§1051. Authority to create and alter the boundaries of districts
A. The police juries of parishes are authorized and empowered, upon their own initiative, to form and create one or more hospital service districts within the respective parishes, or with agreement among police juries concerned, to combine two or more parishes into a single hospital service district with such names as the police juries may designate, and, in so doing, police juries may create hospital service districts whose boundaries overlap those of other hospital service districts.

B. The police juries are further authorized and empowered, upon their own initiative, to alter the boundaries of any hospital service district, provided that no such boundary change shall cause an impairment of the obligations of any contract of the hospital service district.

C. Such creation of overlapping hospital service districts or the alteration of the boundaries of any hospital service district prior to July 31, 1968, are hereby expressly validated, ratified and confirmed.

D. The governing authority of Pointe Coupee Parish may rename the Pointe Coupee Parish Hospital Service District Number One as the Pointe Coupee Parish Health Services District Number One; in such case, such district and its commission shall continue to have all powers, duties, functions, and responsibilities as provided in this Chapter for hospital service districts, and their commissions and the parish governing authority shall continue to have all powers, duties, functions, and responsibilities as provided in this Chapter with respect to such district.

E. Notwithstanding the provisions of Subsections A and B of this Section, the governing authority of Ouachita Parish shall not abolish or alter the boundaries of Hospital Service District No. 1 of the Parish of Ouachita unless the abolition or alteration is approved by two-thirds of the full membership of the board of commissioners of the district and approved by a majority of the voters of the district, as the district existed on January 1, 1997, voting at an election held for the purpose of authorizing such abolition or alteration in accordance with the Louisiana Election Code. The parish governing authority or the board of commissioners may call an election for such purpose after the board of commissioners has voted for such approval as provided in this Subsection.


§1052. Objects of the districts
The objects and purposes of the hospital service districts and the governing bodies created under the provisions of this chapter shall be:

(1) To own and operate hospitals for the care of persons suffering from illnesses or disabilities which require that patients receive hospital care.

(2) To administer other activities related to rendering care to the sick and injured or in the promotion of health which may be justified by the facilities, personnel, funds and other requirements available.

(3) To promote and conduct scientific research and training related to the care of the sick and injured insofar as such research and training can be conducted in connection with the hospital.

(4) To participate so far as circumstances may warrant in any activity designed and conducted to promote the general health of the community.

(5) To cooperate with other public and private institutions and agencies engaged in providing hospital and other health services to residents of the district.


§1053. Commission; qualification of members; appointment; vacancies; compensation; removal of commissioners; certain powers
A. Any hospital service district formed or created under the provisions of this Chapter shall be governed by a board of five commissioners, hereafter referred to as commission, who shall be qualified voters and residents of the district. The commission shall be appointed by the police jury of the parish. Two of the first commissioners so appointed shall serve for two years, two for four years and one for six years.

B. (1) In the parish of St. Mary for Hospital Service Districts Numbers 1 and 2, the governing authority thereof may increase the number of commissioners to not more than seven members; in the parish of St. Helena, the governing authority thereof may increase the number of commissioners to not more than six members.
(2) In any district in which there are six commissioners, three of the first commissioners so appointed shall serve two years, two four years, and one six years. In any district in which there are seven commissioners, three of the first commissioners so appointed shall serve two years, three shall serve four years, and one shall serve six years.

(3) Notwithstanding any provision of this Section to the contrary, at the expiration of the terms of office of the commissioners of Hospital Service District Number 2 of St. Mary Parish serving on July 1, 1991, the successors shall be appointed for a term of four years in the same manner as the predecessor appointees were selected, and no commissioner shall serve for more than two consecutive four year terms.

(4)(a) In the parish of Iberia, the Iberia Parish Hospital Service District No. 1 shall be governed by a commission composed of nine members. The two additional members provided for by this Paragraph shall be appointed by the governing authority of Iberia Parish from applications submitted by the medical staff of the Iberia General Hospital and Medical Center only. The two additional members shall each serve an initial term of four years and their successors shall be appointed for four-year terms. Upon the expiration of the terms of the current board of commissioners in office on August 15, 1995, or in the case of a vacancy on the board of commissioners on or after August 15, 1995, each successor shall be appointed for a four-year term.

(b)(i) The terms of the members of the board of commissioners in office on July 1, 2001, shall expire as provided by law. Notwithstanding the provisions of Subparagraph (a) of this Paragraph or any other provision of this Section, the successor of each such member shall be appointed for a term established by the Iberia Parish Council. However, no such term shall exceed four years and the terms of not more than three such successors shall expire in any one year.

(ii) Upon the expiration of the terms established by the Iberia Parish Council for the successors appointed as provided in Item (i) of this Subparagraph, each member of the board of commissioners shall serve a four-year term.

(c) A vacancy that occurs prior to the expiration of a term shall be filled for the remainder of the unexpired term.

C.(1) At the expiration of their respective terms of office, the successors to such appointees shall be appointed within thirty days for six-year terms. The police juries shall fill vacancies in the same manner as the predecessor appointees were selected.

(b) Notwithstanding the provisions of this Paragraph, upon the expiration of a term of office of a commissioner of Hospital Service District No. 3 of Vermilion Parish, the term of office of his successors to the board of commissioners of said district shall be two years.

(2)(a) The parish governing authority of the parish in which the district is located may permit a per diem to each member of the commission in an amount of not less than twenty-five dollars nor more than forty dollars for each day of his attendance at meetings of the commission, not to exceed twelve meetings per year payable out of the funds of the hospital service district.

