

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 2971

(SENATE AUTHORS: LANG)

DATE
03/05/2018

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OFFICIAL STATUS
Introduction and first reading
Referred to Health and Human Services Finance and Policy
See SF2620, Art. 16, Sec. 11

1.1 A bill for an act
1.2 relating to hospital districts; providing clarity regarding pension programs and
1.3 benefits for private hospitals; amending Laws 1992, chapter 534, section 10,
1.4 subdivision 3.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 1992, chapter 534, section 10, subdivision 3, is amended to read:

1.7 Subd. 3. **Powers.** (a) The hospital district shall have all the powers necessary and
1.8 convenient to provide for the acquisition, betterment, operation, maintenance, and
1.9 administration for the hospital, including nursing home, other facilities for the residential
1.10 occupancy of ambulatory elderly citizens who do not require nursing home or general
1.11 hospital care and related programs, as the board of directors shall determine to be necessary
1.12 and expedient. The enumeration of specific powers herein does not restrict the power of the
1.13 board to take any lawful action which, in the reasonable exercise of its discretion, it deems
1.14 necessary or convenient for the furtherance of the purpose for which the district exists,
1.15 whether or not the power to take the action is implied from any of the powers expressly
1.16 granted. These powers shall include, but not be limited to, the power to:

1.17 (1) employ management, administrative, nursing, and other personnel, legal counsel,
1.18 engineers, architects, accountants, and other qualified persons, who may be paid for their
1.19 services by monthly salaries, hourly wages, and pension benefits, or by fees as may be
1.20 agreed on;

1.21 (2) cause reports, plans, studies, and recommendations to be prepared;

1.22 (3) when acquiring real and personal property as authorized in subdivision 1, contract
1.23 for the acquisition by option, contract for deed, conditional sales contract, or otherwise;

2.1 (4) construct, equip, and furnish necessary buildings and grounds and maintain the same;

2.2 (5) adopt bylaws and rules and regulations to govern the operation and administration
2.3 of any and all hospital, nursing home, and other facilities under its control, and for the
2.4 admission of persons thereto;

2.5 (6) impose and collect charges for all services and facilities provided and made available
2.6 by it;

2.7 (7) borrow money and issue bonds as prescribed in sections 6 to 20;

2.8 (8) procure insurance against liability of the district or its officers and employees, or
2.9 both, for torts committed within the scope of their official duties, whether governmental or
2.10 proprietary, or for errors and omissions, and against damage to or destruction of any of its
2.11 facilities, equipment or other property;

2.12 (9) subject to subdivision 4, sell or lease any of its facilities or equipment as may be
2.13 expedient;

2.14 (10) cause annual audits to be made of its accounts, books, vouchers, and funds by
2.15 competent public accountants; this provision shall be construed to be mandatory;

2.16 (11) require a corporate surety bond from officers and employees of the district, and in
2.17 the amount the board shall determine, and authorize payment of the premiums therefor; or

2.18 (12) provide loans to students as provided in Minnesota Statutes, section 447.331.

2.19 (b) If the Swift county or Benson hospital is sold or leased to a private organization, the
2.20 successor employer shall provide hospital employees who were members of the public
2.21 employees retirement association immediately before the lease or sale a pension program
2.22 and benefits comparable to those provided by the public employees retirement association.

2.23 The successor employer may meet the requirements of this paragraph by complying with
2.24 chapter 353F.

2.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.