MISSISSIPPI LEGISLATURE
REGULAR SESSION 2007

By: Representative Warren
To: Public Health and Human Services

HOUSE BILL NO. 555

AN ACT TO REENACT SECTIONS 41-3-1 THROUGH 41-3-19,
MISSISSIPPI CODE OF 1972, WHICH CREATE THE STATE BOARD OF HEALTH
AND THE STATE DEPARTMENT OF HEALTH AND PRESCRIBE THEIR POWERS AND
DUTIES; TO AMEND SECTION 41-3-20, MISSISSIPPI CODE OF 1972, TO
EXTEND THE REPEALER ON THE STATUTES WHICH CREATE THE STATE BOARD
OF HEALTH AND THE STATE DEPARTMENT OF HEALTH AND PRESCRIBE THEIR
POWER AND DUTIES TO JUNE 30, 2009; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 41-3-1, Mississippi Code of 1972, is
reenacted as follows:

41-3-1. (1) The present members of the State Board of
Health shall continue to serve until their terms expire. As a
board member's term expires, the new appointee shall be selected
based on the following consideration of an appointee's residence
so that by July 1, 2008, the board shall be reconstituted as
follows:

There is hereby created the State Board of Health which shall
consist of thirteen (13) members, appointed by the Governor with
the advice and consent of the Senate, as hereinafter set forth:
(a) twelve (12) of the members of the board shall be selected
according to the congressional districts as constituted on January
1, 2003, each congressional district being represented by three
(3) members, and (b) one (1) member of the board shall be selected
from the state at large. The members so appointed shall either be
engaged professionally in rendering health services or shall be
consumers of health services who have no financial interest in any
provider thereof. All appointees shall be persons knowledgeable
in at least one (1) of the matters of jurisdiction of the board.
Appointees who are selected because they engage professionally in
rendering health services shall be selected to represent a wide range of interests in the area of rendering health services. Nine (9) members shall be persons engaged professionally in rendering health services, and of those nine (9) members (a) no more than four (4) may be engaged professionally in rendering the same general type of health services or possess the same type of professional license and (b) no two (2) members may be associated or affiliated with, or employed by, the same entity or employer. It is the intent of the Legislature that the membership of the board reflect the population of the State of Mississippi.

(2) A member of the board shall serve for a term of six (6) years from the expiration of the previous term and thereafter until his or her successor is duly appointed. Vacancies in office shall be filled by appointment of the Governor in the same manner as the appointment to the position which becomes vacant, subject to the advice and consent of the Senate at the next regular session of the Legislature. An appointment to fill a vacancy other than by expiration of a term of office shall be for the balance of the unexpired term and thereafter until his or her successor is duly appointed.

SECTION 2. Section 41-3-3, Mississippi Code of 1972, is reenacted as follows:

41-3-3. Each person appointed as a member of the State Board of Health shall immediately take the oath prescribed by Section 268 of the Constitution and file a certificate thereof in the Office of the Secretary of State. Thereupon a commission shall be issued to him under the terms as specified in Section 41-3-1.

SECTION 3. Section 41-3-4, Mississippi Code of 1972, is reenacted as follows:

41-3-4. (1) There shall be a chairman and vice chairman of the State Board of Health elected by and from its membership at the first meeting of the board; and the chairman shall be the presiding officer of the board. The board shall adopt rules and
regulations governing times and places for meetings, and governing
the manner of conducting its business. Any member who shall not
attend three (3) consecutive regular meetings of the board shall
be subject to removal by a majority vote of the board members.
All meetings of the board shall be called by the chairman or by a
majority of the members of the board, except the first meeting of
the original appointees which shall be called by the Governor.

(2) The members of the board shall receive no annual salary
but shall receive per diem compensation as is authorized by law
for each day devoted to the discharge of official board duties and
shall be entitled to reimbursement for all actual and necessary
expenses incurred in the discharge of their duties, including
mileage as authorized by Section 25-3-41.

SECTION 4. Section 41-3-5, Mississippi Code of 1972, is
reenacted as follows:

41-3-5. The board shall proceed to elect an executive
officer who shall be a physician having earned a graduate degree
in public health or health care administration or, in the
alternative, be a physician who in the opinion of the board is
fitted and equipped to execute the duties incumbent upon him by
law. The executive officer shall not engage in the private
practice of medicine. His term of office shall be six (6) years.
The executive officer shall be vested with all the authority of
the board when it is not in session, and he shall be subject to
such rules and regulations as may be prescribed by the State Board
of Health. The executive officer shall be the State Health
Officer with such authority and responsibility as is prescribed by
law. The executive officer may be removed for cause by majority
vote of the members of the board.