(b) Notwithstanding any other provision of law to the contrary, the parish governing authority of St. Mary Parish may permit a per diem to each member of the board of commissioners of Hospital Service District No. 2 of the parish of St. Mary in the amount provided in this Subsection for each day of attendance at meetings of the commission, not to exceed twenty-four meetings per year.

(c) The Caddo Parish governing authority may permit a per diem to each member of the commission of the North Caddo Hospital Service District in an amount of not less than twenty-five dollars nor more than one hundred dollars for each day of his attendance at meetings of the commission, not to exceed twelve meetings per year payable out of the funds of the hospital service district.

(d) The governing authorities of Calcasieu Parish and Cameron Parish may permit a per diem to each member of the commission of the Calcasieu Cameron Hospital Service District in an amount of not less than twenty-five dollars nor more than one hundred dollars for each day of his attendance at meetings of the commission, not to exceed twelve meetings per year payable out of the funds of the hospital service district.

(3) Any member of the commission may be removed from office for cause and his appointment rescinded by two-thirds vote of the elected membership of the parish governing authority which appointed him.

D.(1) The governing authority of the parish of Washington may increase to ten the number of commissioners for the Washington Parish Hospital Service District Number One. One commissioner shall be appointed from each of the eight wards in that district. One additional member shall be appointed from Ward Three. The other additional member shall be an active medical staff member of the Riverside Medical Center who is a resident of the district and who shall be recommended to the parish governing authority by the medical staff of the Riverside Medical Center for appointment. The term of the medical staff member shall be two years.

(2) Notwithstanding any other provision of this Section to the contrary, the governing authority of Washington Parish may permit a per diem to each member of the commission in an amount not to exceed seventy-five dollars for each day of his attendance at meetings of the commission not to exceed twelve regular meetings per year and twelve emergency meetings per year, payable out of funds of the hospital service district.

E. In the Parish of Ouachita, the Ouachita Parish Hospital Service District within which is situated the G. B. Cooley Hospital for Retarded Children, shall be governed by a board composed of seven members. One of the first additional commissioners so appointed shall serve for two years, and one for four years; thereafter, their terms shall be as provided in Subsection C of this Section.

F. In the parish of Richland, the Richland Parish Hospital Service District, within which is situated the Richland Parish Hospital, shall be governed by a board of commissioners composed of seven members. These two additional members shall be medical doctors. One of the first additional commissioners so appointed shall serve for two years, and one for four years; thereafter, their terms shall be as provided in Subsection C of this Section. The Richland Parish Hospital Service District Number 1-B, within which is situated the Richardson Medical Center in Rayville, shall be governed by a board of commissioners consisting of six members. One of the members shall be a physician selected by the staff of the Richardson Medical Center. Notwithstanding any other provision to the contrary, the parish governing authority of Richland Parish may permit a per diem to each member of the board of commissioners of the Richland Parish Hospital Service District in an amount of not less than twenty-five dollars nor more than fifty dollars for each day of his attendance at meetings of the commission, not to exceed twenty-four meetings per year payable out of the funds of the hospital service district.
G. The Hospital Service District Number One of the parish of Avoyelles shall be governed by a board of commissioners composed of seven members. One of the first additional commissioners so appointed shall serve for two years, and one for four years; thereafter, their terms shall be as provided in Subsection C of this Section.

H. In the parish of Allen, the governing authority thereof may increase the number of commissioners to not more than seven members. One of the first additional commissioners so appointed shall serve for two years, and one for four years; thereafter, their terms shall be as provided in Subsection C of this Section.

I. In the parish of Bienville, the governing authority thereof may increase the number of commissioners for the hospital service district therein to not more than seven. Of the commissioners so appointed, three shall serve an initial term of three years, three others shall serve an initial term of four years, and the other member shall serve an initial term of six years.

J. In the parish of Union, the East Union Parish Hospital Service District shall be governed by a board composed of seven commissioners appointed in such a manner that there shall be a resident of each of Wards One, Two, Five, Six, Seven, and Eight of the parish and one at-large member. Such at-large member shall be appointed by the board and shall serve an initial term of two years. The member from Ward One shall serve an initial term of four years. Thereafter, their terms shall be as provided in Subsection C of this Section. Board members serving on the effective date of this Subsection shall serve until the expiration of their terms, and their successors shall be appointed in such a manner that there shall be a resident of each of Wards Two, Five, Six, Seven, and Eight, all to serve terms as provided in Subsection C of this Section.

K.(1) In the parish of Vermilion, Hospital Service District No. 1 shall be governed by a commission composed of eight members. Each chief of the medical staff at the Abrom Kaplan Memorial Hospital shall be a member of the commission during his term in office. The other additional members provided for by this Paragraph shall be appointed for initial terms of six years each by the police jury of the parish of Vermilion and thereafter shall serve six-year terms.

(2) Notwithstanding any other provision of this Section to the contrary, the governing authority of Vermilion Parish may permit a per diem to each member of the commission in an amount not to exceed fifty dollars for each day of his attendance at meetings of the commission not to exceed twenty-four regular meetings per year and twelve special meetings per year, payable out of funds of the hospital service district.

L.(1) The Vermilion Parish Hospital Service District No. 2 shall be governed by a board of commissioners composed of seven members. One member shall be appointed by the parish governing authority from among the physicians who are residents of the district. If no physician is willing to serve, then the parish governing authority may appoint any person who is otherwise eligible to fill the office. Members appointed from among the physicians of the district and members appointed in place of such member shall serve two-year terms. All other members shall serve six-year terms.

(2) Notwithstanding any other provision of this Section to the contrary, the governing authority of Vermilion Parish may permit a per diem to each member of the commission in an amount not to exceed fifty dollars for each day of his attendance at meetings of the commission not to exceed twenty-four regular meetings per year and twelve special meetings per year, payable out of funds of the hospital service district.

