

SENATE BILL 2975

By Stevens

AN ACT to amend Chapter 176 of the Private Acts of 1953, as amended by Chapter 524 of the Private Acts of 1953, Chapter 95 of the Private Acts of 1985, Chapter 56 of the Private Acts of 1991, Chapter 157 of the Private Acts of 1994, Chapter 7 of the Private Acts of 2015, and any other acts amendatory thereto, relative to the Henry County Hospital District.

WHEREAS, Chapter 158 of the Private Acts of 1961 authorized Henry County to construct a county nursing home, to acquire a site therefore, to issue bonds for the purposes of such construction, and to dispose of the nursing home upon such terms as may be determined by the Henry County Board of Commissioners; and

WHEREAS, Chapter 354 of the Private Acts of 1958 created the Henry County Nursing and Rest Home District, later known as the Henry County Nursing Home, which was amended by Chapter 114 of the Private Acts of 1975 and Chapter 313 of the Private Acts of 1980. Chapter 354 of the Private Acts of 1958 was repealed by Chapter 157 of the Private Acts of 1994; and

WHEREAS, Chapter 176 of the Private Acts of 1953 created the Henry County Hospital District, which was amended by Chapter 524 of the Private Acts of 1953; Chapter 314 of the Private Acts of 1980; Chapter 94 of the Private Acts of 1985; Chapter 95 of the Private Acts of 1985; Chapter 56 of the Private Acts of 1991; Chapter 157 of the Private Acts of 1994; and Chapter 7 of the Private Acts of 2015. Chapter 157 of the Private Acts of 1994 authorized the Hospital District, now doing business as the "Henry County Medical Center", to assume ownership, management, and operation of the Henry County Nursing and Rest Home District's assets, including, without limitation, the nursing home land; and

WHEREAS, pursuant to the repeal of Chapter 354 of the Private Acts of 1968, as amended by Chapter 157 of the Private Acts of 1994 and the assumption of the ownership, management, and operation of the Henry County Nursing and Rest Home District's assets by

the Henry County Medical Center in that same act of 1994, the purpose of this act is to authorize the Henry County Hospital District to sell or lease such assets outside of the ordinary course of business, including, without limitation, substantially all the assets of the Henry County Nursing Home, and to authorize the recall of certain members of the Henry County Hospital District Board of Trustees; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Pursuant to the repeal of Chapter 354 of the Private Acts of 1968 by Chapter 157 of the Private Acts of 1994, and any subsequent acts amendatory to Chapter 157 of the Private Acts of 1994, and the enactment of Chapter 176 of the Private Acts of 1953, as amended by Chapter 524 of the Private Acts of 1953, Chapter 157 of the Private Acts of 1994, and any other acts amendatory thereto, Chapter 176 of the Private Acts of 1953, as amended, is further amended by deleting the following two paragraphs from Section 6:

The Hospital District shall own, manage, and operate the Henry County Nursing and Rest Home and provide nursing and rest home service of the highest quality consistent with the generally recognized standards of nursing and rest home service, and with the physical facilities provided, and with limitations imposed by the budget. The Henry County Nursing and Rest Home has been organized for the purpose of housing, feeding, clothing, and looking after the health, happiness, and general welfare of those persons who may qualify under the rules and bylaws as promulgated by the Board of Trustees for admittance as patients. Such services shall be rendered to any person who makes satisfactory financial arrangements for that person's service and who is certified for entrance under the rules of the Henry County Hospital District Board of Trustees; and to any person regardless of financial arrangements, if (1) in the opinion of said Board of Trustees, the physical well-being of the persons is seriously and imminently endangered by delay in provides the services; or (2) it is determined after due investigative procedure of said Board of Trustees or its delegated representatives that such person, if a resident of Henry County, is without any means whatsoever to pay for such services. No charity

patients shall be admitted from outside Henry County, Tennessee, except as prior arrangements for pay for nursing and rest home services are made by another political subdivision.