SECTION 5. Section 41-3-6, Mississippi Code of 1972, is
reenacted as follows:

41-3-6. It shall be the duty of the State Board of Health to
review the statutes of the State of Mississippi affecting public
health and submit at least thirty (30) days prior to each regular
session of the Legislature any proposed legislation as may be
necessary to enhance the effective and efficient delivery of
public health services and to bring existing statutes into
compliance with modern technology and terminology. The board
shall formulate a plan for consolidating and reorganizing existing
state agencies having responsibilities in the field of public
health to eliminate any needless duplication in services which may
be found to exist. In carrying out the provisions of this
section, the State Board of Health shall cooperate with and may
utilize the services, facilities and personnel of any department
or agency of the state, any private citizen task force and the
committees on public health of both houses of the Legislature.
The State Board of Health is authorized to apply for and expend
funds made available to it by grant from any source in order to
perform its responsibilities under this section.

SECTION 6. Section 41-3-15, Mississippi Code of 1972, is
reenacted as follows:

41-3-15. (1) There shall be a State Department of Health
which shall be organized into such bureaus and divisions as are
considered necessary by the executive officer, and shall be
assigned appropriate functions as are required of the State Board
of Health by law, subject to the approval of the board.

(2) The State Board of Health shall have the authority to
establish an Office of Rural Health within the department. The
duties and responsibilities of this office shall include the
following:

(a) To collect and evaluate data on rural health
conditions and needs;

(b) To engage in policy analysis, policy development
and economic impact studies with regard to rural health issues;
(c) To develop and implement plans and provide technical assistance to enable community health systems to respond to various changes in their circumstances;
(d) To plan and assist in professional recruitment and retention of medical professionals and assistants; and
(e) To establish information clearinghouses to improve access to and sharing of rural health care information.

(3) The State Board of Health shall have general supervision of the health interests of the people of the state and to exercise the rights, powers and duties of those acts which it is authorized by law to enforce.

(4) The State Board of Health shall have authority:
(a) To make investigations and inquiries with respect to the causes of disease and death, and to investigate the effect of environment, including conditions of employment and other conditions which may affect health, and to make such other investigations as it may deem necessary for the preservation and improvement of health.
(b) To make such sanitary investigations as it may, from time to time, deem necessary for the protection and improvement of health and to investigate nuisance questions which affect the security of life and health within the state.
(c) To direct and control sanitary and quarantine measures for dealing with all diseases within the state possible to suppress same and prevent their spread.
(d) To obtain, collect and preserve such information relative to mortality, morbidity, disease and health as may be useful in the discharge of its duties or may contribute to the prevention of disease or the promotion of health in this state.
(e) To enter into contracts or agreements with any other state or federal agency, or with any private person, organization or group capable of contracting, if it finds such action to be in the public interest.
(f) To charge and collect reasonable fees for health services, including immunizations, inspections and related activities, and the board shall charge fees for such services; provided, however, if it is determined that a person receiving services is unable to pay the total fee, the board shall collect any amount such person is able to pay.

(g) To accept gifts, trusts, bequests, grants, endowments or transfers of property of any kind.

(h) To receive monies coming to it by way of fees for services or by appropriations.

(i) (i) To establish standards for, issue permits and exercise control over, any cafes, restaurants, food or drink stands, sandwich manufacturing establishments, and all other establishments, other than churches, church-related and private schools, and other nonprofit or charitable organizations, where food or drink is regularly prepared, handled and served for pay; and

(ii) To require that a permit be obtained from the Department of Health before such persons begin operation. If any such person fails to obtain the permit required herein, the State Board of Health, after due notice and opportunity for a hearing, may impose a monetary penalty not to exceed One Thousand Dollars ($1,000.00) for each violation. However, the department is not authorized to impose a monetary penalty against any person whose gross annual prepared food sales are less than Five Thousand Dollars ($5,000.00). Money collected by the board under this item shall be deposited to the credit of the State General Fund of the State Treasury. This subparagraph (ii) shall stand repealed on July 1, 2007.