M.(1) Notwithstanding any other provisions of this Chapter, any hospital service district formed or created in the parish of Terrebonne under the provisions of this Chapter shall be governed by a board composed of not less than five nor more than eleven commissioners, hereafter referred to as the commission or the board of commissioners, and the parish governing authority shall establish the exact number of commissioners and appoint them.

(2) Insofar as possible the initial commissioners shall be appointed with staggered terms so that a substantially equal number of commissioners are appointed for one- two- and three-year initial terms and if eleven commissioners are appointed four commissioners shall serve for a term of one year, four commissioners shall serve for a term of two years, and three commissioners shall serve for a term of three years; however, all commissioners shall serve subject to removal only upon a showing of just cause by the parish governing authority.

(3)(a) Upon the expiration of the term of a commissioner serving on August 15, 1997, a successor shall be appointed by the parish governing authority for a term of four years.

(b) No person who has been appointed to serve as a commissioner for more than two and one-half terms in three consecutive terms, which period of service began on or after August 15, 1997, shall be appointed for a succeeding term.

(4) If a vacancy occurs for any other reason, a successor commissioner shall be appointed by the parish governing authority for the remainder of the unexpired term.

(5) A commissioner shall hold office until his successor has been appointed and may succeed himself when so appointed by the parish governing authority subject to the limitation provided in Subparagraph (3)(b) of this Subsection.

(6) Each commissioner shall be a registered voter with a minimum of two years prior residency within the parish.

(7) Any board of commissioners in the parish of Terrebonne may contract with the Terrebonne Parish governing authority under the provisions of the Local Services Law and other constitutional and statutory authority with respect to the planning, financing, construction, maintenance, and operation of Terrebonne General Hospital, including but without limitation the issuance of bonds by the hospital district as authorized by law for financing any portion of project cost and the expenditure of hospital bond funds of the parish of Terrebonne, on such terms and conditions as the board of commissioners and the governing authority shall determine to be in the public interest.
N. (1)(a) The governing authority of the parish of Caddo may increase the number of commissioners for the North Caddo Hospital Service District therein to nine. The three additional commissioners so appointed shall each serve an initial term of up to four years.

(b) The initial terms of the three additional commissioners so appointed pursuant to Subparagraph (1)(a) of this Subsection shall terminate as follows: one shall terminate on July 1, 2003, one on July 1, 2004, and one on July 1, 2005; thereafter, each successor shall be appointed to a term of four years.

(c) The commissioners so appointed shall draw lots at the first meeting of the board to determine which commissioner shall serve for each of such initial terms.

(2)(a) The commissioners serving on August 15, 2001, shall continue to serve until the expiration of their current terms; thereafter, each successor of such members shall be appointed to a term of four years.

(b) In the event that a commissioner's position on the board should become vacant by reason of death, resignation, or otherwise, prior to the expiration of his term, such vacancy shall be filled for the remainder of the unexpired term.

(3) Notwithstanding any other provision of this Section, no person shall serve more than two consecutive terms. However, if a person has been appointed to fill less than one-half of an unexpired term, such person shall serve consecutively no more than two full terms in addition to such partial term. If a person has been appointed to fill more than one-half of an unexpired term, such person shall serve consecutively no more than one full term in addition to such partial term. At the conclusion of such service, a board member who becomes subject to any of these limitations shall not serve on the board for one year. Upon the expiration of one year, such member shall be eligible to serve again, subject to the same limitation.

O. The Acadia-St. Landry Hospital Service District shall be governed by a board of commissioners composed of six members. The additional commissioner herein provided for shall be appointed from the active medical staff serving the district. Notwithstanding the provisions of Subsection C, the additional commissioner so appointed shall serve a term of two years and his successors shall serve terms of two years. The terms of all other commissioners shall be as otherwise provided in this Section.

P. Notwithstanding any other provision to the contrary, the parish governing authority of Iberia Parish may permit a per diem to each member of the commission in an amount of not less than twenty-five dollars nor more than forty dollars for each day of his attendance at meetings of the commission not to exceed thirty-six meetings per year, payable out of the funds of the hospital service district.

Q. (1) Concordia Parish Hospital Service District Number One shall be governed by a board of commissioners composed of seven members. The two additional commissioners provided for by this Subsection shall be appointed initially by the governor. Each such appointment by the governor shall be submitted to the Senate for confirmation. One of the additional commissioners shall be appointed to serve an initial term of two years and one to an initial term of four years. The initial additional members appointed pursuant to this Subsection may be removed from office for cause and the appointment rescinded by the governor.

(2) Upon expiration of the term of each of the initial two additional commissioners appointed pursuant to this Subsection, the successors of one of such additional commissioners shall be appointed by the police jury of the parish and shall serve six-year terms and be subject to removal as provided in Subsection C of this Section. Each of the successors of the remaining additional commissioner shall be designated as the physician member. The police jury shall appoint the immediate past chief of staff of the hospital medical staff as the physician member. The term of the physician member shall be two years and the outgoing chief of staff shall be his successor. The physician member shall not be subject to the requirements of Subsection A of this Section that commissioners be qualified voters and residents of the district.

R. The Catahoula Parish Hospital Service District Number One shall be governed by a board of commissioners composed of seven members. The two additional commissioners provided for by this Subsection shall be appointed by the governing authority of Catahoula Parish, shall serve initial terms of six years each, and thereafter shall serve six year terms as provided in Subsection C of this Section.

