



February 23, 2016

**ENGROSSED
SENATE BILL No. 140**

DIGEST OF SB 140 (Updated February 22, 2016 12:13 pm - DI 77)

Citations Affected: IC 16-22.

Synopsis: County hospital board compensation. Increases from \$3,600 to \$6,000 the maximum compensation for county hospital board members. Allows for additional compensation for the board chair.

Effective: July 1, 2016.

Leising, Miller Patricia

(HOUSE SPONSORS — CLERE, LEHE)

January 5, 2016, read first time and referred to Committee on Health & Provider Services.
January 14, 2016, reported favorably — Do Pass.
January 19, 2016, read second time, ordered engrossed. Engrossed.
January 21, 2016, read third time, passed. Yeas 47, nays 1.

HOUSE ACTION

February 8, 2016, read first time and referred to Committee on Public Health.
February 22, 2016, reported — Do Pass.

ES 140—LS 6441/DI 124



February 23, 2016

Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 140

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 16-22-2-9 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 9. (a) Each governing
3 board member shall not more than ten (10) days after appointment and
4 before entering on official duties take an oath to support the
5 Constitution of the United States and the Constitution of the State of
6 Indiana and to faithfully discharge the duties of office. The board shall
7 adopt bylaws that provide for the election of one (1) member as
8 chairman, one (1) member as secretary, and other officers the board
9 considers necessary or advisable.
10 (b) The county treasurer of the county in which the hospital is
11 located shall be the treasurer of the governing board. Money in the
12 hospital fund shall be disbursed only on warrants issued by the county
13 auditor and countersigned by the county treasurer. However, the board,
14 with the approval of the county executive, may elect a treasurer who
15 shall also serve as the disbursing officer of the hospital. Checks drawn
16 by the treasurer must be countersigned by a person selected by the
17 board. Approval by the county executive for the board to elect a

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1 treasurer is permanent, and the treasurer may not be a member of the
2 board.

3 (c) The executive director and all persons whose duty it is to handle
4 funds of the hospital must execute a corporate surety bond in an
5 amount and with conditions required by the board. If a treasurer is
6 elected by the board, the treasurer shall be separately bonded in an
7 amount fixed by the board but not less than twenty-five thousand
8 dollars (\$25,000). The board may elect an assistant treasurer who may
9 not be a member of the board and who must be separately bonded in an
10 amount fixed by the board greater than twenty-five thousand dollars
11 (\$25,000). The bond on all persons except the treasurer and assistant
12 treasurer may be a blanket corporate surety bond conditioned for the
13 faithful performance of duties. All bonds required by this subsection
14 must be approved by the board and filed with the county recorder. The
15 premiums shall be paid out of hospital funds.

16 (d) A majority of the members of the governing board constitutes a
17 quorum, and board action requires the affirmative vote of a majority of
18 those members present at a regular or special meeting of the board at
19 which a quorum is present. If a board member is absent from three (3)
20 consecutive regular board meetings or is absent from four (4) regular
21 board meetings during a year, upon recommendation by the board, the
22 member may be removed from office by the county executive and,
23 except as provided in section 7(b) of this chapter, the vacancy created
24 shall be filled as provided in section 11 of this chapter.

25 (e) Each board member shall be reimbursed for expenditures made
26 by the member in performing the duties of office, and an itemized
27 statement of expenses must be filed with the secretary and allowed by
28 the board. Each governing board member may receive annual
29 compensation not to exceed ~~three thousand six hundred dollars~~
30 **(\$3,600) six thousand dollars (\$6,000)**, with compensation to be fixed
31 by the board. **The chair of the board may receive additional**
32 **compensation not to exceed one thousand two hundred dollars**
33 **(\$1,200) annually, with compensation to be fixed by the board.**

34 (f) The governing board shall hold at least ten (10) regular meetings
35 each year, and special meetings of the board may be called at any time
36 by the chairman or two (2) members of the board. The secretary of the
37 board shall keep a complete record of all proceedings.

38 (g) A board member may receive group health and life insurance
39 benefits paid by the hospital. Health and life insurance benefits are not
40 considered compensation under subsection (e).

41 (h) A board member may attend meetings and seminars for the
42 benefit of the hospital, with the cost of the meetings and seminars paid



1 by the hospital. A payment made by the hospital under this subsection
2 to a board member is not considered compensation under subsection
3 (e).



COMMITTEE REPORT

Madam President: The Senate Committee on Health & Provider Services, to which was referred Senate Bill No. 140, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 140 as introduced.)

MILLER PATRICIA, Chairperson

Committee Vote: Yeas 8, Nays 1

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 140, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 140 as printed January 15, 2016.)

KIRCHHOFER

Committee Vote: Yeas 11, Nays 0

