

CHAPTER 48
SENATE BILL No. 152

AN ACT relating to district hospitals; relating to the sale of property; providing a limited authority to mortgage property; amending K.S.A. 80-2520 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 80-2520 is hereby amended to read as follows: 80-2520. (a) *Except as provided in subsection (c)*, the board of any hospital is hereby authorized to: (1) Sell personal property of the hospital in the value of less than \$10,000, either in the open market or upon bids in the manner provided in subsection (b); and

(2) subject to the provisions of subsection (b), sell and convey any real or personal property of the hospital in the value of \$10,000 or more.

(b) Before selling and conveying any real or personal property designated in provision (2) of subsection (a), the board shall negotiate a sale thereof and no such sale shall be completed and conveyance made until: (1) The board has solicited sealed bids by public notice inserted in one publication in a newspaper of general circulation in the taxing district of the hospital and such sale shall be to the highest responsible bidder after such notice, except such board may reject any or all bids, and, in any such case, new bids may be called for as in the first instance; and (2) the bid has been accepted and a resolution accepting the same has been made a part of the records of the board. Thereupon, the board, by its chairperson and secretary, is hereby authorized to make, execute and deliver a good and sufficient deed or deeds of conveyance to the purchaser or purchasers thereof.

(c) (1) *In lieu of following the procedures established in subsection (a), the board may adopt a resolution establishing an alternate methodology for the disposal of property. Such alternate methodology for the disposal of property shall contain, at a minimum, procedures for:*

(A) *Notification of the public of the property to be sold;*

(B) *describing the property to be sold;*

(C) *the method of sale, including, but not limited to, fixed price, negotiated bid, sealed bid, public auction or auction or any other method of sale which allows public participation; and*

(D) *public notice inserted in one publication in a newspaper of general circulation in the taxing district of the hospital.*

(2) *Any methodology for the disposal of property established pursuant to this subsection may contain different procedures for real property and personal property.*

(d) *Notwithstanding any provision of article 25 of chapter 80 of the Kansas Statutes Annotated, and amendments thereto, to the contrary, the board of a hospital district is hereby authorized to obtain financing for the construction of a hospital facility to be located in the hospital district, secured by a mortgage on any or all hospital property, provided such mortgage is insured pursuant to the United States department of housing and urban development's mortgage insurance program, section 242 of the national housing act, 12 U.S.C. 1715z-7, section 242, as amended.*

Sec. 2. K.S.A. 80-2520 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

Approved April 4, 2005.

Published in the *Kansas Register* April 14, 2005.