S. The Catahoula Parish Hospital Service District Number Two shall be governed by a board of commissioners composed of seven members. The two additional members provided for by this Subsection shall be appointed by the governing authority of Catahoula Parish and shall serve initial terms of two years each, and their successors thereafter shall serve six-year terms as provided in Subsection C of this Section.

T. The Lower South Cameron Memorial Hospital Service District shall be governed by a board of commissioners composed of seven members. The two additional members provided for by this Subsection shall be appointed by the governing authority of Cameron Parish and shall serve initial terms of two years each, and their successors thereafter shall serve six-year terms as provided in Subsection C of this Section.

U. (1) The Natchitoches Parish Police Jury may increase the membership of the board of commissioners of the Natchitoches Parish Hospital Service District to not more than seven members. The two additional members provided for by this Subsection shall be appointed by the police jury for initial terms of six years each and their successors shall serve six-year terms.
(2) Notwithstanding any other provision of law to the contrary, three of the members appointed to the board of commissioners of Pointe Coupee Parish Hospital Service District Number One, or the Pointe Coupee Parish Health Services District Number One if the hospital service district is so renamed as provided in R.S. 46:1051(D), shall be governed by a board of commissioners composed of nine members. The additional commissioners provided for by this Subsection shall be appointed by the governing authority of Pointe Coupee Parish. Two of the additional commissioners so appointed shall serve initial terms of two years each, and two shall serve initial terms of four years each; thereafter, their successors shall serve six-year terms as provided in Subsection C of this Section.

(2) Notwithstanding any other provision of law to the contrary, three of the members appointed to the board of commissioners of Pointe Coupee Parish Health Services District Number One may be members of the governing authority of Pointe Coupee Parish.

W. The Rayne Branch Hospital Service District of the parish of Acadia shall be governed by a board of commissioners composed of seven members. The two additional members provided for by this Subsection shall be appointed by the governing authority of Acadia Parish and shall serve initial terms of six years each, and their successors thereafter shall serve six-year terms as provided in Subsection C of this Section.

NOTE: SUBSECTION X AS PER ACTS 1988, NO. 396, § 1 AND ACTS 1988, NO. 768, § 1:
X. The Plaquemines Parish Hospital Service District Number One shall be governed by a board of commissioners composed of nine members, one from each councilmanic district of Plaquemines Parish. Each such member shall be a qualified voter and resident of the district and shall be appointed by the Plaquemines Parish Council from nominations by the president of Plaquemines Parish. Such members shall serve terms concurrent with the terms of the Plaquemines Parish Council.

NOTE: SUBSECTION X AS PER ACTS 1988, NO. 876, § 1:
X. The board of commissioners of the Plaquemines Parish Hospital Service District Number One shall be composed of nine members, one from each of the Plaquemines Parish council districts, who shall be qualified voters and residents of the district, nominated by the parish president or parish council, and appointed by the Plaquemines Parish Council.

Y.(1) The Hospital Service District Number One of East Baton Rouge Parish shall be governed by a board of commissioners composed of nine members.

(2) The two members added to the board by Act 149 of the 2002 First Extraordinary Session shall be appointed by the parish governing authority and shall serve initial terms of four years each, and their successors shall serve four-year terms.

(3) The terms of the members of the board of commissioners in office on the effective date of this Paragraph shall expire as provided by law. The successors of each such member shall be appointed for four-year terms.

(4) At least one member of the board of commissioners shall be a practicing physician who resides in the district.

Z. The Merryville Hospital Service District of Beauregard Parish shall be governed by a board of commissioners composed of seven members. The two additional members provided for by this Subsection shall be appointed by the mayor and board of aldermen of the town of Merryville and shall serve initial terms of two years each, and their successors shall serve six-year terms.

AA. Notwithstanding any provision of this Section to the contrary, the Hospital Service District Number One of St. Landry Parish shall be governed by a board of commissioners composed of seven members. One additional commissioner provided for by this Subsection shall be appointed by the St. Landry Parish Police Jury and shall serve six-year terms and the other additional commissioner shall be the chief of the medical staff of the hospital located within said service district and shall serve a term concurrent with his term as chief of staff.

BB. In the parish of Jackson, the Jackson Parish Hospital Service District shall be governed by a commission composed of seven members. The additional members provided for by this Subsection shall be appointed by the police jury for initial terms of six years each and their successors shall serve six-year terms.

CC. Hospital Service District No. 1 of Assumption Parish shall be governed by a board of commissioners composed of seven members. The two additional members provided for by this Subsection shall be appointed by the parish governing authority and shall serve initial terms of two years. Such initial terms shall not begin prior to January 1, 1996. Successors to the two additional members shall serve six-year terms.

DD. (1) The Claiborne Parish Hospital Service District Number Three shall be governed by a board of commissioners composed of nine members. The governing authority of Claiborne Parish shall appoint the commissioners as follows:
(a) One member appointed from police jury district numbers one and two.
(b) One member appointed from police jury district numbers three and four.
(c) One member appointed from police jury district numbers five and six.
(d) One member appointed from police jury district numbers seven and eight.
(e) One member appointed from police jury district numbers nine and ten.
(f) Two members appointed, at large, from Claiborne Parish.
(g) Two physicians practicing medicine within Claiborne Parish.
services agreement may include a negotiated lease of the district's facilities where the agreement provides for permanent improvements in the parishes of Lafourche and Terrebonne and in Ward 11 of Jefferson Parish.

necessary or feasible to accomplish the objects and purposes set forth in R.S. 46:1052. The provisions of this Subsection shall not apply to contracts with the Department of Health and Hospitals; provided that prior to entering into any such special service agreement, both the service district, in a manner and for a purpose consistent with the types of services being provided by the licensed contractor under any contract with the Department of Health and Hospitals, whereby the licensed contractor will operate and manage all or any part of any facility owned by the hospital or hospitals, or any part thereof, under the control of the commission for the benefit of the hospital service district. Any special service agreement with any person, including but not limited to a hospital management firm or hospitals, to manage, operate, and administer a state of Louisiana.

