

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 SENATE BILL 1269

By: Burns

4  
5 AS INTRODUCED

6 An Act relating to hospitals; defining term; creating  
7 the Rural Hospital Replacement Grant Program;  
8 directing development of application process and  
9 scoring criteria; specifying certain selection  
10 criteria; limiting use of funds; restricting location  
11 of new hospital; creating the Rural Hospital  
Replacement Revolving Fund; specifying type of fund  
and source of monies; providing for expenditure of  
funds; authorizing promulgation of rules; providing  
for codification; providing an effective date; and  
declaring an emergency.

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

14 SECTION 1. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 3241.21 of Title 63, unless  
16 there is created a duplication in numbering, reads as follows:

17 A. As used in this section, "qualifying rural hospital" means a  
18 hospital that is:

19 1. Licensed by the State Department of Health;

20 2. Located in a county of this state that has:

21 a. a population of not greater than fifty thousand

22 (50,000) as reported in the most recent Federal

23 Decennial Census published by the United State Census

24 Bureau, and

1           b.    a poverty rate of not less than nineteen percent (19%)  
2                    as reported in the most recent Federal Decennial  
3                    Census published by the United State Census Bureau;  
4                    and

5           3.    Is in a hazardous, unsafe, or derelict condition such that  
6           renovation would be significantly more costly than demolition and  
7           construction of a new hospital.

8           B.    There is hereby created the Rural Hospital Replacement Grant  
9           Program.  The grant program shall be administered by the State  
10           Department of Health for the purpose of providing funding to support  
11           the construction of new hospitals to replace qualifying rural  
12           hospitals.

13           C.    The Rural Hospital Replacement Grant Program shall be  
14           available to qualifying rural hospitals.  The Department shall  
15           develop an application process and a scoring criteria for evaluating  
16           applicants.  Awardees shall be selected based upon the severity of  
17           the qualifying rural hospital's condition, availability of matching  
18           funds for the project, and such other criteria as may be established  
19           by the Department.

20           D.    The governing entity of a qualifying rural hospital that  
21           receives a grant under this section may only use grant funds for  
22           costs directly related to demolition and construction of a new  
23           hospital.  The governing entity shall locate the new hospital as  
24           close as possible to the qualifying rural hospital.  In no event

1 shall the new hospital be located more than twenty (20) miles away  
2 from the qualifying rural hospital.

3 E. There is hereby created in the State Treasury a revolving  
4 fund for the State Department of Health to be designated the "Rural  
5 Hospital Replacement Revolving Fund". The fund shall be a  
6 continuing fund, not subject to fiscal year limitations, and shall  
7 consist of all monies received by the Department from legislative  
8 appropriations provided for the purpose of administering grants  
9 under this section. All monies accruing to the credit of the fund  
10 are hereby appropriated and may be budgeted and expended by the  
11 Department for the purpose provided for in this subsection.  
12 Expenditures from the fund shall be made upon warrants issued by the  
13 State Treasurer against claims filed as prescribed by law with the  
14 Director of the Office of Management and Enterprise Services for  
15 approval and payment.

16 F. The State Commissioner of Health may promulgate rules as  
17 necessary to implement this section.

18 SECTION 2. This act shall become effective July 1, 2024.

19 SECTION 3. It being immediately necessary for the preservation  
20 of the public peace, health or safety, an emergency is hereby  
21 declared to exist, by reason whereof this act shall take effect and  
22 be in full force from and after its passage and approval.

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