

By: Senator(s) Furniss

To: Local and Private

## SENATE BILL NO. 2451

1       AN ACT TO AMEND CHAPTER 919, LOCAL AND PRIVATE LAWS OF 1996,  
2 TO AUTHORIZE THE BOARD OF SUPERVISORS OF COAHOMA COUNTY TO MAKE  
3 INTERFUND LOANS FROM THE COUNTY SPECIAL FUND CREATED TO DEPOSIT  
4 FUNDS RECEIVED BY THE COUNTY AS A RESULT OF THE LEASE OF THE  
5 NORTHWEST MISSISSIPPI REGIONAL MEDICAL CENTER; TO PROVIDE THAT  
6 SUCH LOANS MAY BE MADE TO ANY OTHER FUND OF COAHOMA COUNTY TO  
7 FINANCE ANY LAWFULLY AUTHORIZED PROJECT OF COAHOMA COUNTY FOR  
8 WHICH THE BOARD OF SUPERVISORS IS OTHERWISE AUTHORIZED TO ISSUE  
9 BONDS, NOTES OR CERTIFICATES OF INDEBTEDNESS; TO PLACE CERTAIN  
10 TERMS AND RESTRICTIONS ON SUCH INTERFUND LOANS; TO CLARIFY THE  
11 PROCEDURE THAT MUST BE FOLLOWED TO EXPEND INTEREST EARNED FROM THE  
12 FUND; AND FOR RELATED PURPOSES.     BE IT ENACTED BY THE  
13 LEGISLATURE OF THE STATE OF MISSISSIPPI:

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15       SECTION 1. Chapter 919, Local and Private Laws of 1996, is  
16 amended as follows:

17       Section 1. (1) The Board of Supervisors of Coahoma County,  
18 Mississippi (the "board of supervisors"), is authorized to create  
19 a special fund within the county treasury of Coahoma County (the  
20 "county") and to deposit and invest those funds received by the  
21 county as a result of the lease of the Northwest Mississippi  
22 Regional Medical Center in the lease agreement dated December 28,  
23 1995 (the "lease"), among the county, Clarksdale H.M.A., Inc., and  
24 Health Management Associates, Inc. The board of supervisors is  
25 authorized to deposit in that fund any part of the proceeds from  
26 the lease, however designated in the lease, whether the same  
27 represent rent, prepaid rent, lease payments or payments for  
28 purchase of assets. The board of supervisors is authorized to  
29 invest the monies in the fund in the manner prescribed by law for  
30 the investment of any county general funds.

31       (2) The board of supervisors is authorized to make one or  
32 more interfund loans from the fund created pursuant to subsection

33 (1) of this section to any other fund of the county to finance any  
34 lawfully authorized project of the county for which the board of  
35 supervisors is otherwise authorized by law to issue bonds, notes  
36 or certificates of indebtedness. In making an interfund loan  
37 authorized by this subsection, it shall not be necessary to  
38 publish notice of intention to do so or to secure the consent of  
39 the qualified electors of the county by election or otherwise.  
40 Such loan shall be authorized by resolution of the board of  
41 supervisors. The indebtedness incurred pursuant to this  
42 subsection shall be considered when computing any limitation of  
43 indebtedness of the county as may be required by law. The terms  
44 and conditions of any interfund loan made pursuant to this  
45 subsection shall be included in the resolution passed by the board  
46 of supervisors that authorizes the loan. Interest shall not  
47 exceed the amount allowed in Section 75-17-107 or be less than the  
48 net treasury bill rate on the date of the resolution authorizing  
49 the loan. The term of such an interfund loan shall not exceed ten  
50 (10) years. The maximum amount that may be loaned for any one  
51 project shall not exceed Five Million Dollars (\$5,000,000.00) and  
52 the aggregate amount loaned for all projects shall not exceed  
53 fifty percent (50%) of the principal amount of the fund created  
54 pursuant to subsection (1) of this section. Repayment of  
55 interfund loans shall be made from any funds available to the  
56 board of supervisors that may be used to support the project for  
57 which the loan was made.

58       (3) The board of supervisors shall administer and manage the  
59 fund as provided in this act.

