

By: Representative Gipson

To: Public Health and Human Services

HOUSE BILL NO. 776

1 AN ACT TO AMEND SECTION 57-117-5, MISSISSIPPI CODE OF 1972,
 2 TO REVISE THE AREAS THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY MAY
 3 CERTIFY AS A HEALTH CARE INDUSTRY ZONE; TO BRING FORWARD SECTIONS
 4 57-117-1, 57-117-7, 57-117-9 AND 57-117-11, MISSISSIPPI CODE OF
 5 1972, OF THE MISSISSIPPI HEALTH CARE INDUSTRY ZONE ACT FOR THE
 6 PURPOSES OF POSSIBLE AMENDMENT; TO AMEND SECTION 57-117-3,
 7 MISSISSIPPI CODE OF 1972, OF THE MISSISSIPPI HEALTH CARE INDUSTRY
 8 ZONE ACT TO MAKE SOME MINOR NONSUBSTANTIVE CHANGES; AND FOR
 9 RELATED PURPOSES.

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

11 **SECTION 1.** Section 57-117-5, Mississippi Code of 1972, is
 12 amended as follows:

13 57-117-5. (1) The MDA may certify an area as a health care
 14 industry zone if the following requirements are met:

15 (a) The area is located within:

16 (i) Three (3) contiguous counties which have
 17 certificates of need of more than three hundred seventy-five (375)
 18 acute care hospital beds; and/or

19 (ii) A county which has a hospital with a minimum
 20 capital investment of Two Hundred Fifty Million Dollars



21 (\$250,000,000.00) and for which construction is completed before
22 July 1, 2017 * * * and/or

23 (iii) A county in which are located 1. two (2)
24 hospitals, 2. a community college that teaches courses and trains
25 people for jobs in the health care field, and 3. the corporate
26 headquarters of a company that provides administrative services
27 for hospitals; and

28 (b) The health care industry facility is located within
29 a five-mile radius of:

30 (i) A facility with a certificate of need for
31 hospital beds; and/or

32 (ii) A university or college that is:

33 1. Accredited by the Southern Association of
34 Colleges and Schools and awards degrees and/or trains workers for
35 jobs in health care or pharmaceutical fields of study and/or work,
36 and

37 2. Located along or near Mississippi Highway
38 67 within a master planned community as defined in Section
39 19-5-10; and

40 (c) The zoning of the local government unit, if
41 applicable, allows the construction or operation in the proposed
42 health care industry zone of the health care industry facility.

43 (2) A health care industry facility that engages in an
44 activity for which a certificate of need is required must comply



45 with the provisions of Section 41-7-191 in order to be certified
46 as a qualified business.

47 (3) The MDA may adopt and promulgate such rules and
48 regulations, in compliance with the Mississippi Administrative
49 Procedures Law, as are necessary for the efficient and effective
50 administration of this section in keeping with the purposes for
51 which it is enacted.

52 **SECTION 2.** Section 57-117-1, Mississippi Code of 1972, is
53 brought forward as follows:

54 57-117-1. This chapter shall be known and may be cited as
55 the "Mississippi Health Care Industry Zone Act."

56 **SECTION 3.** Section 57-117-3, Mississippi Code of 1972, is
57 amended as follows:

58 57-117-3. In this chapter:

59 (a) "Health care industry facility" means:

60 (i) A business engaged in the research and
61 development of pharmaceuticals, biologics, biotechnology,
62 diagnostic imaging, medical supplies, medical equipment or
63 medicine and related manufacturing or processing, medical service
64 providers, medical product distribution, or laboratory testing
65 that creates a minimum of twenty-five (25) new full-time jobs
66 and/or Ten Million Dollars (\$10,000,000.00) of capital investment
67 after July 1, 2012; or

68 (ii) A business that * * * 1. is located on land
69 owned by or leased from an academic health science center with a



70 medical school accredited by the Liaison Committee on Medical
71 Education and a hospital accredited by the Joint Committee on
72 Accreditation of Healthcare Organizations and * * * 2. creates a
73 minimum of twenty-five (25) new jobs and/or Twenty Million Dollars
74 (\$20,000,000.00) of capital investment after July 1, 2012.

75 (b) "MDA" means the Mississippi Development Authority.

76 (c) "Health care industry zone" means a geographical
77 area certified by the MDA as provided for in Section 57-117-5.

78 (d) "Local government unit" means any county or
79 incorporated city, town or village in the State of Mississippi.

80 (e) "Person" means a natural person, partnership,
81 limited liability company, association, corporation, business
82 trust or other business entity.

83 (f) "Qualified business" means a business or health
84 care industry facility that meets the requirements of Section
85 57-117-7 and any other requirements of this chapter.

86 **SECTION 4.** Section 57-117-7, Mississippi Code of 1972, is
87 brought forward as follows:

88 57-117-7. (1) Businesses and health care industry
89 facilities shall apply to the MDA for certification as a qualified
90 business. If the health care industry facility or business is
91 located in a health care industry zone and meets the requirements
92 of this chapter, the MDA shall certify it as a qualified business.

93 (2) A health care industry facility or business certified by
94 the MDA as a qualified business within a health care industry zone



95 that constructs or renovates a health care industry facility
96 within a health care industry zone shall qualify for the
97 following:

98 (a) An accelerated state income tax depreciation
99 deduction. The accelerated depreciation deduction shall be
100 computed by accelerating depreciation period required by
101 Mississippi Administrative Code, to a ten-year depreciation
102 period.

103 (b) A sales tax exemption as authorized in Section
104 27-65-101(pp).

105 (c) A fee-in-lieu of taxes as authorized in Section
106 27-31-104.

107 (d) An ad valorem tax exemption as authorized in
108 Section 27-31-101.

109 **SECTION 5.** Section 57-117-9, Mississippi Code of 1972, is
110 brought forward as follows:

111 57-117-9. If the qualified business has not created the
112 requisite number of jobs required by this chapter, the health care
113 industry zone certification may be revoked by MDA after five (5)
114 years have elapsed from the effective date of certification. A
115 revocation under this section shall not act retroactively to
116 remove any incentives granted by this chapter.

117 **SECTION 6.** Section 57-117-11, Mississippi Code of 1972, is
118 brought forward as follows:



119 57-117-11. Sections 57-117-1 through 57-117-11 of this act
120 shall be repealed from and after July 1, 2022.

121 **SECTION 7.** This act shall take effect and be in force from
122 and after July 1, 2018.

