

1 AMENDMENT TO SENATE BILL 2241

2 AMENDMENT NO. _____. Amend Senate Bill 2241 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Hospital District Law is amended by
5 changing Sections 15 and 21.2 as follows:

6 (70 ILCS 910/15) (from Ch. 23, par. 1265)

7 Sec. 15. A Hospital District shall constitute a
8 municipal corporation and body politic separate and apart
9 from any other municipality, the State of Illinois or any
10 other public or governmental agency and shall have and
11 exercise the following governmental powers, and all other
12 powers incidental, necessary, convenient, or desirable to
13 carry out and effectuate such express powers.

14 1. To establish and maintain a hospital and hospital
15 facilities within or outside its corporate limits, and to
16 construct, acquire, develop, expand, extend and improve any
17 such hospital or hospital facility. If a Hospital District
18 utilizes its authority to levy a tax pursuant to Section 20
19 of this Act for the purpose of establishing and maintaining
20 hospitals or hospital facilities, such District shall be
21 prohibited from establishing and maintaining hospitals or
22 hospital facilities located outside of its district unless so

1 authorized by referendum. To approve the provision of any
2 service and to approve any contract or other arrangement not
3 prohibited by a hospital licensed under the Hospital
4 Licensing Act, incorporated under the General Not-For-Profit
5 Corporation Act, and exempt from taxation under paragraph (3)
6 of subsection (c) of Section 501 of the Internal Revenue
7 Code.

8 2. To acquire land in fee simple, rights in land and
9 easements upon, over or across land and leasehold interests
10 in land and tangible and intangible personal property used or
11 useful for the location, establishment, maintenance,
12 development, expansion, extension or improvement of any such
13 hospital or hospital facility. Such acquisition may be by
14 dedication, purchase, gift, agreement, lease, use or adverse
15 possession or by condemnation.

16 3. To operate, maintain and manage such hospital and
17 hospital facility, and to make and enter into contracts for
18 the use, operation or management of and to provide rules and
19 regulations for the operation, management or use of such
20 hospital or hospital facility.

21 Such contracts may include the lease by the District of
22 all or any portion of its facilities to a not-for-profit
23 corporation organized by the District's board of directors.
24 The rent to be paid pursuant to any such lease shall be in an
25 amount deemed appropriate by the board of directors. Any of
26 the remaining assets which are not the subject of such a
27 lease may be conveyed and transferred to the not-for-profit
28 corporation organized by the District's board of directors
29 provided that the not-for-profit corporation agrees to
30 discharge or assume such debts, liabilities, and obligations
31 of the District as determined to be appropriate by the
32 District's board of directors.

33 4. To fix, charge and collect reasonable fees and
34 compensation for the use or occupancy of such hospital or any

1 part thereof, or any hospital facility, and for nursing care,
2 medicine, attendance, or other services furnished by such
3 hospital or hospital facilities, according to the rules and
4 regulations prescribed by the board from time to time.

5 5. To borrow money and to issue general obligation
6 bonds, revenue bonds, notes, certificates, or other evidences
7 of indebtedness for the purpose of accomplishing any of its
8 corporate purposes, subject to compliance with any conditions
9 or limitations set forth in this Act or the Health Facilities
10 Planning Act or otherwise provided by the constitution of the
11 State of Illinois and to execute, deliver, and perform
12 mortgages and security agreements to secure such borrowing.

13 6. To employ or enter into contracts for the employment
14 of any person, firm, or corporation, and for professional
15 services, necessary or desirable for the accomplishment of
16 the corporate objects of the District or the proper
17 administration, management, protection or control of its
18 property.

19 7. To maintain such hospital for the benefit of the
20 inhabitants of the area comprising the District who are sick,
21 injured, or maimed regardless of race, creed, religion, sex,
22 national origin or color, and to adopt such reasonable rules
23 and regulations as may be necessary to render the use of the
24 hospital of the greatest benefit to the greatest number; to
25 exclude from the use of the hospital all persons who wilfully
26 disregard any of the rules and regulations so established; to
27 extend the privileges and use of the hospital to persons
28 residing outside the area of the District upon such terms and
29 conditions as the board of directors prescribes by its rules
30 and regulations.

