## SECOND REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR

## HOUSE BILL NO. 1912

## 98TH GENERAL ASSEMBLY

Reported from the Committee on Jobs, Economic Development and Local Government, May 4, 2016, with recommendation that the Senate Committee Substitute do pass.

5160S.08C	

ADRIANE D. CROUSE, Secretary.

## AN ACT

To repeal sections 49.330, 49.410, 49.420, 49.430, 49.440, 50.660, 50.783, 50.790, 55.161, 64.875, 192.300, and 197.315, RSMo, and to enact in lieu thereof eleven new sections relating to political subdivisions, with penalty provisions and an emergency clause for a certain section.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 49.330, 49.410, 49.420, 49.430, 49.440, 50.660, 50.783, 50.790, 55.161, 64.875, 192.300, and 197.315, RSMo, are repealed and eleven new sections enacted in lieu thereof, to be known as sections 49.410, 49.420, 49.430, 49.440, 50.660, 50.783, 50.790, 55.161, 64.875, 192.300, and 197.315, to read as follows:

49.410. When the ground for erecting any public building shall be 2 designated, as aforesaid, [the superintendent shall prepare and submit to] the 3 county commission **shall have prepared** a plan of the building to be erected, the 4 dimensions thereof, and the materials of which it is to be composed, with an 5 estimate of the probable cost thereof.

49.420. When any plan shall be approved by the county commission, the [superintendent] county commission shall immediately advertise for bids for the erection and construction of same, stating in such advertisement a description of such building or buildings, and shall contract with the person or firm who will agree to do the work and furnish the necessary material on the lowest and best terms not exceeding the amount appropriated or set apart for such building or buildings; provided, that in case the lowest bid received shall be in excess of the amount appropriated, after two successive advertisements for such bids, then, if

9 such county commission shall be of the opinion that such building or buildings can be constructed or built for a sum not in excess of the amount appropriated, 10 or if the commission shall be of the opinion that there is collusion or combination 11 between the bidders for the purpose of forcing the county to pay an exorbitant 12price for the construction of such building or buildings, then, the commission may, 13in its discretion, let such building or buildings at private contract, to be 14 constructed according to original plans and specifications upon which bids were 1516 received and approved by the county commission.

49.430. The [superintendent] county commission shall take from the contractor a bond to the county, with sufficient security, for the performance of the work at the time and in the manner agreed on, according to the plan, under a penalty at least one hundred ten percent of the amount to be given for erecting the building. A copy of the plan shall be annexed to the bond.

49.440. The [superintendent shall oversee and direct] county commission may contract for oversight and direction of the execution of the work[, and] to see that the materials employed are good[,] and that the work is executed according to contract[, and make]. The contractor shall report [of] on the progress and condition thereof, from time to time, to the county commission.

50.660. [1.] All contracts shall be executed in the name of the county, or 2in the name of a township in a county with a township form of government, by the head of the department or officer concerned, except contracts for the purchase of 3 4 supplies, materials, equipment or services other than personal made by the officer in charge of purchasing in any county or township having the officer. No contract 5or order in excess of ten thousand dollars imposing any financial obligation 6 on the county or township is binding on the county or township unless it is in 7 writing and unless there is a balance otherwise unencumbered to the credit of the 8 9 appropriation to which it is to be charged and a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to 10 be made, each sufficient to meet the obligation incurred and unless the contract 11 or order in excess of ten thousand dollars bears the certification of the 12accounting officer so stating; except that in case of any contract for public works 1314 or buildings to be paid for from bond funds or from taxes levied for the purpose 15it is sufficient for the accounting officer to certify that the bonds or taxes have 16been authorized by vote of the people and that there is a sufficient unencumbered amount of the bonds yet to be sold or of the taxes levied and yet to be collected 17