B. In additional to the powers and duties set forth in Subsection A of this Section, the commission may enter into a special services agreement with any person, including but not limited to a hospital management firm or hospitals, to manage, operate, and administer a hospital or hospitals, or any part thereof, under the control of the commission for the benefit of the hospital service district. Any special services agreement may include a negotiated lease of the district's facilities where the agreement provides for permanent improvements to be made, constructed, or placed upon the leased facilities in the amount of not less than one million dollars, providing that the term of the lease shall not exceed fifty years, and the lessor shall reserve all mineral rights to any land involved. The term of all such negotiated leases in force on July 1, 1987, may be extended by an additional term not to exceed twenty years, on such terms and conditions as may be negotiated between hospital service districts and their respective lessees. Any lease may be mortgaged, pledged, hypothecated, subleased, transferred, or assigned only for the purpose of financing the permanent improvements. The notice of intent to enter into a special services agreement shall be published in the official journal at least sixty days prior to the effective date of the contract. However, any such hospital service district, including any such district which has contracted with an association or entity primarily engaged in the operation of hospitals to manage, operate, and administer a hospital or hospitals within the hospital service district, shall be considered a public entity as defined under the provisions of R.S. 38:2211(A)(1) and all construction work undertaken shall be performed in accordance with the provisions of R.S. 38:2212. The provisions of this Subsection shall not apply to any facility of the charity hospital system of the state of Louisiana.

C. With approval of the police jury, a commission may without the necessity of competitive bidding or competitive negotiations also enter into special service agreements with any person who is a licensed contractor operating under any contract with the Louisiana Department of Health and Hospitals, whereby the licensed contractor will operate and manage all or any part of any facility owned by the hospital service district, in a manner and for a purpose consistent with the types of services being provided by the licensed contractor under any contract with the Department of Health and Hospitals; provided that prior to entering into any such special service agreement, both the police jury and the commission must find that continued operation of all or any part of such facility for hospital purposes is no longer necessary or feasible to accomplish the objects and purposes set forth in R.S. 46:1052. The provisions of this Subsection shall not apply in the parishes of Lafourche and Terrebonne and in Ward 11 of Jefferson Parish.

§1056. Hospital director
A. The commission, with the approval of the medical staff, shall enter into a formal written employment agreement with a hospital director, hereafter referred to as "director" who has had experience in the field of hospital administration and is familiar with the principles and methods of hospital and institutional care. He shall be a full-time employee of the district or of the hospital management firm and shall receive a salary fixed by the commission.

B. If the director and commission enter into a formal written employment agreement, notwithstanding any law to the contrary, such agreement shall bind both parties to its terms. Such written agreement shall provide for a fixed term of employment, specify the director's duties, and be renewable for an additional term or terms at the pleasure of the commission. In the absence of a formal written employment agreement, the director shall serve at the pleasure of the commission.

C. If a director is found incompetent, inefficient, or unworthy during the term of a written employment agreement, he shall be removable for such cause by a majority vote of the commission at any regular meeting for which the removal appears on the agenda or any special meeting after due notice. The written employment agreement shall also specify that the commission shall give the director official warning and a reasonable opportunity to correct the indicated deficiencies prior to the commission's termination of the agreement.


§1057. Duties of director
In addition to the duties imposed upon him by other provisions of this chapter, it shall be the duty of the director:
(1) To attend all meetings of the commission and to act as secretary and keep the official minutes of the proceedings.

(2) With the consent of the commissioners, and subject to such budgetary limitations and any civil service laws in effect, the director shall have power to establish positions and to make appointments thereto; to establish rates of pay; to abolish positions; to transfer duties among positions; to assign duties to, direct and control the work of, and transfer, promote, demote, remove and otherwise change the status of employees of the district.

(3) To make and publish such reports regarding the work of the district as may be required by law, or which he may be directed to make by the commission.

(4) To see that the policies relating to the conduct of the affairs of the district which have been established by the commission are carried out.

(5) To cooperate with the medical staff in the performance of the policies which it may establish.

(6) To prepare an annual budget for approval by the commission and the police jury.

(7) To recommend to the commission the scale of rates to be charged for services rendered by the district.

(8) To provide for adequate medical records and reports.

(9) To control and direct all business affairs of the district. By way of extension and not of limitation, these duties shall include the keeping of the accounts of the district, making necessary purchase of equipment, supplies and materials, making major and minor repairs to physical facilities.

(10) To receive and receipt for and keep a correct accounting of all gifts, bequests, grants-in-aid, and other revenues received by the district and with the consent of the commission, to expend the proceeds of all such gifts, bequests, grants-in-aid and other revenues for the purpose designated in this chapter and subject to any conditions that may be imposed in any act of donation or any law providing grants-in-aid or other revenues for such purpose.

(11) To perform any other duties and functions which he or the commission consider necessary or desirable to carry out the purposes of this chapter.


§1058. Medical staff
The commission shall appoint a medical staff. Such appointments shall be made upon the recommendations of the physicians who are authorized to practice within the hospital.
It shall be the duty of the medical staff:
(1) To provide professional care of the sick and injured in the hospitals;

(2) To give advice and assistance to the commission and director relating to standards of operation and professional problems;

(3) To participate in the educational activities of the district;
(4) To promulgate rules and regulations for the conduct of the medical staff for approval of the commission;

(5) To elect annually one of its members as chief of staff and to elect from its members the heads of any specialized services of the hospital; and

(6) To approve the appointment of the hospital director made by the commission.


