

By: Senator(s) Furniss

To: Local and Private

SENATE BILL NO. 2451
(As Passed the Senate)

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.