

House Bill 370 (AS PASSED HOUSE AND SENATE)

By: Representatives Jones of the 47th, Schofield of the 60th, Oliver of the 82nd, and Martin of the 49th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 4 of Chapter 7 of Title 31 of the Official Code of Georgia Annotated,
2 relating to county and municipal hospital authorities, so as to provide for term limits for
3 members of joint hospital authorities; to provide that joint hospital authorities that lease
4 certain hospitals are subject to limitations on utilization of revenues; to provide for
5 applicability; to provide for related matters; to repeal conflicting laws; and for other
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 4 of Chapter 7 of Title 31 of the Official Code of Georgia Annotated, relating to
10 county and municipal hospital authorities, is amended in Code Section 31-7-72, relating to
11 creation of county and municipal hospital authorities, by revising subsection (d) as follows:

12 "(d)(1) Any two or more counties or any two or more municipalities or any county or
13 municipality, or a combination of any county and any municipality, by a like resolution
14 or ordinance of their respective governing bodies, may authorize the exercise of the
15 powers provided for in this article by an authority. The membership of such authority
16 affected by like resolutions of the respective governing bodies of any two or more of the

17 governing bodies of the participating units shall be not less than five nor more than 15
18 members, the terms and distribution of members between the participating units to be
19 provided for by the resolutions adopted by the governing bodies of the participating units,
20 except as otherwise provided in paragraph (2) of this subsection. The resolutions of the
21 governing bodies of participating units acting together for the creation of an authority
22 may be amended by the governing bodies of the participating units from time to time.
23 Where the governing bodies of participating units have acted together for the creation of
24 an authority under this subsection and where at least one of those participating units is
25 a county having a population of 35,000 or less according to the United States decennial
26 census of 1990 or any future such census, the method of filling vacancies upon such
27 authority may be changed only by local Act of the General Assembly and, when so
28 changed, shall be governed by that local Act.

29 (2)(A) On and after July 1, 2021, no person shall serve as a member of a hospital
30 authority for more than three consecutive terms, or 12 years, whichever is longer.

31 (B) This paragraph shall only apply to joint hospital authorities established pursuant
32 to this subsection which operate or lease a hospital containing more than 900 licensed
33 beds."

34 SECTION 2.

35 Said article is further amended in Code Section 31-7-77, relating to prohibition on for-profit
36 projects, rates and charges, and utilization of revenues to pay certain obligations, by revising
37 subsection (b) as follows:

38 "(b) Notwithstanding subsection (a) of this Code section or any other provisions to the
39 contrary, a joint hospital authority established pursuant to Code Section 31-7-72 which
40 operates or leases a hospital containing more than 900 licensed beds shall only utilize
41 revenues to pay principal and interest on certificates and obligations of the authority, to pay
42 pension plan obligations of the authority existing as of January 1, ~~2013~~ 2021, and for

43 funding projects leased by the authority to a lessee pursuant to a contract entered into in
44 accordance with paragraph (7) of Code Section 31-7-75; provided, however, that no more
45 than 1 percent of revenues shall be utilized to pay for personnel costs for employees or
46 contractors of the authority and no revenues shall be used to perform any power or duty
47 delegated in a lease."

48 **SECTION 3.**

49 All laws and parts of laws in conflict with this Act are repealed.