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Chapter No. 505

13/HR12/R1325SG

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# *HOUSE BILL NO. 722*

Originated in House



Clerk

HOUSE BILL NO. 722

AN ACT TO AMEND SECTIONS 57-117-3, 57-117-5 AND 57-117-7, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM HEALTH CARE INDUSTRY FACILITY IN THE MISSISSIPPI HEALTH CARE INDUSTRY ZONE ACT; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO CERTIFY HEALTH CARE INDUSTRY ZONES IN AREAS IN WHICH A HEALTH CARE INDUSTRY FACILITY IS LOCATED WITHIN A FIVE-MILE RADIUS OF CERTAIN UNIVERSITIES OR COLLEGES THAT ARE ACCREDITED BY THE SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS AND AWARDS DEGREES AND/OR TRAINS WORKERS FOR JOBS IN HEALTH CARE OR PHARMACEUTICAL FIELDS OF STUDY OR WORK; TO MAKE IT CLEAR THAT A HEALTH CARE INDUSTRY FACILITY THAT ENGAGES IN AN ACTIVITY FOR WHICH A CERTIFICATE OF NEED IS REQUIRED MUST COMPLY WITH THE PROVISIONS OF THE CERTIFICATE OF NEED LAW IN ORDER TO BE CERTIFIED AS A QUALIFIED BUSINESS UNDER THE MISSISSIPPI HEALTH CARE INDUSTRY ZONE ACT; AND FOR RELATED PURPOSES.

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

**SECTION 1.** Section 57-117-3, Mississippi Code of 1972, is amended as follows:

57-117-3. In this chapter:

(a) "Health care industry facility" means:

(i) A business engaged in the research and development of pharmaceuticals, biologics, biotechnology, diagnostic imaging, medical supplies, medical equipment or

medicine and related manufacturing or processing, medical service providers, medical product distribution, or laboratory testing that creates a minimum of twenty-five (25) new full-time jobs and/or Ten Million Dollars (\$10,000,000.00) of capital investment after July 1, 2012 \* \* \*; or

(ii) A business that (a) is located on land owned by or leased from an academic health science center with a medical school accredited by the Liaison Committee on Medical Education and a hospital accredited by the Joint Committee on Accreditation of Healthcare Organizations and (b) creates a minimum of twenty-five (25) new jobs and/or Twenty Million Dollars (\$20,000,000.00) of capital investment after July 1, 2012.

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

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

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

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

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

**SECTION 2.** Section 57-117-5, Mississippi Code of 1972, is amended as follows:

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

(a) The area is located within:

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

(ii) A county which has a hospital with a minimum capital investment of Two Hundred Fifty Million Dollars (\$250,000,000.00) and for which construction is completed before July 1, 2017;

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

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

(ii) A university or college that is:

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

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

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

(2) A health care industry facility that engages in an activity for which a certificate of need is required must comply with the provisions of Section 41-7-191 in order to be certified as a qualified business.

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

**SECTION 3.** Section 57-117-7, Mississippi Code of 1972, is amended as follows:

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

(2) A health care industry facility or business certified by the MDA as a qualified business within a health care industry zone that constructs or renovates a health care industry facility within a health care industry zone shall qualify for the following:

(a) An accelerated state income tax depreciation deduction. The accelerated depreciation deduction shall be computed by accelerating depreciation period required by

Mississippi Administrative Code, to a ten-year depreciation period.

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

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

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

**SECTION 4.** This act shall take effect and be in force from and after July 1, 2013.

PASSED BY THE HOUSE OF REPRESENTATIVES  
April 1, 2013

  
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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE  
April 1, 2013

  
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PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

  
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GOVERNOR

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