(j) To promulgate rules and regulations and exercise control over the production and sale of milk pursuant to the provisions of Sections 75-31-41 through 75-31-49.
(k) On presentation of proper authority, to enter into
and inspect any public place or building where the State Health
Officer or his representative deems it necessary and proper to
enter for the discovery and suppression of disease and for the
enforcement of any health or sanitary laws and regulations in the
state.

(l) To conduct investigations, inquiries and hearings,
and to issue subpoenas for the attendance of witnesses and the
production of books and records at any hearing when authorized and
required by statute to be conducted by the State Health Officer or
the State Board of Health.

(m) To employ, subject to the regulations of the State
Personnel Board, qualified professional personnel in the subject
matter or fields of each bureau, and such other technical and
clerical staff as may be required for the operation of the
department. The executive officer shall be the appointing
authority for the department, and shall have the power to delegate
the authority to appoint or dismiss employees to appropriate
subordinates, subject to the rules and regulations of the State
Personnel Board.

(n) To promulgate rules and regulations, and to collect
data and information, on (i) the delivery of services through the
practice of telemedicine; and (ii) the use of electronic records
for the delivery of telemedicine services.

(o) To enforce and regulate domestic and imported fish
as authorized under Section 69-7-601 et seq.

(5) (a) The State Board of Health shall have the authority,
in its discretion, to establish programs to promote the public
health, to be administered by the State Department of Health.
Specifically, such programs may include, but shall not be limited
to, programs in the following areas:

(i) Maternal and child health;

(ii) Family planning;
(iii) Pediatric services;
(iv) Services to crippled and disabled children;
(v) Control of communicable and noncommunicable disease;
(vi) Child care licensure;
(vii) Radiological health;
(viii) Dental health;
(ix) Milk sanitation;
(x) Occupational safety and health;
(xi) Food, vector control and general sanitation;
(xii) Protection of drinking water;
(xiii) Sanitation in food handling establishments open to the public;
(xiv) Registration of births and deaths and other vital events;
(xv) Such public health programs and services as may be assigned to the State Board of Health by the Legislature or by executive order; and
(xvi) Regulation of domestic and imported fish for human consumption.

(b) The State Board of Health and State Department of Health shall not be authorized to sell, transfer, alienate or otherwise dispose of any of the home health agencies owned and operated by the department on January 1, 1995, and shall not be authorized to sell, transfer, assign, alienate or otherwise dispose of the license of any of those home health agencies, except upon the specific authorization of the Legislature by an amendment to this section. However, this paragraph (b) shall not prevent the board or the department from closing or terminating the operation of any home health agency owned and operated by the department, or closing or terminating any office, branch office or clinic of any such home health agency, or otherwise discontinuing the providing of home health services through any such home health
agency, office, branch office or clinic, if the board first

demonstrates that there are other providers of home health
services in the area being served by the department's home health
agency, office, branch office or clinic that will be able to
provide adequate home health services to the residents of the area
if the department's home health agency, office, branch office or
clinic is closed or otherwise discontinues the providing of home
health services. This demonstration by the board that there are
other providers of adequate home health services in the area shall
be spread at length upon the minutes of the board at a regular or
special meeting of the board at least thirty (30) days before a
home health agency, office, branch office or clinic is proposed to
be closed or otherwise discontinue the providing of home health
services.

(c) The State Department of Health may undertake such
technical programs and activities as may be required for the
support and operation of such programs, including maintaining
physical, chemical, bacteriological and radiological laboratories,
and may make such diagnostic tests for diseases and tests for the
evaluation of health hazards as may be deemed necessary for the
protection of the people of the state.

(6) (a) The State Board of Health shall administer the
local governments and rural water systems improvements loan
program in accordance with the provisions of Section 41-3-16.

(b) The State Board of Health shall have authority:

(i) To enter into capitalization grant agreements
with the United States Environmental Protection Agency, or any
successor agency thereto;

(ii) To accept capitalization grant awards made
under the federal Safe Drinking Water Act, as amended;

(iii) To provide annual reports and audits to the
United States Environmental Protection Agency, as may be required
by federal capitalization grant agreements; and
(iv) To establish and collect fees to defray the reasonable costs of administering the revolving fund or emergency fund if the State Board of Health determines that such costs will exceed the limitations established in the federal Safe Drinking Water Act, as amended. The administration fees may be included in loan amounts to loan recipients for the purpose of facilitating payment to the board; however, such fees may not exceed five percent (5%) of the loan amount.

