

By: Representatives Mims, Johnson (94th),  
Cockerham

To: Local and Private  
Legislation

## HOUSE BILL NO. 1605

1 AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF ADAMS COUNTY,  
2 MISSISSIPPI, TO PURCHASE THE CLAIM OF THE PUBLIC EMPLOYEES'  
3 RETIREMENT SYSTEM (PERS) THAT WAS MADE IN BANKRUPTCY PROCEEDINGS  
4 FOR OBLIGATIONS OF THE NATCHEZ REGIONAL MEDICAL CENTER (HOSPITAL)  
5 FOR UNPAID EMPLOYER CONTRIBUTIONS FOR EMPLOYEES OF THE HOSPITAL  
6 COVERED BY PERS IN ORDER TO ENABLE PERS TO CALCULATE AND PAY THE  
7 FULL AMOUNTS OWED IN RETIREMENT BENEFITS TO SUCH EMPLOYEES; TO  
8 AUTHORIZE AND DIRECT PERS TO SELL AND ASSIGN TO ADAMS COUNTY,  
9 MISSISSIPPI, ALL OF ITS CLAIM AGAINST THE HOSPITAL FOR UNPAID  
10 EMPLOYER CONTRIBUTIONS UPON PAYMENT OF THE CLAIM; TO AUTHORIZE THE  
11 BOARD OF SUPERVISORS OF ADAMS COUNTY, MISSISSIPPI, TO BORROW MONEY  
12 AND ISSUE ITS NOTES, CERTIFICATES OF INDEBTEDNESS OR BONDS FOR A  
13 TERM NOT TO EXCEED 10 YEARS FOR THE PURPOSE OF FUNDING THE COSTS  
14 AND EXPENSES OF PURCHASING THE CLAIM OF PERS AS AUTHORIZED BY THIS  
15 ACT; AND FOR RELATED PURPOSES.

16 WHEREAS, the Board of Trustees of the Natchez Regional  
17 Medical Center, a public community hospital located in Adams  
18 County, Mississippi, and created by the Board of Supervisors of  
19 Adams County, Mississippi, by virtue of the authority granted  
20 under Chapter 13, Title 41, Mississippi Code of 1972, was  
21 authorized by Chapter 904, Local and Private Laws of 2014, to  
22 petition for relief from debts and financial obligations of the  
23 hospital under Chapter 9 of Title 11, United States Code; and



24 WHEREAS, on March 26, 2014, the Board of Trustees filed a  
25 voluntary petition for relief with the United States Bankruptcy  
26 Court for the Southern District of Mississippi, Case No.  
27 14-0148-NPO; and

28 WHEREAS, the Natchez Regional Medical Center was a covered  
29 employer under the Public Employees' Retirement System of  
30 Mississippi (PERS) and its employees were members of the system;  
31 and

32 WHEREAS, PERS filed a proof of claim (Claim No. 078) in the  
33 bankruptcy case in the amount of Four Hundred Forty-eight Thousand  
34 One Hundred Sixty Dollars and Thirty-eight Cents (\$448,160.38) for  
35 delinquent employer contributions for the months of December 2013,  
36 January 2014, and February 2014; and

37 WHEREAS, contributions to PERS are required to be made by  
38 employers and employees and all employee contributions for the  
39 months in question have been made and no unpaid employee  
40 contributions are owed to PERS; and

41 WHEREAS, employer contributions for the months in question  
42 have not been paid and PERS cannot calculate the retirement  
43 benefits or pay the full amounts owed in retirement benefits to  
44 covered employees of the hospital until such contributions are  
45 paid; and

46 WHEREAS, it is in the best interest of all parties that this  
47 issue be resolved so that all covered employees of the hospital



48 can be credited with, and receive payment for, all of the  
49 retirement benefits to which they would otherwise be entitled; and

50 WHEREAS, the Board of Supervisors of Adams County,  
51 Mississippi, is willing to purchase and have assigned to it the  
52 PERS claim so that all covered employees of the hospital can be  
53 credited with, and receive payment for, all of the retirement  
54 benefits to which they would otherwise be entitled; and

55 WHEREAS, PERS is willing to sell and assign to Adams County,  
56 Mississippi, the PERS claim so that all covered employees of the  
57 hospital can be credited with, and receive payment for, all of the  
58 retirement benefits to which they would otherwise be entitled:

59 NOW, THEREFORE, BE IT ENACTED BY THE LEGISLATURE OF THE STATE  
60 OF MISSISSIPPI:

61 **SECTION 1.** The Board of Supervisors of Adams County,  
62 Mississippi, is authorized and empowered, in its discretion, to  
63 purchase the claim of the Public Employees' Retirement System  
64 (PERS) for obligations of the Natchez Regional Medical Center  
65 (hospital) for unpaid employer contributions for employees of the  
66 hospital whose positions were covered by PERS by paying to PERS  
67 the sum of Four Hundred Forty-eight Thousand One Hundred Sixty  
68 Dollars and Thirty-eight Cents (\$448,160.38).

69 **SECTION 2.** PERS is authorized and directed to sell and  
70 assign its claim against the hospital for unpaid employer  
71 contributions for the sum of Four Hundred Forty-eight Thousand One  
72 Hundred Sixty Dollars and Thirty-eight Cents (\$448,160.38), and



PERS shall accept payment of that sum in full settlement and satisfaction of all obligations owed by the hospital to PERS, including all penalties and interest with respect to the claim.

**SECTION 3.** Upon payment by Adams County, Mississippi, of Four Hundred Forty-eight Thousand One Hundred Sixty Dollars and Thirty-eight Cents (\$448,160.38), PERS shall administer the retirement benefits of covered employees of the hospital as if all employer contributions payments had been timely made by the hospital and had been timely received by PERS.

**SECTION 4.** (1) For the purpose of funding the costs and expenses of purchasing the claim of PERS as authorized by this act, the Board of Supervisors of Adams County, Mississippi, may, in its discretion, borrow money and issue its notes, certificates of indebtedness or bonds for a term not to exceed ten (10) years, secured by the full faith and credit of Adams County, Mississippi, offered at negotiated sale.

(2) For the payment of the principal and interest on the notes, certificates of indebtedness or bonds, the county may pledge any lawfully available funds and is further authorized to annually levy a special tax upon all the taxable property in the county at a rate the avails of which will be sufficient to provide for such payment.

(3) The notes, certificates of indebtedness or bonds authorized by this act shall not be included in the statutory debt



97 limitation provided for in Section 19-9-5, Mississippi Code of  
98 1972.

99 (4) The notes, certificates of indebtedness or bonds  
100 authorized by this act and the income therefrom, shall be exempt  
101 from all income taxation of the State of Mississippi.

102 (5) This act, without reference to any other law, shall be  
103 deemed to be full and complete authority for the borrowing of  
104 money by Adams County, Mississippi, for the purpose provided for  
105 in this act.

106 **SECTION 5.** Nothing in this act shall alter or otherwise  
107 affect any rights of any employee of the hospital or PERS under  
108 the retirement plan administered by PERS except as provided in  
109 this act, nor shall anything in this act create any legal  
110 liability or obligation except as provided in this act.

111 **SECTION 6.** The Board of Supervisors of Adams County,  
112 Mississippi, and PERS are authorized to execute such documents and  
113 instruments as are necessary to effectuate the actions required by  
114 this act.

115 **SECTION 7.** This act shall take effect and be in force from  
116 and after its passage.