§1059. Petition for organization of district
Upon failure or refusal of the police jury of any parish to organize a hospital service district, they are hereby required to and shall form such district when petitioned to so do upon petition presented to the police jury, signed by not less than twenty-five persons owning or assessed for lands in said districts. In presenting such petition to the police jury, such petition shall set forth substantially the boundaries of the district which is proposed to be organized.


§1060. District to constitute body corporate; powers
Any hospital service district thus created and named by any police jury or any parish in the state shall constitute a body corporate in law with all the powers of a corporation, shall have perpetual existence, shall have the power and right to incur debts and contract obligations, to sue and be sued, and to do and perform any and all acts in its corporate capacity and its corporate name necessary and proper for the carrying out of the objects and purposes for which the hospital service district was created. Such hospital service district shall have the right and power of expropriating property for the purpose of acquiring land for any purpose that it may find necessary in the operation of a hospital service district and may require by donation or purchase, any existing hospital facility in the district. It shall also have the power and authority to acquire any and all necessary equipment and buildings for the purpose of performing the objects for which it is formed, and shall own all sites and physical facilities which are acquired either by donation, purchase, expropriation, exchange and otherwise in full ownership.


§1061. Procedure in organizing district
In the creation of a hospital service district, the police jury shall at the same time designate a time and place for the first meeting of the said commission, the meeting to take place within sixty days from the date of their appointment. At the first meeting of the commission, they shall proceed to organize by electing a chairman and a vice chairman.

It shall be the duty of the chairman to preside over the meeting of the commission and to perform such other duties as are usually required of presidents or chairmen of the other corporate bodies. It shall be the duty of the vice chairman to act in the absence of the chairman and in case of the disability of the chairman to act.

The commission shall elect the director of the hospital who shall serve as secretary and treasurer for the commission. The director shall furnish a surety bond in a sum equal to the amount of taxes collected in said district during any one year. The premium on this bond shall be paid by the hospital district out of its funds. The commission shall have authority to fix his salary and define his authority and duties not otherwise provided in this chapter. The director shall devote his entire time to said office and shall hold his office at the pleasure of the commission.


§1062. Rules and regulations; contracts
The hospital district or the commission of the hospital district shall have the power, and it shall be their duty to adopt rules and regulations for the proper conduct and operation of any hospital or medical facilities under its administration. They shall have the power and authority to enter into contracts for the construction of hospitals and medical facilities necessary for the administration of services for their district.


§1062.1. Contracts; Tensas Parish
Notwithstanding any other provision of law of this chapter or any other law to the contrary, the police jury of Tensas Parish shall have the power and authority to enter into contracts for the construction of hospitals and medical facilities necessary for the administration of services for their district, and such construction shall be under the authority and administration of said police jury.


§1063. Domicile; service of citation
The police jury creating a hospital service district, with corporate powers, shall designate the domicile of such corporation, at which domicile it shall be sued and service of citation made on the director, and in his absence, upon the chairman of the commission, and in his or their absences, then upon the vice chairman of the commission; provided that in fixing the domicile of the district the police jury shall at all times fix the same at some place within the district.

§1064. Districts as political subdivisions; acquisition of land and physical facilities; special maintenance taxes; incurring debt; bonds; audits
A. The hospital service districts as defined in R.S. 46:1072 are hereby declared to be political subdivisions of the state, and for the purpose of purchasing and acquiring lands and purchasing, acquiring, constructing and maintaining hospitals, nursing homes, physicians and dentists offices, laboratories, and other physical facilities necessary to carry out the purposes of this Chapter. Title to such land and physical facilities shall be in the public. Such districts shall be subdivisions of the state of Louisiana within the meaning of the laws of Louisiana relating to the voting and levy of special maintenance taxes incurring debt and issuing bonds therefor, including particularly but without limitation R.S. 39:504.1, 515-518, 551-571, 575-577, 611-617, 701-706, and 911, and shall be authorized to issue hospital revenue bonds pursuant to R.S. 39:559.1 and 1011-1024, and as otherwise permitted by law. Hospital service districts are hereby further authorized to issue bonds pursuant to the foregoing to refund outstanding bonded indebtedness whether issued by such hospital service district or by another political subdivision of the state on behalf of such hospital service district or in respect of any hospital facilities owned or operated by any such hospital service district.

B. Each district shall cause to be conducted annually, by a duly qualified certified public accountant, an audit and examination of its books and accounts, said audit to be filed with the legislative auditor within six months after the close of the period audited. The legislative auditor shall have the authority to prescribe the terms and conditions of any such audit conducted by a certified public accountant and to require the district to present said terms and conditions to him for approval prior to the commencement of said audit. The legislative auditor shall have access to the working papers of the accountant during the examination and subsequent to its termination. The legislative auditor is authorized to conduct an independent audit and examination of the books and accounts of any hospital service district pursuant to R.S. 24:513.


§1064.1. Hospital Service District No. 1 of Terrebonne Parish; sale or lease of hospital
A.(1) Sale of hospital. Notwithstanding any provision of law to the contrary, the sale of Terrebonne General Medical Center, hereinafter the "hospital", by Hospital Service District No. 1 of Terrebonne Parish, hereinafter the "district", shall be in accordance with the provisions of this Subsection. The provisions of this Subsection shall apply to the sale of the hospital pursuant to authority granted by R.S. 33:4341 and R.S. 46:1053(M) and any other authority granted by law.