SECTION 7. Section 41-3-16, Mississippi Code of 1972, is reenacted as follows:

41-3-16. (1) (a) There is established a local governments and rural water systems improvements revolving loan and grant program to be administered by the State Department of Health, referred to in this section as "department," for the purpose of assisting counties, incorporated municipalities, districts or other water organizations that have been granted tax exempt status under either federal or state law, in making improvements to their water systems, including construction of new water systems or expansion or repair of existing water systems. Loan and grant proceeds may be used by the recipient for planning, professional services, acquisition of interests in land, acquisition of personal property, construction, construction-related services, maintenance, and any other reasonable use which the board, in its discretion, may allow. For purposes of this section, "water systems" has the same meaning as the term "public water system" under Section 41-26-3.

(b) (i) There is created a board to be known as the "Local Governments and Rural Water Systems Improvements Board," referred to in this section as "board," to be composed of the following nine (9) members: the State Health Officer, or his designee, who shall serve as chairman of the board; the Executive Director of the Mississippi Development Authority, or his designee; the Executive Director of the Department of
Environmental Quality, or his designee; the Executive Director of
the Department of Finance and Administration, or his designee; the
Executive Director of the Mississippi Association of Supervisors,
or his designee; the Executive Director of the Mississippi
Municipal League, or his designee; the Executive Director of the
Consulting Engineers Council, or his designee; the State Director
of the United States Department of Agriculture, Rural Development,
or his designee; and a manager of a rural water system.

The Governor shall appoint a manager of a rural water system
from a list of candidates provided by the Executive Director of
the Mississippi Rural Water Association. The Executive Director
of the Mississippi Rural Water Association shall provide the
Governor a list of candidates which shall contain a minimum of
three (3) candidates for each appointment.

(ii) Nonappointed members of the board may
designate another representative of their agency or association to
serve as an alternate.

(iii) The gubernatorial appointee shall serve a
term concurrent with the term of the Governor and until a
successor is appointed and qualified. No member, officer or
employee of the Board of Directors of the Mississippi Rural Water
Association shall be eligible for appointment.

(c) The department, if requested by the board, shall
furnish the board with facilities and staff as needed to
administer this section. The department may contract, upon
approval by the board, for those facilities and staff needed to
administer this section, including routine management, as it deems
necessary. The board may advertise for or solicit proposals from
public or private sources, or both, for administration of this
section or any services required for administration of this
section or any portion thereof. It is the intent of the
Legislature that the board endeavor to ensure that the costs of
administration of this section are as low as possible in order to
provide the water consumers of Mississippi safe drinking water at
affordable prices.

(d) Members of the board may not receive any salary,
compensation or per diem for the performance of their duties under
this section.

(2) (a) There is created a special fund in the State
Treasury to be designated as the "Local Governments and Rural
Water Systems Improvements Revolving Loan Fund," referred to in
this section as "revolving fund," which fund shall consist of
those monies as provided in Sections 6 and 13 of Chapter 521, Laws
of 1995. The revolving fund may receive appropriations, bond
proceeds, grants, gifts, donations or funds from any source,
public or private. The revolving fund shall be credited with all
repayments of principal and interest derived from loans made from
the revolving fund. The monies in the revolving fund may be
expended only in amounts appropriated by the Legislature, and the
different amounts specifically provided for the loan program and
the grant program shall be so designated. Monies in the fund may
only be expended for the grant program from the amount designated
for such program. The revolving fund shall be maintained in
perpetuity for the purposes established in this section and
Sections 6 through 20 of Chapter 521, Laws of 1995. Unexpended
amounts remaining in the revolving fund at the end of a fiscal
year shall not lapse into the State General Fund, and any interest
earned on amounts in the revolving fund shall be deposited to the
credit of the fund. Monies in the revolving fund may not be used
or expended for any purpose except as authorized under this
section and Sections 6 through 20 of Chapter 521, Laws of 1995.
Any monies in the fund may be used to match any federal funds that
are available for the same or related purposes for which funds are
used and expended under this section and Sections 6 through 20 of
Chapter 521, Laws of 1995. Any federal funds shall be used and
expended only in accordance with federal laws, rules and
regulations governing the expenditure of those funds. No person shall use any monies from the revolving fund for the acquisition of real property or any interest in real property unless that property is integral to the project funded under this section and the purchase is made from a willing seller. No county, incorporated municipality or district shall acquire any real property or any interest in any real property for a project funded through the revolving fund by condemnation. The board's application of Sections 43-37-1 through 43-37-13 shall be no more stringent or extensive in scope, coverage and effect than federal property acquisition laws and regulations.

