

1 AMENDMENT TO SENATE BILL 2241

2 AMENDMENT NO. _____. Amend Senate Bill 2241, AS AMENDED,
3 immediately below the end of Section 4, by inserting the
4 following:

5 "Section 4.5. The Hospital District Law is amended by
6 changing Sections 15 and 21.2 as follows:

7 (70 ILCS 910/15) (from Ch. 23, par. 1265)

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

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

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

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

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

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

34 4. To fix, charge and collect reasonable fees and

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

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

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

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

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

1 and to employ and commission police officers and other
2 qualified persons to enforce the same.

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

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

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

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

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

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

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

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

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

1 terms and conditions of the sale, whether the sale is to be
2 at public auction or sealed bid, and the date, time, and
3 place the property is to be sold at auction or sealed bids
4 opened.

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

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

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

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

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

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

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

22 (70 ILCS 910/21.2) (from Ch. 23, par. 1271.2)

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

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

23 The corporate authorities of any such Hospital District
24 availing itself of the provisions of this Section shall adopt
25 an ordinance describing in a general way the building,
26 buildings, or facilities, or additions or extensions thereto,
27 to be constructed, reconstructed, repaired, remodeled,
28 extended, equipped or improved, and the site or sites to be
29 acquired. Such ordinance shall set out the estimated cost of
30 such construction, reconstruction, repair, remodeling,
31 extension, equipment, improvement or acquisition and fix the
32 amount of revenue bonds proposed to be issued, the maturity,
33 interest rate, and all details in respect thereof, including
34 any provision for redemption prior to maturity, with or

1 without premium, and upon such notice as may be provided by
2 the ordinance. Such ordinance may also contain such
3 provisions and covenants which shall be part of the contract
4 between the Hospital District and the holders of such bonds
5 as may be considered necessary and advisable as to the
6 operation, maintenance, and management of the hospital or
7 hospitals, the establishment and maintenance of sinking
8 funds, reserve funds, and other special funds, including
9 construction funds, the fixing and collection of rents, fees
10 and charges for the use of the facilities of the hospital or
11 hospitals sufficient to produce revenue adequate to maintain
12 such funds and to pay the bonds at maturity and accruing
13 interest thereon, the issuance thereafter of additional bonds
14 payable from the revenues derived from the hospital or
15 hospitals, the kind and amount of insurance, including use
16 and occupancy insurance, if any, to be carried, the cost of
17 which shall be payable only from the revenues derived from
18 the hospital or hospitals and such other covenants deemed
19 necessary or desirable to assure the successful operation and
20 maintenance of the hospital or hospitals and the prompt
21 payment of the principal of and interest upon the bonds so
22 authorized.

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

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

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

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

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