60       Section 2. The board is authorized in any fiscal year of the  
61 county to expend for the following purposes up to fifty percent  
62 (50%) of the interest earned in the previous fiscal year on the  
63 investment of monies in the special fund created in Section 1 of  
64 this act:

65           (a) Support of health or health care-related services  
66 or programs for the citizens of the county;

67           (b) Emergency needs of the county as defined in Section  
68 19-11-21, Mississippi Code of 1972, or repayment of expenses of  
69 the county incurred during any such emergency; and

70 (c) Capital expenditures of the county which would  
71 otherwise be authorized out of county general funds.

72           Section 3. The expenditure of funds authorized in Section 2  
73 of this act shall be made only in the following manner:

93     If twenty percent (20%), or fifteen hundred (1500), whichever is  
94     less, of the qualified electors of the county shall file a written  
95     protest against the expenditure of the funds on or before the date  
96     specified in such resolution, then an election on the question of  
97     expenditure of the funds shall be called and held as is provided  
98     in Sections 19-9-13 and 19-9-15, Mississippi Code of 1972. If no  
99     such protest be filed, then such expenditure of the funds may be  
100     instituted without an election on the question of the expenditure  
101     of the funds, at any time within a period of one (1) year after  
102     the date specified in the above-mentioned resolution. However,

103 the board of supervisors, in its discretion, may nevertheless call  
104 an election on such question, in which event it shall not be  
105 necessary to publish the resolution. At such an election as  
106 provided in Section 19-9-15, Mississippi Code of 1972, the ballots  
107 used shall have printed thereon a brief statement of the amount  
108 and purpose of the proposed expenditure of the funds and the words  
109 "For the Expenditure" and "Against the Expenditure."

110         Results of the election shall be canvassed and determined  
111 under the provisions of Section 19-9-17, Mississippi Code of 1972.  
112         Unless three-fifths (3/5) of the qualified electors who voted in  
113 such election shall have voted in favor of the expenditure of the  
114 funds, then the expenditure of the funds shall not be made with  
115 monies in the special fund created in Section 1. Should  
116 three-fifths (3/5) of the qualified electors who vote in such  
117 election vote in favor of the proposed expenditure of the funds,  
118 then the expenditure of the funds may be made within one (1) year  
119 after the date of the election.

120         Section 4. Any funds not expended by the board of  
121 supervisors pursuant to Section 2 above shall be deposited in the  
122 special fund and reinvested pursuant to Section 1 of this act and  
123 shall become part of the principal balance of the fund.

124         Section 5. In the event of a bona fide health or health  
125 care-related emergency such that the health care-related needs of  
126 the citizens of the county are threatened, including, but not  
127 limited to, an emergency arising from the termination of the lease  
128 or default of the lessee or guarantor under the lease, upon  
129 unanimous order of all of the duly elected members of the board of  
130 supervisors of the county, and upon a unanimous finding of all of  
131 the board that an emergency exists as to the health care needs of  
132 the county, and that immediate access to the monies in the special  
133 fund is necessary for the protection of the health and welfare of  
134 the citizens of the county, the board is authorized to expend  
135 accrued collected interest from the fund or any portion of the

136 principal of the fund for purposes of abating the health care  
137 emergency.

138 Section 6. Notwithstanding the provisions of Sections 1  
139 through 5 of this act, the board of supervisors may expend any  
140 portion of the accrued collected interest from the fund or the  
141 principal of the fund:

142 (a) To pay any contingent liabilities, or associated  
143 costs, of Northwest Mississippi Regional Medical Center arising  
144 before the commencement date of the lease and that are not barred  
145 by limitations or sovereign immunity or that have not been assumed  
146 by the lessee under the lease;

147 (b) To purchase lessee's equipment in the event of  
148 termination of the lease;

149 (c) To exercise the county's right of first refusal to  
150 terminate the lease and reacquire possession of the leased assets  
151 pursuant to the terms of the lease; and

152 (d) To resume operations of the hospital in the event  
153 of termination of the lease.

154 SECTION 2. The Attorney General of the State of Mississippi  
155 is hereby directed to submit this act, immediately upon approval  
156 by the Governor, or upon approval by the Legislature subsequent to  
157 a veto, to the Attorney General of the United States or to the  
158 United States District Court for the District of Columbia in  
159 accordance with the provisions of the Voting Rights Act of 1965,  
160 as amended and extended.

161 SECTION 3. This act shall take effect and be in force from  
162 and after the date it is effectuated under Section 5 of the Voting  
163 Rights Act of 1965, as amended and extended.