

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.
Act 561 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

A Bill

HOUSE BILL 2382

5 By: Representative Reep
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For An Act To Be Entitled

9 AN ACT TO SIMPLIFY THE PROCESS FOR OPERATING
10 COUNTY HOSPITALS; AND FOR OTHER PURPOSES.
11

Subtitle

12 AN ACT TO SIMPLIFY THE PROCESS FOR
13 OPERATING COUNTY HOSPITALS.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 14-263-103, concerning the creation of
20 county hospital boards of governors, is amended to add an additional
21 subsection to read as follows:

22 (c) The existence of a board of governors is no longer required once
23 the county rather than the board of governors has leased the hospital
24 facilities in accordance with § 14-263-106.
25

26 SECTION 2. Arkansas Code § 14-263-106 is amended to read as follows:
27 14-263-106. Contracting or leasing of hospital facilities.

28 ~~(a) Should the board of governors determine that it would be in the~~
29 ~~best interest of the citizens of the county that the hospital be operated or~~
30 ~~leased to some individual, firm, or corporation, the board may contract or~~
31 ~~lease the equipment and hospital facilities to the individual, firm, or~~
32 ~~corporation for such period of time and for such consideration and conditions~~
33 ~~as the board may deem wise, subject to approval of the contract or lease by~~
34 ~~the county judge and the quorum court of the county in which the hospital is~~
35 ~~located.~~



1 ~~(b) The power to so lease or contract hospital facilities and~~
2 ~~equipment shall not be subject to the approval of the county judge and quorum~~
3 ~~court when restricted by county hospitals which were constructed with a~~
4 ~~federal grant in aid pursuant to Public Law 79-725.~~

5 (a)(1) Should the board of governors determine that it would be in the
6 best interests of the citizens of the county that the hospital be operated or
7 leased to an individual, a firm, or a corporation, the board of governors may
8 contract or lease the equipment and hospital facilities to the individual,
9 firm, or corporation for a period of time and for consideration and
10 conditions the board of governors may deem wise, subject to approval of the
11 contract or lease by the county judge and the quorum court of the county in
12 which the hospital is located.

13 (2) With the recommendation of the board of governors, the
14 county may be the lessor of the hospital rather than the board.

15 (3) Once a lease has been entered into by the county rather than
16 the board of governors, there shall be no requirement for a future
17 recommendation by the board of governors for a subsequent lease by the board
18 of governors before entering into the lease and the county may enter into
19 contracts concerning the hospital without the recommendation of the board of
20 governors.

21 (b) If the county rather than the board of governors leases the
22 hospital facilities in accordance with subsection (a) of this section, the
23 duties of managing, controlling, and supervising the operation of the county
24 hospital, as described in § 14-263-105, shall be imposed upon the lessee,
25 which shall eliminate the requirement that a board of governors submit
26 monthly reports or be in place for the duration of the term of the lease and
27 any extensions thereof, unless the quorum court and county judge determine
28 the board should continue in its existence or should be reinstated.

29 (c) Once the board of governors has made its initial determination
30 that it is in the best interest of the citizens of the county to lease the
31 hospital, the county, if it is the lessor, will thereafter be responsible for
32 all matters pertaining to the lease, the facilities, and the lessee,
33 including without limitation ;

34 (1) Renewal or extension of the lease; or

35 (2) Any conflicts that may arise pertaining to the lease or the
36 lessee.

1 (d)(1) This section applies to all hospital leases adopted before the
2 effective date of this act adopted or entered under the authority of Arkansas
3 Code § 14-263-106.

4 (2) All such leases adopted or entered into before the effective
5 date of this act shall be considered for all purposes as if adopted or
6 entered into under this act.

7 (3) A lease adopted before the effective date of this act shall
8 not be held to be invalid by reason of §§ 14-263-103 and 14-263-106.

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10 APPROVED: 3/28/2007
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