The Hospital District will provide nursing home services in the same manner as previously provided by the Henry County Nursing Home Board of Directors pursuant to Chapter 354 of the Private Acts of 1968, as amended, except to the extent such provision for services would conflict with the rules and regulations for the operation of the Hospital District as are established by the Board of Trustees of the Hospital District and other provisions of this Act.

SECTION 2. Chapter 176 of the Private Acts of 1953, as amended by Chapter 524 of the Private Acts of 1953, Chapter 157 of the Private Acts of 1994, and any other acts amendatory thereto, is further amended by adding the following as the last paragraph in Section 6:

The Hospital District may provide nursing home services in the same manner as previously provided by the Henry County Nursing Home Board of Directors pursuant to Chapter 354 of the Private Acts of 1968, as amended, except to the extent such provision for services would conflict with the rules and regulations for the operation of the Hospital District as are established by the Board of Trustees of the Hospital District and other provisions of this Act.

SECTION 3. Chapter 176 of the Private Acts of 1953, as amended by Chapter 524 of the Private Acts of 1953, Chapter 157 of the Private Acts of 1994, and any other acts amendatory thereto, is amended by deleting Section 5 and substituting the following:

Section 5. That said Board shall hold regular meetings monthly on a date which it shall establish. The Board may on call of the Chairman hold special meetings at any time under rules which it shall establish.

(A) The Board shall have the responsibility and authority to:

(i) Control the property and facilities of the Hospital District;

(ii) Purchase real estate with the approval of the County

Commission;

(iii) Sell or lease, with the approval and authorization of the County Commission, any portion of the real estate that the District owns and to execute leases and deeds therefor when authorized to do so by the County Commission;

(iv) Sell or lease personal property that the District owns in the ordinary course of business;

(v) Receive all moneys for Hospital purposes, including tax receipts from the County Trustee's office, and to disburse all such moneys in cash or by check;

(vi) Make contracts for goods and services;

(vii) Establish rules and regulations governing the property of the District, its uses and management;

(viii) Erect buildings, to employ, define the duties of, fix compensation of, and to discharge employees of the District; and

(ix) To act for and on behalf of Henry County, Tennessee, in the discharge of its mission as set forth in Section 6 of this Act.

(B) Notwithstanding any other provision of this Act or other applicable

law:

(i) The County Commission is vested with sole authority (a) to sell or lease any portion of the real estate which the District owns (including that described in Section 2 of this Act) and (b) to sell or lease personal property that the District owns outside the ordinary course of business. This authority includes, without limitation, the power to sell or lease any

and all of the District's assets to one (1) or more other public or privately-owned entities;

(ii) The proceeds from any sale or lease of the District's assets under this subsection shall first be applied to pay indebtedness which the County incurred or guaranteed on behalf of the District, unless the County Commission specifically directs that all or any portion of the proceeds be paid instead to the District for its general purposes; and

(iii) The County Mayor is authorized to execute any deeds of conveyance, leases, bills of sale and other assignments, agreements, certificates and documents necessary or convenient to complete the sale of assets directed by the County Commission under this subsection.

(C) In the event that the sale or lease of assets outside the ordinary course of business renders the District financially unable to render hospital, ambulance, nursing home, or other services that the District is authorized or required to provide by this Act, the District shall be relieved of any requirement to provide such services unless and until the District is adequately funded to provide such services at or above the applicable standards of care.

SECTION 4. Chapter 176 of the Private Acts of 1953, as amended by Chapter 524 of the Private Acts of 1953, Chapter 95 of the Private Acts of 1985, Chapter 56 of the Private Acts of 1991, Chapter 7 of the Private Acts of 2015, and any other acts amendatory thereto, is amended by inserting the following as a new second paragraph in Section 3:

The County Commission may recall any member of the board of trustees with or without cause and fill the unexpired term caused by such vacancy; however, no board member serving a term of office as of September 30, 2024, may be recalled during such term (this does not prohibit the recall of such board member during any subsequent term to which such board member may be elected).

SECTION 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 6. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of Henry County. Its approval or nonapproval shall be proclaimed by the presiding officer of the legislative body and certified to the secretary of state.

SECTION 7. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective as provided in Section 6.