(b) There is created a special fund in the State Treasury to be designated as the "Local Governments and Rural Water Systems Emergency Loan Fund," hereinafter referred to as "emergency fund," which fund shall consist of those monies as provided in Sections 6 and 13 of Chapter 521, Laws of 1995. The emergency fund may receive appropriations, bond proceeds, grants, gifts, donations or funds from any source, public or private. The emergency fund shall be credited with all repayments of principal and interest derived from loans made from the emergency fund. The monies in the emergency fund may be expended only in amounts appropriated by the Legislature. The emergency fund shall be maintained in perpetuity for the purposes established in this section and Section 6 of Chapter 521, Laws of 1995. Unexpended amounts remaining in the emergency fund at the end of a fiscal year shall not lapse into the State General Fund. Any interest earned on amounts in the emergency fund shall be deposited to the credit of the fund. Monies in the emergency fund may not be used or expended for any purpose except as authorized under this section and Section 6 of Chapter 521, Laws of 1995.

(c) The board created in subsection (1) shall establish loan and grant programs by which loans and grants may be made available to counties, incorporated municipalities, districts or...
other water organizations that have been granted tax exempt status under either federal or state law, to assist those counties, incorporated municipalities, districts or water organizations in making water systems improvements, including the construction of new water systems or expansion or repair of existing water systems. Any entity eligible under this section may receive either a loan or a grant, or both. No grant awarded under the program established in this section may be made using funds from the loan program. Grants may be awarded only when the Legislature specifically appropriates funds for that particular purpose. The interest rate on those loans may vary from time to time and from loan to loan, and will be at or below market interest rates as determined by the board. The board shall act as quickly as is practicable and prudent in deciding on any loan request that it receives. Loans from the revolving fund or emergency fund may be made to counties, incorporated municipalities, districts or other water organizations that have been granted tax exempt status under either federal or state law, as set forth in a loan agreement in amounts not to exceed one hundred percent (100%) of eligible project costs as established by the board. The board may require county, municipal, district or other water organization participation or funding from other sources, or otherwise limit the percentage of costs covered by loans from the revolving fund or the emergency fund. The maximum amount for any loan from the emergency fund shall be Five Hundred Thousand Dollars ($500,000.00), and the maximum amount for any loan from the revolving fund shall be One Million Five Hundred Thousand Dollars ($1,500,000.00).

(d) A county that receives a loan from the revolving fund or the emergency fund shall pledge for repayment of the loan any part of the homestead exemption annual tax loss reimbursement to which it may be entitled under Section 27-33-77, as may be required to meet the repayment schedule contained in the loan.
agreement. An incorporated municipality that receives a loan from the revolving fund or the emergency fund shall pledge for repayment of the loan any part of the sales tax revenue distribution to which it may be entitled under Section 27-65-75, as may be required to meet the repayment schedule contained in the loan agreement. All recipients of such loans shall establish a dedicated source of revenue for repayment of the loan. Before any county or incorporated municipality shall receive any loan, it shall have executed with the State Tax Commission and the board a loan agreement evidencing that loan. The loan agreement shall not be construed to prohibit any recipient from prepaying any part or all of the funds received. The repayment schedule in each loan agreement shall provide for (i) monthly payments, (ii) semiannual payments or (iii) other periodic payments, the annual total of which shall not exceed the annual total for any other year of the loan by more than fifteen percent (15%). Except as otherwise provided in subsection (4) of this section, the loan agreement shall provide for the repayment of all funds received from the revolving fund within not more than fifteen (15) years or a term as otherwise allowed by the federal Safe Drinking Water Act, and all funds received from the emergency fund within not more than five (5) years from the date of project completion, and any repayment shall commence not later than one (1) year after project completion. The State Tax Commission shall withhold semiannually from counties and monthly from incorporated municipalities from the amount to be remitted to the county or municipality, a sum equal to the next repayment as provided in the loan agreement.