(2) In order to be eligible for consideration by the board of commissioners of the district, hereinafter the "district governing authority", an offer for the purchase of the hospital shall meet all of the following requirements:
(a) The offer shall be in writing and shall be signed by the person or entity making the offer.
(b) The offer shall contain a complete and detailed statement of all terms and provisions of the sale and shall identify the offeror by giving the full name, address, and type of business entity of the offeror.
(c) The offer shall be accompanied by a certified check for one hundred thousand dollars, as a guaranty of good faith, which check shall be forfeited to the district if the proposed sale is approved but the proponent does not consummate the sale.

(3) When an offer is submitted to the district governing authority in accordance with Paragraph (2) of this Subsection, the affirmative vote of not less than two-thirds of the full membership of the district governing authority shall be required for the district governing authority to accept the offer, which acceptance shall be conditioned upon the approval of the parish governing authority and the voters of the district as provided for in this Subsection. If the district governing authority so votes to accept the offer, it shall recommend the sale of the hospital to the governing authority of the parish for approval. The district governing authority may convene in executive session to consider an offer if the district governing authority determines that such consideration is part of its strategic marketing plan and therefore an executive session is authorized by R.S. 46:1073.

(4) When an offer is submitted to the parish governing authority in accordance with Paragraph (3) of this Subsection, the following shall apply:
(a) Notwithstanding the provisions of R.S. 42:4.1 et seq. or any other law to the contrary, the parish governing authority may convene in executive session for the sole purpose of considering the approval of the acceptance of the offer.
(b) The parish governing authority shall not vote to place a proposition on the ballot until the parish governing authority holds a public hearing on the question. If an executive session is held pursuant to Subparagraph (a) of this Paragraph, the public hearing shall be held no sooner than two weeks after the first such executive session on the question.
(c) The question of acceptance of the offer shall not be submitted to the district voters pursuant to Subparagraph (d) of this Paragraph unless submission is approved by vote of not less than two-thirds of the full membership of the parish governing authority.
(d) If the parish governing authority votes in the affirmative to approve the acceptance of the offer by not less than two-thirds of its full membership, the parish governing authority shall submit a proposition to approve the sale of the hospital to the voters of the district in an election held for that purpose.

(5) The district shall sell the hospital in accordance with the offer only if the proposed sale is approved by a majority of the qualified electors of the district voting on the proposition at an election held for that purpose and conducted in accordance with the Louisiana Election Code and at which election voter turnout in the district is not less than fifty percent of the registered voters.

B.(1) Lease of hospital. Notwithstanding any provision of law to the contrary, no lease of the controlling interest of the hospital by the district shall be authorized unless all of the provisions of this Subsection have been complied with.

(2) In order to be eligible for consideration by the district governing authority, an offer for the lease of the controlling interest of the hospital shall meet all of the following requirements:
(a) The offer shall be in writing and shall be signed by the person or entity making the offer.
(b) The offer shall contain a complete and detailed statement of all terms and provisions of the lease and shall identify the offeror by
giving the full name, address, and type of business entity of the offeror.
(c) The offer shall be accompanied by a certified check for one hundred thousand dollars as a guaranty of good faith, which check
shall be forfeited to the district if the proposed lease is approved but the proponent does not consummate the lease.

(3) When an offer is submitted to the district governing authority in accordance with Paragraph (2) of this Subsection, the affirmative vote
of not less than two-thirds of the full membership of the district governing authority shall be required for the district governing
authority to accept the offer, which acceptance shall be conditioned upon the approval of the governing authority of the parish as
provided for in this Subsection. If the district governing authority so votes to recommend acceptance of the offer, it shall recommend
the lease to the governing authority of the parish for approval. The district governing authority may convene in executive session to
consider the offer if the district governing authority determines that such consideration is part of its strategic marketing plan and
therefore an executive session is authorized by R.S. 46:1073.

(4) When an offer is submitted to the parish governing authority for approval in accordance with Paragraph (3) of this Subsection, the
following procedures shall be followed:
(a) Notwithstanding the provisions of R.S. 42:4.1 et seq. or any other law to the contrary, the parish governing authority may
convene in executive session for the sole purpose of considering the approval of the offer.
(b) The parish governing authority shall not vote to approve a proposition for the lease of the controlling interest of the hospital until it
holds a public hearing on the question. If an executive session is held pursuant to Subparagraph (a) of this Paragraph, the
public hearing shall be held no sooner than two weeks after the first such executive session on the matter.
(c) The acceptance by the district of the offer to lease the hospital shall not be approved by the parish governing authority unless the
approval is concurred in by a majority of the full membership of the parish governing authority.

(5) The provisions of this Subsection shall not apply to the lease of property by the district which constitutes less than the controlling
interest of the hospital, and shall not apply to the lease of incidental property for the provision of incidental, integral, or supplemental
functions such as treatment modalities, food services, or concession areas, nor shall it preclude the lease of medical office buildings
and facilities associated with such buildings pursuant to and in accordance with R.S. 46:1074.

C. (1) Proceeds. All proceeds from a sale or lease of Terrebonne General Medical Center shall be placed in a permanent endowment
trust. The proceeds of the sale or lease shall constitute the principal of such trust and shall remain permanently endowed, in
perpetuity, and shall not be removed from trust for any purpose except by a two-thirds vote of the district governing authority and a
two-thirds vote of the parish governing authority to purchase Terrebonne General Medical Center or to build a hospital or medical
center consistent with the objects and purposes of the hospital service district as set forth in R.S. 46:1051 et seq.

(2) The endowed sale or lease proceeds described in Paragraph (1) shall constitute the principal of the trust, and the sole principal
beneficiary of such trust shall be Hospital Service District No. 1 of Terrebonne Parish. All income which accrues on such principal
during the first four years following the sale or lease of Terrebonne General Medical Center shall be added to the principal, or
corpus, of the trust and shall be endowed and disposed of only in accordance with the provisions of Paragraph (1).

