

SENATE BILL 2926  
By Miller J

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 57, Part 6, relative to the sale or lease of county and municipal hospitals.

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

SECTION 1. Tennessee Code Annotated, Section 7-57-604, is amended by deleting that section in its entirety and substituting therefor the following:

( ) A referendum of the voters of any local government in which a private act hospital authority is located shall be required for approval of the sale, lease or other transfer of the assets, buildings and real property of the hospital and clinical facilities owned by the county or municipality. Such approval shall be required prior to such sale, lease or transfer unless the local governing body determines any of the following:

( ) that an emergency exists in the operation of such facility because of its rapidly deteriorating financial condition and inability to meet current cash requirements, debts payable, or lack of adequate operating capital;

( ) that the continued operation of the hospital by the local governing body is not economically feasible;

( ) that the continued operation of such facility by the local governing body will adversely affect the financial stability of the county or municipality; or

( ) that the part of the buildings and real property of such facilities is no longer needed by the local governing body for the operation of such hospital and clinical facilities.

( ) The provisions of this section do not apply to the disposal of personal property of such hospital and clinical facilities that is obsolete, surplus or unusable. The local governing body shall promulgate rules governing the disposal of such personal property.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.