(e) Any county, incorporated municipality, district or other water organization desiring to construct a project approved by the board which receives a loan from the state for that purpose but which is not eligible to pledge for repayment under the provisions of paragraph (d) of this subsection, shall repay that loan by making payments each month to the State Treasurer through
the Department of Finance and Administration for and on behalf of
the board according to Section 7-7-15, to be credited to either
the revolving fund or the emergency fund, whichever is
appropriate, in lieu of pledging homestead exemption annual tax
loss reimbursement or sales tax revenue distribution.

Loan repayments shall be according to a repayment schedule
contained in each loan agreement as provided in paragraph (d) of
this subsection.

(f) Any district created pursuant to Sections 19-5-151
through 19-5-207 that receives a loan from the revolving fund or
the emergency fund shall pledge for repayment of the loan any part
of the revenues received by that district pursuant to Sections
19-5-151 through 19-5-207, as may be required to meet the
repayment schedule contained in the loan agreement.

(g) The State Auditor, upon request of the board, shall
audit the receipts and expenditures of a county, an incorporated
municipality, district or other water organization whose loan
repayments appear to be in arrears, and if the Auditor finds that
the county, incorporated municipality, district or other water
organization is in arrears in those repayments, the Auditor shall
immediately notify the chairman of the board who may take any
action as may be necessary to enforce the terms of the loan
agreement, including liquidation and enforcement of the security
given for repayment of the loan, and the Executive Director of the
Department of Finance and Administration who shall withhold all
future payments to the county of homestead exemption annual tax
loss reimbursements under Section 27-33-77 and all sums allocated
to the county or the incorporated municipality under Section
27-65-75 until such time as the county or the incorporated
municipality is again current in its loan repayments as certified
by the board.

(h) All monies deposited in the revolving fund or the
emergency fund, including loan repayments and interest earned on
those repayments, shall be used only for providing loans or other financial assistance to water systems as the board deems appropriate. In addition, any amounts in the revolving fund or the emergency fund may be used to defray the reasonable costs of administering the revolving fund or the emergency fund and conducting activities under this section and Sections 6 through 20 of Chapter 521, Laws of 1995, subject to any limitations established in the federal Safe Drinking Water Act, as amended and subject to annual appropriation by the Legislature. The department is authorized, upon approval by the board, to use amounts available to it from the revolving fund or the emergency fund to contract for those facilities and staff needed to administer and provide routine management for the funds and loan program.

(3) In administering this section and Sections 6 through 20 of Chapter 521, Laws of 1995, the board created in subsection (1) of this section shall have the following powers and duties:

(a) To supervise the use of all funds made available under this section and Sections 6 through 20 of Chapter 521, Laws of 1995, for local governments and rural water systems improvements;

(b) To promulgate rules and regulations, to make variances and exceptions thereto, and to establish procedures in accordance with this section and Sections 6 through 20 of Chapter 521, Laws of 1995, for the implementation of the local governments and rural water systems improvements revolving loan program;

(c) To require, at the board's discretion, any loan or grant recipient to impose a per connection fee or surcharge or amended water rate schedule or tariff on each customer or any class of customers, benefiting from an improvement financed by a loan or grant made under this section, for repayment of any loan funds provided under this section and Sections 6 through 20 of Chapter 521, Laws of 1995. The board may require any loan or
grant recipient to undergo a water system viability analysis and may require a loan or grant recipient to implement any result of the viability analysis. If the loan recipient fails to implement any result of a viability analysis as required by the board, the board may impose a monetary penalty or increase the interest rate on the loan, or both. If the grant recipient fails to implement any result of a viability analysis as required by the board, the board may impose a monetary penalty on the grant;

(d) To review and certify all projects for which funds are authorized to be made available under this section and Sections 6 through 20 of Chapter 521, Laws of 1995, for local governments and rural water systems improvements;

(e) To requisition monies in the Local Governments and Rural Water Systems Improvements Revolving Loan Fund and the Local Governments and Rural Water Systems Emergency Loan Fund and distribute those monies on a project-by-project basis in accordance with this section;

(f) To ensure that the funds made available under this section and Sections 6 through 20 of Chapter 521, Laws of 1995, to a county, an incorporated municipality, a district or a water organization that has been granted tax exempt status under either federal or state law provide for a distribution of projects and funds among the entities under a priority system established by the board;

(g) To maintain in accordance with generally accepted government accounting standards an accurate record of all monies in the revolving fund and the emergency fund made available to counties, incorporated municipalities, districts or other water organizations under this section and Sections 6 through 20 of Chapter 521, Laws of 1995, and the costs for each project;

