

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 846

Short Title: Hospital Authority Changes.

(Public)

Sponsors: Senators Rauch; and Odom.

Referred to: Human Resources.

April 11, 1989

A BILL TO BE ENTITLED

AN ACT TO ALLOW A HOSPITAL AUTHORITY TO ESTABLISH BRANCH FACILITIES OUTSIDE THE BOUNDARIES OF ITS ESTABLISHING GOVERNMENTAL ENTITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131E-20 reads as rewritten:

**"§ 131E-20. Boundaries of the authority.**

(a) The territorial boundaries of a hospital authority shall include the city or county creating the authority and the area within 10 miles from the territorial boundaries of that city or county. In no event shall the territorial boundaries of a hospital authority include, in whole or in part, the area of any previously existing hospital authority. All priorities shall be determined on the basis of the time of issuance of the certificates of incorporation by the Secretary of State.

(b) After the creation of an authority, the subsequent existence within its territorial boundaries of more than one city or county shall in no way affect the territorial boundaries of the authority.

(c) Notwithstanding the territorial boundaries established by subsection (a) of this section, a hospital authority may establish branch facilities outside the city or county creating the authority as provided in G.S. 131E-35; provided, however, that, in no event shall the territorial boundaries of a hospital authority include, in whole or in part, the area of any previously existing hospital authority."

Sec. 2. Part B of Article 2 of Chapter 131E of the General Statutes is amended by adding a new section to read:

**"§ 131E-35. Branch facilities.**

1 Notwithstanding anything in this Article, any hospital authority owning and  
2 operating a hospital organized under the provisions of this Article may erect, remodel,  
3 enlarge, purchase, finance, and operate branches and related facilities outside the  
4 territorial boundaries of the city or county creating the authority, subject to the  
5 following limitations:

- 6 (1) No moneys derived from the exercise by the city or county creating the  
7 authority of its power of taxation shall be expended on facilities  
8 located outside its boundaries;
- 9 (2) No moneys derived from the issuance by the city or county creating  
10 the authority of its bonds or notes shall be expended on facilities  
11 located outside its boundaries;
- 12 (3) The city or county creating the authority shall not possess the power of  
13 eminent domain or have the right of condemnation with respect to  
14 hospital facilities located outside its boundaries;
- 15 (4) The power conferred on counties by G.S. 153A-169 and G.S. 153A-  
16 170 to adopt ordinances regulating the use of county-owned property  
17 and parking on county-owned property shall not extend to hospital  
18 facilities located outside its boundaries unless the board of  
19 commissioners of the county in which the facility is located shall by  
20 resolution permit any such ordinance to be applicable within its  
21 jurisdiction;
- 22 (5) The city or county creating the authority shall not be liable, by virtue  
23 of operating hospital facilities outside its boundaries, for the cost of  
24 medical care of indigent people who are legal residents of some other  
25 city or county; and
- 26 (6) The authority granted by this section may not be exercised by any  
27 hospital authority that has within the borders of its creating county four  
28 or more incorporated municipalities that qualify to receive funds under  
29 G.S. 136-41.2."

30 Sec. 3. This act is effective upon ratification.