31 8. To police its property and to exercise police powers
32 in respect thereto or in respect to the enforcement of any
33 rule or regulation provided by the ordinances of the District
34 and to employ and commission police officers and other

1 qualified persons to enforce the same.

2 The use of any such hospital or hospital facility of a
3 District shall be subject to the reasonable regulation and
4 control of the District and upon such reasonable terms and
5 conditions as shall be established by its board of directors.

6 A regulatory ordinance of a District adopted under any
7 provision of this Section may provide for a suspension or
8 revocation of any rights or privileges within the control of
9 the District for a violation of any such regulatory
10 ordinance.

11 Nothing in this Section or in other provisions of this
12 Act shall be construed to authorize the District or board to
13 establish or enforce any regulation or rule in respect to
14 hospitalization or in the operation or maintenance of such
15 hospital or any hospital facilities within its jurisdiction
16 which is in conflict with any federal or state law or
17 regulation applicable to the same subject matter.

18 9. To provide for the benefit of its employees group
19 life, health, accident, hospital and medical insurance, or
20 any combination of such types of insurance, and to further
21 provide for its employees by the establishment of a pension
22 or retirement plan or system; to effectuate the establishment
23 of any such insurance program or pension or retirement plan
24 or system, a Hospital District may make, enter into or
25 subscribe to agreements, contracts, policies or plans with
26 private insurance companies. Such insurance may include
27 provisions for employees who rely on treatment by spiritual
28 means alone through prayer for healing in accord with the
29 tenets and practice of a well-recognized religious
30 denomination. The board of directors of a Hospital District
31 may provide for payment by the District of a portion of the
32 premium or charge for such insurance or for a pension or
33 retirement plan for employees with the employee paying the
34 balance of such premium or charge. If the board of directors

1 of a Hospital District undertakes a plan pursuant to which
2 the Hospital District pays a portion of such premium or
3 charge, the board shall provide for the withholding and
4 deducting from the compensation of such employees as consent
5 to joining such insurance program or pension or retirement
6 plan or system, the balance of the premium or charge for such
7 insurance or plan or system.

8 If the board of directors of a Hospital District does not
9 provide for a program or plan pursuant to which such District
10 pays a portion of the premium or charge for any group
11 insurance program or pension or retirement plan or system,
12 the board may provide for the withholding and deducting from
13 the compensation of such employees as consent thereto the
14 premium or charge for any group life, health, accident,
15 hospital and medical insurance or for any pension or
16 retirement plan or system.

17 A Hospital District deducting from the compensation of
18 its employees for any group insurance program or pension or
19 retirement plan or system, pursuant to this Section, may
20 agree to receive and may receive reimbursement from the
21 insurance company for the cost of withholding and
22 transferring such amount to the company.

23 10. Except as provided in Section 15.3, to sell at
24 public auction or by sealed bid and convey any real estate
25 held by the District which the board of directors, by
26 ordinance adopted by at least 2/3rds of the members of the
27 board then holding office, has determined to be no longer
28 necessary or useful to, or for the best interests of, the
29 District.

30 An ordinance directing the sale of real estate shall
31 include the legal description of the real estate, its present
32 use, a statement that the property is no longer necessary or
33 useful to, or for the best interests of, the District, the
34 terms and conditions of the sale, whether the sale is to be

1 at public auction or sealed bid, and the date, time, and
2 place the property is to be sold at auction or sealed bids
3 opened.

4 Before making a sale by virtue of the ordinance, the
5 board of directors shall cause notice of the proposal to sell
6 to be published once each week for 3 successive weeks in a
7 newspaper published, or, if none is published, having a
8 general circulation, in the district, the first publication
9 to be not less than 30 days before the day provided in the
10 notice for the public sale or opening of bids for the real
11 estate.