(h) To establish policies, procedures and requirements concerning viability and financial capability to repay loans that may be used in approving loans available under this section,
including a requirement that all loan recipients have a rate
structure which will be sufficient to cover the costs of
operation, maintenance, major equipment replacement and repayment
of any loans made under this section; and

(i) To file annually with the Legislature a report
detailing how monies in the Local Governments and Rural Water
Systems Improvements Revolving Loan Fund and the Local Governments
and Rural Water Systems Emergency Loan Fund were spent during the
preceding fiscal year in each county, incorporated municipality,
district or other water organization, the number of projects
approved and constructed, and the cost of each project.

For efficient and effective administration of the loan
program, revolving fund and emergency fund, the board may
authorize the department or the State Health Officer to carry out
any or all of the powers and duties enumerated above.

(4) The board may, on a case-by-case basis and to the extent
allowed by federal law, renegotiate the payment of principal and
interest on loans made under this section to the six (6) most
southern counties of the state covered by the Presidential
Declaration of Major Disaster for the State of Mississippi
(FEMA-1604-DR) dated August 29, 2005, and to incorporated
municipalities, districts or other water organizations located in
such counties; however, the interest on the loans shall not be
forgiven for a period of more than twenty-four (24) months and the
maturity of the loans shall not be extended for a period of more
than forty-eight (48) months.

**SECTION 8.** Section 41-3-17, Mississippi Code of 1972, is
reenacted as follows:

41-3-17. The State Board of Health is authorized to make and
publish all reasonable rules and regulations necessary to enable
it to discharge its duties and powers and to carry out the
purposes and objectives of its creation. It is further authorized
to make reasonable sanitary rules and regulations, to be enforced
in the several counties by the county health officer under the
supervision and control of the State Board of Health. The State
Board of Health shall not make or enforce any rule or regulation
that prohibits consumers from providing their own containers for
the purpose of purchasing or accepting water from any vending
machine or device which filters or treats water that has already
been tested and determined to meet or exceed the minimum health
protection standards prescribed for drinking water under the
Mississippi Safe Drinking Water Law, if that vending machine or
device meets or exceeds United States Environmental Protection
Agency or national automatic merchandising standards.

SECTION 9. Section 41-3-18, Mississippi Code of 1972, is
reenacted as follows:

41-3-18. The board shall assess fees in the following
amounts and for the following purposes:

(a) Food establishment annual permit fee, based on the
assessment factors of the establishment as follows:

Assessment Category 1................................. $ 15.00
Assessment Category 2................................. 30.00
Assessment Category 3................................. 70.00
Assessment Category 4 ................................. 100.00
Assessment Category 5 ................................. 150.00

(b) Private water supply approval fee............. $ 10.00

The board may develop such reasonable standards, rules and
regulations to clearly define each assessment category.
Assessment categories shall be based upon the factors to the
public health implications of the category and type of food
preparation being utilized by the food establishment, utilizing
the model Food Code of 1995, or as may be amended by the federal
Food and Drug Administration.

The fee authorized under paragraph (a) of this section shall
not be assessed for food establishments operated by public
schools, public junior and community colleges, or state agencies
or institutions, including without limitation, the state institutions of higher learning and the State Penitentiary. The fee authorized under paragraph (b) of this section shall not be assessed for private water supplies used by foster homes licensed by the Department of Human Services.

SECTION 10. Section 41-3-19, Mississippi Code of 1972, is reenacted as follows:

41-3-19. It is the duty of the State Board of Health to make a report, in writing, to the Governor, on or before the first day of December next preceding each session, not an extraordinary session of the Legislature, upon the sanitary condition, prospect, and needs of the state, setting forth the action of said board, of its officers and agents, the names thereof, and all its expenditures since the last preceding report, and such other matters as it may deem proper for the promotion of health or the prevention of disease. The report shall be laid before the Legislature by the Governor at its ensuing term.

SECTION 11. Section 41-3-20, Mississippi Code of 1972, is amended as follows:

41-3-20. Sections 41-3-1 through 41-3-19, which create the State Board of Health and the State Department of Health and prescribe their powers and duties, shall stand repealed on June 30, 2009.

SECTION 12. This act shall take effect and be in force from and after July 1, 2007.