

One Hundred Second Legislature - Second Session - 2012

Introducer's Statement of Intent

LB995

Chairperson: Senator Kathy Campbell

Committee: Health and Human Services

Date of Hearing: February 03, 2012

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 995 updates and consolidates the statutes pertaining to county hospitals. By giving county hospitals more flexibility, the bill attempts to bring county hospitals more in line with their peer hospitals.

LB 995 would authorize county hospital boards to obtain a line of credit or borrow money secured by the facility or its revenues, replacing the outdated warrant system currently in statute. The bill also gives county hospitals the authority to encumber hospital property, but would require county board approval if the sale, lease, exchange or encumbrance is of all or substantially all of the county hospital's property.

Under LB 995, county hospital boards would have to receive approval from the county board, but not a vote of the people, for any improvements or additions to their facilities if the total cost is greater than 50% of the replacement cost of the facility. If general obligation bonds are to be used to build a new or replacement hospital, a public vote would still be required.

LB 995 amends the County Purchasing Act to remove purchases of personal property or services by county hospitals, thereby allowing them to participate in group purchasing organizations. The bill also authorizes county hospitals to open clinics in communities outside of their jurisdiction, as currently allowed for hospital districts and nonprofit hospitals.

Principal Introducer: _____

Senator Lavon Heidemann