12 The notice of the proposal to sell shall include the same
13 information included in the ordinance directing the sale and
14 shall advertise for bids therefor. A sale of property by
15 public auction shall be held at the property to be sold at a
16 time and date determined by the board of directors. The
17 board of directors may accept the high bid or any other bid
18 determined to be in the best interests of the district by a
19 vote of 2/3rds of the board then holding office, but by a
20 majority vote of those holding office, they may reject any
21 and all bids.

22 The chairman and secretary of the board of directors
23 shall execute all documents necessary for the conveyance of
24 such real property sold pursuant to the foregoing authority.

25 11. To establish and administer a program of loans for
26 postsecondary students pursuing degrees in accredited public
27 health-related educational programs at public institutions of
28 higher education. If a student is awarded a loan, the
29 individual shall agree to accept employment within the
30 hospital district upon graduation from the public institution
31 of higher education. For the purposes of this Act, "public
32 institutions of higher education" means the University of
33 Illinois; Southern Illinois University; Chicago State
34 University; Eastern Illinois University; Governors State

1 University; Illinois State University; Northeastern Illinois
2 University; Northern Illinois University; Western Illinois
3 University; the public community colleges of the State; and
4 any other public colleges, universities or community colleges
5 now or hereafter established or authorized by the General
6 Assembly. The district's board of directors shall by
7 resolution provide for eligibility requirements, award
8 criteria, terms of financing, duration of employment accepted
9 within the district and such other aspects of the loan
10 program as its establishment and administration may
11 necessitate.

12 12. To establish and maintain congregate housing units;
13 to acquire land in fee simple and leasehold interests in land
14 for the location, establishment, maintenance, and development
15 of those housing units; to borrow funds and give debt
16 instruments, real estate mortgages, and security interests in
17 personal property, contract rights, and general intangibles;
18 and to enter into any contract required for participation in
19 any federal or State programs.

20 (Source: P.A. 92-534, eff. 5-14-02.)

21 (70 ILCS 910/21.2) (from Ch. 23, par. 1271.2)

22 Sec. 21.2. The corporate authorities of any Hospital
23 District may enter into installment purchase and lease
24 agreements and issue debt certificates under subsection (b)
25 of Section 17 of the Local Government Debt Reform Act and may
26 issue and sell revenue bonds, payable from the revenue
27 derived from the operation of the hospital, for the purpose
28 of (1) constructing, reconstructing, repairing, remodeling,
29 extending, equipping, or improving a hospital building,
30 buildings, or facilities and acquiring a site or sites for a
31 hospital building, buildings, or facilities, (1.5) financing
32 operations and working cash, or (2) refunding any such
33 revenue bonds theretofore issued from time to time when

1 considered necessary or advantageous in the public interest.
2 These bonds shall be authorized by an ordinance without
3 submission thereof to the electors of the Hospital District,
4 shall mature at such time not to exceed 40 years from the
5 date of issue, and bear such rate of interest not to exceed
6 the greater of (i) the maximum rate authorized by the Bond
7 Authorization Act, as amended at the time of the making of
8 the contract, or (ii) 9% per annum, payable annually or
9 semiannually, as the corporate authorities may determine, and
10 may be sold by the corporate authorities in such manner as
11 they deem best in the public interest. However, such bonds
12 shall be sold at such price that the interest cost of the
13 proceeds therefrom will not exceed the greater of (i) the
14 maximum rate authorized by the Bond Authorization Act, as
15 amended at the time of the making of the contract, or (ii) 9%
16 per annum if issued on or after the effective date of this
17 amendatory Act, based on the average maturity of such bonds
18 and computed according to standard tables of bond values. No
19 member of the Board or hospital administration shall have any
20 personal economic interest in any bonds issued in accordance
21 with this Section.

