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SENATE BILL NO. 2838

Originated in Senate _____ Secretary

SENATE BILL NO. 2838

AN ACT TO AMEND CHAPTER 919, LOCAL AND PRIVATE LAWS OF 1996, AS LAST AMENDED BY CHAPTER 958, LOCAL AND PRIVATE LAWS OF 2012, TO INCREASE FROM 50% TO 100% THE AMOUNT OF THE INTEREST EARNED IN THE PREVIOUS FISCAL YEAR ON THE INVESTMENT OF MONIES IN THE COUNTY SPECIAL FUND CREATED TO DEPOSIT FUNDS RECEIVED BY THE COUNTY AS A RESULT OF THE LEASE OF THE NORTHWEST MISSISSIPPI REGIONAL MEDICAL CENTER THAT MAY BE UTILIZED BY THE BOARD OF SUPERVISORS OF COAHOMA COUNTY, MISSISSIPPI, FOR CERTAIN PURPOSES; TO INCLUDE THE CURRENT EXPENSES OF THE COUNTY WHICH WOULD OTHERWISE BE AUTHORIZED TO BE PAID OUT OF COUNTY GENERAL FUNDS AS ONE OF THE PURPOSES FOR WHICH SUCH INTEREST MAY BE UTILIZED; AND FOR RELATED PURPOSES.

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

SECTION 1. Chapter 919, Local and Private Laws of 1996, as amended by Chapter 927, Local and Private Laws of 1999, as amended by Chapter 958, Local and Private Laws of 2012, is amended as follows:

Section 1. (1) The Board of Supervisors of Coahoma County, Mississippi (the "board of supervisors"), is authorized to create a special fund within the county treasury of Coahoma County (the "county") and to deposit and invest those funds received by the

county as a result of the lease of the Northwest Mississippi Regional Medical Center in the lease agreement dated December 28, 1995 (the "lease"), among the county, Clarksdale H.M.A., Inc., and Health Management Associates, Inc. The board of supervisors is authorized to deposit in that fund any part of the proceeds from the lease, however designated in the lease, whether the same represent rent, prepaid rent, lease payments or payments for purchase of assets. The board of supervisors is authorized to invest the monies in the fund in the manner prescribed by law for the investment of any county general funds.

(2) The board of supervisors is authorized to make one or more interfund loans from the fund created pursuant to subsection (1) of this section to any other fund of the county to finance any lawfully authorized project of the county for which the board of supervisors is otherwise authorized by law to issue bonds, notes or certificates of indebtedness. In making an interfund loan authorized by this subsection, it shall not be necessary to publish notice of intention to do so or to secure the consent of the qualified electors of the county by election or otherwise. Such loan shall be authorized by resolution of the board of supervisors. The indebtedness incurred pursuant to this subsection shall be considered when computing any limitation of indebtedness of the county as may be required by law. The terms and conditions of any interfund loan made pursuant to this subsection shall be included in the resolution passed by the board

of supervisors that authorizes the loan. Interest shall not exceed the amount allowed in Section 75-17-107 or be less than the net treasury bill rate on the date of the resolution authorizing the loan. The term of such an interfund loan shall not exceed ten (10) years. The maximum amount that may be loaned for any one (1) project shall not exceed Five Million Dollars ($5,000,000.00) and the aggregate amount loaned for all projects shall not exceed seventy-five percent (75%) of the principal amount of the fund created pursuant to subsection (1) of this section. Repayment of interfund loans shall be made from any funds available to the board of supervisors that may be used to support the project for which the loan was made.

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

Section 2. (1) Notwithstanding the provisions of Section 1 of this act, the board of supervisors is authorized to make a loan in an amount not to exceed Eight Million Five Hundred Thousand Dollars ($8,500,000.00) to the North Delta Public Improvements Corporation to finance the construction by the North Delta Public Improvements Corporation's construction of a new county jail. The term of this interfund loan shall not exceed twenty (20) years.

(2) The board of supervisors is also authorized to enter into a lease agreement with the North Delta Public Improvements Corporation to lease the newly constructed county jail, which lease agreement shall include the option for the county to

purchase the county jail at the conclusion of the lease term or at any time upon payment of the remaining lease payments.

Section 3. The board of supervisors is authorized in any fiscal year of the county to expend for the following purposes up to * * * one hundred percent (100%) of the interest earned in the previous fiscal year on the investment of monies in the special fund created in Section 1 of this act:

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

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

(c) Capital expenditures of the county which would otherwise be authorized out of county general funds * * *; and

(d) Current expenses of the county which would otherwise be authorized to be paid out of county general funds.

Section 4. The expenditure of funds authorized in Section 3 of this act shall be made only in the following manner:

(a) The board of supervisors shall, by majority vote of all duly elected supervisors of the county, adopt an order finding it in the best interest of the citizens of the county to expend interest earned from the fund for the purposes set forth in this act, and the board of supervisors shall designate the amount of funds intended to be used, and the purpose or purposes proposed

for the use of the funds (the "Project"), along with a proposed budget for the use of the funds.

(b) Such resolution shall be published once a week for at least three (3) consecutive weeks in at least one (1) newspaper published in the county. The first publication of such resolution shall be made not less than twenty-one (21) days prior to the date fixed in such resolution for expenditure of the funds or any part of the funds; and the last publication shall be not more than seven (7) days prior to such date. If no newspaper be published in such county, then such notice shall be given by publishing the resolution for the required time in some newspaper having general circulation in such county and, in addition, by posting a copy of such resolution for at least twenty-one (21) days next preceding the date fixed therein at three (3) public places in such county. If twenty percent (20%), or one thousand five hundred (1,500), whichever is less, of the qualified electors of the county shall file a written protest against the expenditure of the funds on or before the date specified in such resolution, then an election on the question of expenditure of the funds shall be called and held as is provided in Sections 19-9-13 and 19-9-15, Mississippi Code of 1972. If no such protest be filed, then such expenditure of the funds may be instituted without an election on the question of the expenditure of the funds, at any time within a period of one (1) year after the date specified in the above-mentioned resolution. However, the board of supervisors, in its discretion,

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

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

Section 5. Any funds not expended by the board of supervisors pursuant to Section 3 above shall be deposited in the special fund and reinvested pursuant to Section 1 of this act and shall become part of the principal balance of the funds.

Section 6. In the event of a bona fide health or health care-related emergency such that the health care-related needs of the citizens of the county are threatened, including, but not limited to, an emergency arising from the termination of the lease or default of the lessee or guarantor under the lease, upon

unanimous order of all of the duly elected members of the board of supervisors of the county, and upon a unanimous finding of all of the board that an emergency exists as to the health care needs of the county, and that immediate access to the monies in the special fund is necessary for the protection of the health and welfare of the citizens of the county, the board of supervisors is authorized to expend accrued collected interest from the fund or any portion of the principal of the fund for purposes of abating the health care emergency.

Section 7. Notwithstanding the provisions of Sections 1 through 6 of this act, the board of supervisors may expend any portion of the accrued collected interest from the fund or the principal of the fund:

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

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

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

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

SECTION 2. This act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE
February 28, 2013

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 14, 2013

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

GOVERNOR

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