18 to meet the obligation in case there is not a sufficient unencumbered cash balance 19in the treasury. All contracts and purchases shall be let to the lowest and best bidder after due opportunity for competition, including advertising the proposed 20letting in a newspaper in the county or township with a circulation of at least five 2122hundred copies per issue, if there is one, except that the advertising is not required in case of contracts or purchases involving an expenditure of fless than 2324six] ten thousand dollars or less. It is not necessary to obtain bids on any 25purchase in the amount of [four] ten thousand [five hundred] dollars or less made from any one person, firm or corporation during any [period of ninety days 26or, if the county is any county of the first classification with more than one 2728hundred fifty thousand but fewer than two hundred thousand inhabitants or any 29county of the first classification with more than two hundred sixty thousand but 30 fewer than three hundred thousand inhabitants, it is not necessary to obtain bids on such purchases in the amount of six thousand dollars or less] fiscal year. All 31bids for any contract or purchase may be rejected and new bids advertised 32 for. Contracts which provide that the person contracting with the county or 33 34township shall, during the term of the contract, furnish to the county or township at the price therein specified the supplies, materials, equipment or services other 35than personal therein described, in the quantities required, and from time to time 36 as ordered by the officer in charge of purchasing during the term of the contract, 37need not bear the certification of the accounting officer, as herein provided; but 38 39 all orders for supplies, materials, equipment or services other than personal shall 40 bear the certification. In case of such contract, no financial obligation accrues against the county or township until the supplies, materials, equipment or 41 services other than personal are so ordered and the certificate furnished. 42

[2. Notwithstanding the provisions of subsection 1 of this section to the
contrary, advertising shall not be required in any county in the case of contracts
or purchases involving an expenditure of less than six thousand dollars.]

50.783. 1. The county commission may waive the requirement of competitive bids or proposals for supplies when the commission has determined in writing and entered into the commission minutes that there is only a single feasible source for the supplies. Immediately upon discovering that other feasible sources exist, the commission shall rescind the waiver and proceed to procure the supplies through the competitive processes as described in this chapter. A single feasible source exists when:



(1) Supplies are proprietary and only available from the manufacturer or

9 a single distributor; or

10 (2) Based on past procurement experience, it is determined that only one 11 distributor services the region in which the supplies are needed; or

12 (3) Supplies are available at a discount from a single distributor for a 13 limited period of time.

2. On any single feasible source purchase where the estimated 14expenditure is [three] more than five thousand dollars [or over], the 1516 commission shall post notice of the proposed purchase. Where the estimated expenditure is [five] more than ten thousand dollars [or over], the commission 17shall also advertise the commission's intent to make such purchase in at least one 18 19daily and one weekly newspaper of general circulation in such places as are most 20likely to reach prospective bidders or offerors and may provide such information 21through an electronic medium available to the general public at least ten days 22before the contract is to be let.

23[3. Notwithstanding subsection 2 of this section to the contrary, on any single feasible service purchase by any county of the first classification with more 2425than one hundred fifty thousand but fewer than two hundred thousand 26inhabitants or any county of the first classification with more than two hundred 27sixty thousand but fewer than three hundred thousand inhabitants where the estimated expenditure is six thousand dollars or over, the commission shall post 2829notice of the proposed purchase and advertise the commission's intent to make 30 such purchase in at least one daily and one weekly newspaper of general 31circulation in such places as are most likely to reach prospective bidders or 32offerors and may provide such information through an electronic medium 33 available to the general public at least ten days before the contract is to be let.]

50.790. It shall hereafter be unlawful for the commissioners of the county commission of any county of this state to which sections 50.760 to 50.790 apply 2 to draw, or authorize the drawing of, any check or county warrant, or other order 3 for the payment of money for any supplies for any county officer for which an 4 order or requisition has not first been obtained as in sections 50.760 to 50.790  $\mathbf{5}$ required. Whosever shall violate the provisions of this law shall be deemed 6 7 guilty of [a misdemeanor] an infraction and upon conviction thereof shall be 8 punished by a fine of not [less than fifty dollars nor more than one thousand] 9 more than one hundred dollars, or by imprisonment in the county jail for a 10 term of not less than thirty days nor more than one year, or by both such fine and imprisonment]; provided, that if any such commissioner shall be absent at the 11

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12 time, or shall cause his protest against such action to be entered in the minutes 13 of the commission, when any violation of this law is ordered by the other 14 commissioners of such commission, he shall not be deemed to have violated the 15 provisions of this law.

