profit or nonprofit organizations to support the

1 purposes of this subsection, including, but not limited to, contracts  
2 providing for the use of district facilities, property, personnel, or  
3 services.

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