## STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

CONFERENCE COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL 71

By: Shurden of the Senate

and

Leist of the House

## CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to counties; amending 19 O.S. 1991, Section 789, as amended by Section 1 of Enrolled Senate Bill No. 365 of the 1st Session of the 47th Oklahoma Legislature, which relates to county hospitals; clarifying language; validating certain existing leases, subleases, and assignments; requiring authorization by the voters for certain leases and assignments; amending 19 O.S. 1991, Sections 1602 and 1610, which relate to Transient Merchant Licensing Act; modifying definition; providing for fine for violation of Transient Merchant Licensing Act; authorizing the county purchasing agent the authority to develop, implement and promote certain policies and procedures and providing for exception; providing for codification; providing an effective date; and declaring an emergency.

## BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 19 O.S. 1991, Section 789, as amended by Section 1 of Enrolled Senate Bill No. 365 of the 1st Session of the 47th Oklahoma Legislature, is amended to read as follows:

Section 789. A. It shall be the duty of the board of county commissioners to place the management and control of a county hospital either under a board of control composed of five, seven, or nine members, or to lease the hospital and equipment therein to a public trust or to an organization authorized to transact business in this state, the principal purpose of which is providing health care services and which can demonstrate to the board of county

commissioners its financial and managerial ability to operate the hospital.

Unless the hospital is to be leased as provided in this В. section, the board of county commissioners shall appoint the members of the board of control who shall be residents of the county, not more than three of whom may be residents of the city or town in which the hospital is located. Members of the board of control shall hold office, as follows: Five-member board - one for one (1) year; two for two (2) years; and two for three (3) years. Seven-member board - two for one (1) year; two for two (2) years; and three for three (3) years. Nine-member board - three for one (1) year; three for two (2) years; and three for three (3) years. The board of county commissioners shall appoint successors for members of the board of control whose terms have expired. Successors shall serve for a term of four (4) years; provided, the board of county commissioners may at their discretion call an election for the purpose of electing such successors with the cost of the election to be paid for by the county. Filings for election shall be made with the county election board which shall conduct the election. No member of the board of control shall hold any state, county or city elective office while serving on the board of control. Members of the board of control shall receive no salary or compensation for their services, but may be reimbursed for any actual and necessary expenditures incurred in the performance of their duties upon presentation of an itemized statement of such expenses duly verified, filed with the secretary, if every attending member of the board votes in the affirmative at any regular board meeting. Vacancies in the board of control occasioned by removal, resignation, or otherwise shall be filled in like manner as original appointments, to hold office during the unexpired term for which the member was appointed.

- C. 1. If, by a two-thirds (2/3) vote, the board of county commissioners determines that it is in the best interest of the county, it may in lieu of operation of the hospital through a board of control, lease the hospital and equipment therein to an organization authorized to transact business in this state, the principal purpose of which is providing health care services, and which can demonstrate to the board of county commissioners its financial and managerial ability to operate the hospital.
- 2. The lease shall require that the lessee shall be responsible for all costs of operation and maintenance.
- 3. The lessee is specifically authorized to mortgage, with appropriate remedies, including the right of foreclosure, its leasehold interest in the real and personal property comprising the hospital and equipment for the purpose of securing or refunding indebtedness incurred in connection with the related hospital or equipment.
  - 4. a. If the lessee is a public trust, the lessee, by a twothirds (2/3) vote of its board of trustees and with
    the approval of the board of county commissioners by a
    two-thirds (2/3) vote, may assign its leasehold
    interest or sublease the real and personal property
    comprising the hospital and equipment to an
    organization authorized to transact business in this
    state, the principal purpose of which is providing
    health care services, and which can demonstrate to the
    board of trustees and to the board of county
    commissioners its financial and managerial ability to
    operate the hospital.
    - b. If the lessee is other than a public trust, the lessee, by a two-thirds (2/3) vote of the lessee's governing board and with the approval of the board of county commissioners by a two-thirds (2/3) vote, may

assign its leasehold interest or sublease the real and personal property comprising the hospital and equipment to a public trust or to an organization authorized to transact business in this state, the principal purpose of which is providing health care services and which can demonstrate to the board of county commissioners its financial and managerial ability to operate the hospital.

- D. Any lease, sublease, or assignment of leasehold interests executed prior to the effective date of this act that meets the requirements of this section is hereby declared to be valid <u>if</u> authorized by the voters of the county at a general election, or a special election called for such purpose.
- SECTION 2. AMENDATORY 19 O.S. 1991, Section 1602, is amended to read as follows:

Section 1602. As used in the Transient Merchant Licensing Act:

- 1. "Transient merchant" means any person, firm, corporation, partnership, or other entity which engages in, does or transacts any temporary or transient business in this state, either in one locality or in traveling from place to place in this state, offering for sale or selling goods, wares, merchandise, or services, and includes those merchants who, for the purpose of carrying on such business, hire, lease, use, or occupy any building, structure, motor vehicle, railroad car, or real estate.
- 2. "Temporary or transient business" means any business or home improvement service; siding, roofing or resurfacing services conducted for the sale or offer for sale of goods, wares, or merchandise which is carried on in any building, structure, motor vehicle, mobile home, travel trailer, railroad car, or real estate for a period of less than six (6) months in each year two (2) years.
- 3. "Person" means any individual, corporation, partnership, association, or other legal entity.

SECTION 3. AMENDATORY 19 O.S. 1991, Section 1610, is amended to read as follows:

Section 1610. Any person or entity that transacts a transient business as defined pursuant to the provisions of the Transient Merchant Licensing Act without having first obtained a license in accordance with the provisions of the Transient Merchant Licensing Act or who knowingly advertises, offers for sale, or sells any goods, wares, merchandise, or services in violation of the provisions of the Transient Merchant Licensing Act shall be guilty of a misdemeanor, punishable by a fine not to exceed Five Thousand Dollars (\$5,000.00).

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1500.1 of Title 19, unless there is created a duplication in numbering, reads as follows:

Except as otherwise provided by Section 1500 et seq. of Title 19 of the Oklahoma Statutes, the county purchasing agent shall have the authority to develop, implement and promote policies and procedures that allow the procurement of materials and equipment through contracts that are flexible, value based and are in the best interests of the state and its political subdivisions.

SECTION 5. This act shall become effective July 1, 1999.

SECTION 6. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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