55.161. In addition to all other duties imposed upon the county auditor 2 in counties of the first class not having a charter form of government and in 3 counties of the second class, [he] **the auditor** shall have the following duties:

4 (1) He or she shall audit, examine and adjust all accounts of county  $\mathbf{5}$ officials and courts operating in such counties where there is an accumulation of moneys, taxes, fees, fines and miscellaneous public funds received from any and 6 7 all sources by county officials and courts operating in such counties, and which are accumulated and intended for public purposes other than the general 8 9 administrative functions of the county, provided that such extra duty of 10 accounting is to be performed in the same manner as is now by statute prescribed for the general county administrative business. He or she shall also audit 11 moneys and funds belonging to any levee district organized and operating in such 1213county, moneys to be disbursed to school districts organized and operating in such county, and moneys to be disbursed in the county for library, hospital, recreation, 14 public health and civil defense purposes; 15

16 (2) He **or she** shall prepare a statement of the estimated revenues of the 17 county, classified as to funds and sources, and shall furnish the budget officer of 18 the county with an itemized list of county expenditures for as many previous 19 fiscal years as may be deemed proper for enabling the budget officer to arrive at 20 a reasonable estimate of the anticipated revenues and the necessary expenses of 21 the county in the preparation of the county budget;

(3) [He shall countersign, on behalf of the county, all licenses issued for
the sale of intoxicating liquor and shall keep in a readily accessible form a record
of all such county licenses issued; and

(4)] In counties of the second [class] classification only, he or she shall
serve as a member of the county board of equalization.

64.875. The regulations imposed and the districts created under authority of sections 64.845 to 64.880 may be amended from time to time by the county commission by order after the order establishing the same has gone into effect but no amendments shall be made by the county commission except after recommendation of the county planning commission, or if there be no county planning commission, of the county zoning commission, after hearings thereon by

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7 the **county** commission. Public notice of the hearings shall be given in the same 8 manner as provided for the hearing in section 64.815. In case of written protest 9 against any proposed change or amendment, signed and acknowledged by the owners of thirty percent of the frontage within one thousand feet to the right or 10 left of the frontage proposed to be changed, or by the owners of thirty percent of 11 the frontage directly opposite, or directly in the rear of the frontage proposed to 12be altered, or in cases where the land affected lies within one and one-half miles 1314 of the corporate limits of a municipality having in effect ordinances zoning property within the corporate limits of a municipality, made by resolution of the 15city council or board of trustees thereof, and filed with the county clerk, the 1617amendment may not be passed except by the favorable vote of two-thirds of all 18 the members of the county commission.

192.300. 1. The county commissions [and] with the concurrence of the county health center boards of the several counties may make and promulgate 23 orders, ordinances, rules or regulations, respectively as will tend to enhance the public health and prevent the entrance of infectious, contagious, communicable 4 5 or dangerous diseases into such county, but any orders, ordinances, rules or regulations shall not be in conflict with any rules or regulations authorized and 6 made by the department of health and senior services in accordance with this 7 chapter or by the department of social services under chapter 198. The county 8 commissions [and] with the concurrence of the county health center boards 9 of the several counties may establish reasonable fees to pay for any costs incurred 10 11 in carrying out such orders, ordinances, rules or regulations, however, the 12establishment of such fees shall not deny personal health services to those individuals who are unable to pay such fees or impede the prevention or control 13 of communicable disease. Fees generated shall be deposited in the county 14 treasury. All fees generated under the provisions of this section shall be used to 1516 support the public health activities for which they were generated. After the promulgation and adoption of such orders, ordinances, rules or regulations by 1718 such county commission [or county health board], such commission [or county health board] shall make and enter an order or record declaring such orders, 19 20ordinances, rules or regulations to be printed and available for distribution to the 21public in the office of the county clerk, and shall require a copy of such order to 22be published in some newspaper in the county in three successive weeks, not later 23than thirty days after the entry of such order, ordinance, rule or regulation. Any person, firm, corporation or association which violates any of the orders or 24

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ordinances adopted, promulgated and published by such county commission is guilty of a misdemeanor and shall be prosecuted, tried and fined as otherwise provided by law. The county commission [or county health board] of any such county has full power and authority to initiate the prosecution of any action under this section.

30 2. Notwithstanding the provisions of subsection 1 of this section, in the event of an emergency, a county commission or the county health 31center board may make and promulgate any orders, ordinances, rules, 32 or regulations in order to protect public health, safety, or welfare, but 33 the orders, ordinances, rules, or regulations shall not be in conflict 34 with any rules or regulations authorized and made by the department 35of health and senior services in accordance with this chapter or by the 36 department of social services under chapter 198. 37

197.315. 1. Any person who proposes to develop or offer a new 2 institutional health service within the state must obtain a certificate of need from 3 the committee prior to the time such services are offered.

2. Only those new institutional health services which are found by the committee to be needed shall be granted a certificate of need. Only those new institutional health services which are granted certificates of need shall be offered or developed within the state. No expenditures for new institutional health services in excess of the applicable expenditure minimum shall be made by any person unless a certificate of need has been granted.