(3) Beginning with the fifth year of the existence of the trust and every year thereafter twenty-five percent of all income earned by
the endowed principal shall be added to the endowed principal of the trust.

(4) (a) Beginning with the fifth year of the existence of the trust, and every year thereafter, the district governing authority acting as a board
of trustees for the endowment trust may expend available funds for projects and undertakings within the hospital service district
which are consistent with the objects and purposes of the district as set forth in R.S. 46:1051 et seq.
(b) The district governing authority, with a two-thirds vote, may expend up to five percent of available revenues for emergencies
affecting the parish governing authority, the parish school board, the Terrebonne Parish Levee and Conservation District, or
any levee district with jurisdiction completely within the parish if such expenditure is pursuant to a cooperative endeavor
between the district governing authority and the appropriate political subdivision.
(c) Any available funds not used for stated purposes within three years shall be returned to the endowment fund and added to the
principal of the trust.


§1064.2. Hospital service districts in Jefferson Parish; sale or lease of hospitals
A. Notwithstanding any provisions of law to the contrary, the sale or lease of any hospital owned by a hospital service district in Jefferson
Parish shall be in accordance with the provisions of this Section. The provisions of this Section shall apply to the sale or lease of a hospital
pursuant to authority granted by R.S. 33:4341 and any other authority granted by law.

B. The governing authority of the hospital service district shall submit a proposition to approve the sale or lease of the hospital to the
voters of the hospital service district in an election held for that purpose.

C. The hospital service district shall sell or lease the hospital only if the proposed sale or lease is approved by a majority of the qualified
electors of the hospital service district voting on the proposition at an election held for that purpose and conducted in accordance with the
Louisiana Election Code.


§1065. Election on question of incurring debt, issuing bonds, and levying special tax
Whenever an election shall be called by the governing body of the district for the purpose of submitting to the qualified electors of any
hospital service district the question of incurring debt and issuing bonds for the purpose of acquiring property to be used for hospital
purposes, the governing body of the district may in the same election submit to the qualified electors of the district, in the manner provided
by Part II of Chapter 4 of Title 39 of the Louisiana Revised Statutes, a proposition to levy a special tax not to exceed five mills on the dollar for a period not to exceed ten years for the purpose of constructing, maintaining and operating the district's hospital facilities.


§1066. Federal and state aid
Hospital service districts created hereunder shall have full power to do such things and enter into such contracts and agreements with the United States of America or with any state or federal agency or instrumentality as may be necessary to procure aids and grants to assist such districts in carrying out the purposes for which they are created.


§1067. Districts comprising all or portions of two or more parishes; cooperative agreements
If and when conditions warrant the creation of a hospital service district which comprises all or portions of two or more parishes, the police juries of the parishes to be included in the district shall have full authority to enter into the necessary agreements to establish the district on a cooperative basis, subject to the following conditions:

(1) Each police jury shall, subject to other laws which may be in effect, exercise full discretion on whether it shall enter into such cooperative agreement.

(2) Each police jury shall have authority to appoint commissioners for the district as nearly as possible in proportion to the assessed valuation of the property of the parish in the district.

(3) Each police jury shall receive such reports as are necessary on the entire operations of the district.

(4) Each police jury shall have the authority to review the work of the entire district to the same extent as is authorized herein when the entire district is within the parish.

(5) The police juries have authority to appoint committees composed of its members who reside within the hospital district to review the work of the district and make recommendations to the police juries involved.


§1068. Retirement system
Hospital service districts created hereunder acting through the governing authority thereof, shall have full power to establish and maintain actuarially sound pension and retirement systems in the benefits of which shall be included all appointive officers and employees of such districts. All officers and employees of any such district who are already or who will be included by reason of their employment in the benefits of any other pension and retirement system heretofore established by laws other than the Federal Social Security Act, shall be excluded from the benefits of the pension and retirement system established as authorized herein, and nothing herein contained shall be held or construed as affecting the provisions of such other pension and retirement system laws. When any actuarially sound pension and retirement system is established by the adoption of an ordinance or ordinances by commission of any hospital service district hereunder, such pension and retirement system shall in all respects have the force and effect of law. Hospital service districts hereunder may make contributions into the said pension and retirement systems out of available funds of the said districts, and may make contracts of insurance with any insurance company legally authorized to do business in this state, insuring its officers and employees under policies of group insurance covering hospitalization, pension, and retirement for such officers and employees, and may agree to match payments of officers and employees for the premiums and charges for any such contracts payable out of the funds of the said district. Districts may enter into such other contracts, including Trust Agreements with banks having trust powers, which contracts are necessary and incidental to creating and maintaining an actuarially sound pension and retirement system.

Added by Acts 1964, No. 486, § 1.

§1068.1. Employee insurance plans; payment by hospital service districts
A. Notwithstanding the provisions of R.S. 33:5151 and R.S. 42:851, a hospital service district may pay, on behalf of its directors, officers, and employees, the full cost of coverage, whether through a self-funded plan, a contract with an insurer, or otherwise, for life, health, and accident insurance.

B. A hospital service district may pay, on behalf of its directors, officers, and employees, the full cost of coverage, except for any required copayment of health care benefits, provided by a health maintenance organization.


§1069. Hospital service district hospitals; contracts for materials, services, or supplies
Hospital service district hospitals may contract for materials, services, or supplies under a shared service or group purchasing arrangement with other hospitals, public and/or private, subject to the provisions of R.S. 38:2212.