

76-3309. Transfer or lease of hospital assets to authority from regents; compensation of authority for service by medical center; agreement; liabilities. (a) Following the creation of the authority and on the transfer date or transfer dates under this act, the regents shall have the authority to lease, convey, or otherwise transfer to the authority some or all hospital assets, except land which may be leased to the authority for a nominal amount for a term not to exceed 99 years. Any such lease, conveyance or transfer shall be on such terms as may be approved by the regents, in exchange for the authority's agreement to assume the hospital obligations and to support the education, research, patient care, care to the medically indigent and public service activities of the university of Kansas medical center. The authority may be compensated by the university of Kansas medical center for such services from moneys appropriated by the legislature to the university of Kansas medical center for such purposes or directly to the authority for such services.

(b) Any such lease, conveyance or transfer of hospital assets to the authority shall be conditioned upon the existence of a binding agreement between the regents and the authority which provides that effective on the transfer date under this act and thereafter, the authority shall assume responsibility for and shall defend, indemnify and hold harmless the regents and the state and the university of Kansas and its officers and directors with respect to:

(1) Liabilities and duties of the regents pursuant to contracts, agreements and leases for commodities, services, and supplies utilized by university hospital, including real property leases;

(2) claims related to the employment relationship between employees of the authority and the authority on and after the transfer date under this act;

(3) claims for breach of contract resulting from the authority's action or failure to act on and after the transfer date under this act; and

(4) claims related to the authority's errors and omissions including, but not limited to: Medical malpractice; directors and officers liability; workers' compensation; automobile liability; and premises, completed operations and products liability.

(c) Any lease, conveyance or transfer of hospital assets to the authority shall be further conditioned upon the existence of a binding agreement between the regents and the authority by which the authority shall accept and agree to abide by the provisions set forth in K.S.A. 2016 Supp. 76-3302, and amendments thereto, concerning the mission of the authority and the provisions in K.S.A. 2016 Supp. 76-3311, and amendments thereto, concerning employees of the university hospital.

(d) Any disputes that arise in the transfer of property from the university to the authority shall be resolved by the governor.

History: L. 1998, ch. 12, § 9; Feb. 26.