10 3. After October 1, 1980, no state agency charged by statute to license or 11 certify health care facilities shall issue a license to or certify any such facility, or 12 distinct part of such facility, that is developed without obtaining a certificate of 13 need.

4. If any person proposes to develop any new institutional health care service without a certificate of need as required by sections 197.300 to 197.366, the committee shall notify the attorney general, and he shall apply for an injunction or other appropriate legal action in any court of this state against that person.

5. After October 1, 1980, no agency of state government may appropriate or grant funds to or make payment of any funds to any person or health care facility which has not first obtained every certificate of need required pursuant to sections 197.300 to 197.366.

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6. A certificate of need shall be issued only for the premises and persons

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24 named in the application and is not transferable except by consent of the 25 committee.

26 7. Project cost increases, due to changes in the project application as
27 approved or due to project change orders, exceeding the initial estimate by more
28 than ten percent shall not be incurred without consent of the committee.

8. Periodic reports to the committee shall be required of any applicant who has been granted a certificate of need until the project has been completed. The committee may order the forfeiture of the certificate of need upon failure of the applicant to file any such report.

9. A certificate of need shall be subject to forfeiture for failure to incur a capital expenditure on any approved project within six months after the date of the order. The applicant may request an extension from the committee of not more than six additional months based upon substantial expenditure made.

10. Each application for a certificate of need must be accompanied by an application fee. The time of filing commences with the receipt of the application and the application fee. The application fee is one thousand dollars, or one-tenth of one percent of the total cost of the proposed project, whichever is greater. All application fees shall be deposited in the state treasury. Because of the loss of federal funds, the general assembly will appropriate funds to the Missouri health facilities review committee.

11. In determining whether a certificate of need should be granted, no
consideration shall be given to the facilities or equipment of any other health care
facility located more than a fifteen-mile radius from the applying facility.

47 12. When a nursing facility shifts from a skilled to an intermediate level
48 of nursing care, it may return to the higher level of care if it meets the licensure
49 requirements, without obtaining a certificate of need.

50 13. In no event shall a certificate of need be denied because the applicant51 refuses to provide abortion services or information.

52 14. A certificate of need shall not be required for the transfer of ownership 53 of an existing and operational health facility in its entirety.

54 15. A certificate of need may be granted to a facility for an expansion, an 55 addition of services, a new institutional service, or for a new hospital facility 56 which provides for something less than that which was sought in the application.

57 16. The provisions of this section shall not apply to facilities operated by 58 the state, and appropriation of funds to such facilities by the general assembly 59 shall be deemed in compliance with this section, and such facilities shall be 60 deemed to have received an appropriate certificate of need without payment of 61 any fee or charge. The provisions of this subsection shall not apply to 62 hospitals operated by the state and licensed under chapter 197, except 63 for department of mental health state-operated psychiatric hospitals.

64 17. Notwithstanding other provisions of this section, a certificate of need 65 may be issued after July 1, 1983, for an intermediate care facility operated 66 exclusively for the intellectually disabled.

67 18. To assure the safe, appropriate, and cost-effective transfer of new 68 medical technology throughout the state, a certificate of need shall not be 69 required for the purchase and operation of:

(1) Research equipment that is to be used in a clinical trial that has received written approval from a duly constituted institutional review board of an accredited school of medicine or osteopathy located in Missouri to establish its safety and efficacy and does not increase the bed complement of the institution in which the equipment is to be located. After the clinical trial has been completed, a certificate of need must be obtained for continued use in such facility; or

(2) Equipment that is to be used by an academic health center
operated by the state in furtherance of its research or teaching
missions.

[49.330. The county commission shall appoint some suitable person to superintend the erection of the buildings who shall take an oath to discharge faithfully and impartially the duties enjoined on him by sections 49.310 to 49.470. The superintendent of the county buildings shall receive the compensation for his services that the county commission deems reasonable, to be paid out of the county treasury. The county commission shall fill any vacancy which occurs in the office of superintendent.]

Section B. Because immediate action is necessary to preserve access to 2 quality health care facilities for the citizens of Missouri, the repeal and 3 reenactment of section 197.315 of section A of this act is deemed necessary for the 4 immediate preservation of the public health, welfare, peace, and safety, and is 5 hereby declared to be an emergency act within the meaning of the constitution, 6 and the repeal and reenactment of section 197.315 of section A of this act shall 7 be in full force and effect upon its passage and approval.

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