

ASSEMBLY BILL

No. 130

Introduced by Assembly Member Alejo

January 15, 2013

An act to amend Section 32121.5 of the Health and Safety Code, relating to health care districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 130, as introduced, Alejo. Health care districts: chief executive officers: benefits.

The Local Health Care District Law governs the organization and management of local health care districts, formerly known and sometimes referred to as local hospital districts. Among other things, that law authorizes the board of supervisors of a local health care district to establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to, retirement programs, services, and facilities. The law also authorizes a local health care district to enter into a written employment contract with a chief executive officer.

This bill would prohibit a local health care district from entering into, or renewing, an employment contract with a chief executive officer on or after January 1, 2014, that authorizes retirement plan benefits to be paid to the chief executive officer prior to his or her retirement. The bill would also make nonsubstantive, technical and clarifying changes.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 32121.5 of the Health and Safety Code
2 is amended to read:

3 32121.5. Notwithstanding any other provision of this division,
4 ~~a local hospital health care~~ district may enter into a contract of
5 employment with ~~a hospital administrator, the duration an~~
6 *individual to be its chief executive officer if both of the following*
7 *apply:*

8 (a) ~~The term of which shall the contract does not exceed four~~
9 ~~years, but which. The contract may periodically be renewed upon~~
10 ~~expiration for a term of not more than four years.~~

11 (b) *A contract entered into, or renewed, on or after January 1,*
12 *2014, shall not authorize retirement plan benefits to be paid to the*
13 *chief executive officer prior to his or her retirement.*