22 The corporate authorities of any such Hospital District
23 availing itself of the provisions of this Section shall adopt
24 an ordinance describing in a general way the building,
25 buildings, or facilities, or additions or extensions thereto,
26 to be constructed, reconstructed, repaired, remodeled,
27 extended, equipped or improved, and the site or sites to be
28 acquired. Such ordinance shall set out the estimated cost of
29 such construction, reconstruction, repair, remodeling,
30 extension, equipment, improvement or acquisition and fix the
31 amount of revenue bonds proposed to be issued, the maturity,
32 interest rate, and all details in respect thereof, including
33 any provision for redemption prior to maturity, with or
34 without premium, and upon such notice as may be provided by

1 the ordinance. Such ordinance may also contain such
2 provisions and covenants which shall be part of the contract
3 between the Hospital District and the holders of such bonds
4 as may be considered necessary and advisable as to the
5 operation, maintenance, and management of the hospital or
6 hospitals, the establishment and maintenance of sinking
7 funds, reserve funds, and other special funds, including
8 construction funds, the fixing and collection of rents, fees
9 and charges for the use of the facilities of the hospital or
10 hospitals sufficient to produce revenue adequate to maintain
11 such funds and to pay the bonds at maturity and accruing
12 interest thereon, the issuance thereafter of additional bonds
13 payable from the revenues derived from the hospital or
14 hospitals, the kind and amount of insurance, including use
15 and occupancy insurance, if any, to be carried, the cost of
16 which shall be payable only from the revenues derived from
17 the hospital or hospitals and such other covenants deemed
18 necessary or desirable to assure the successful operation and
19 maintenance of the hospital or hospitals and the prompt
20 payment of the principal of and interest upon the bonds so
21 authorized.

22 Revenue bonds issued under this Section shall be signed
23 by the chairman and secretary of the Board or such other
24 officers as the Board may by ordinance direct to sign such
25 bonds, and shall be payable from revenue derived from the
26 operation of the hospital or hospitals. These bonds may not
27 in any event constitute an indebtedness of the Hospital
28 District within the meaning of any constitutional provision
29 or limitation. It shall be plainly written or printed on the
30 face of each bond that the bond has been issued under the
31 provisions of this Section, that the bond, including the
32 interest thereon, is payable from the revenue pledged to the
33 payment thereof, and that it does not constitute an
34 indebtedness or obligation of the Hospital District within

1 the meaning of any constitutional or statutory limitation or
2 provision. No holder of any such revenue bond may compel any
3 exercise of the taxing power of the Hospital District to pay
4 such bond or interest thereon.

5 The District may not issue any bonds under this Section
6 unless a public hearing, with adequate notice to the public,
7 is held prior to the issuance of the bonds. Notice of the
8 hearing giving the purpose, time and place of the hearing
9 shall be published at least once, not more than 30 nor less
10 than 15 days before the hearing, in one or more newspapers
11 published in the district, and if there is none, in a
12 newspaper published in the county and having general
13 circulation in the district.

14 With respect to instruments for the payment of money
15 issued under this Section either before, on, or after the
16 effective date of this amendatory Act of 1989, it is and
17 always has been the intention of the General Assembly (i)
18 that the Omnibus Bond Acts are and always have been
19 supplementary grants of power to issue instruments in
20 accordance with the Omnibus Bond Acts, regardless of any
21 provision of this Act that may appear to be or to have been
22 more restrictive than those Acts, (ii) that the provisions of
23 this Section are not a limitation on the supplementary
24 authority granted by the Omnibus Bond Acts, and (iii) that
25 instruments issued under this Section within the
26 supplementary authority granted by the Omnibus Bond Acts are
27 not invalid because of any provision of this Act that may
28 appear to be or to have been more restrictive than those
29 Acts.

30 (Source: P.A. 89-104, eff. 7-7-95.)

31 Section 99. Effective date. This Act takes effect upon
32 becoming law."