

House Bill 1299

By: Representatives Jasperse of the 11th, Burchett of the 176th, O'Steen of the 169th, Barton of the 5th, Gunter of the 8th, and others

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 allow hospital authorities to
3 acquire, develop, operate, or equip certain outpatient healthcare facilities; to provide for
4 definitions; to provide for related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Article 4 of Chapter 7 of Title 31 of the Official Code of Georgia Annotated, relating to
8 county and municipal hospital authorities, is amended in Code Section 31-7-75, relating to
9 functions and powers, by deleting "and" at the end of paragraph (26), by replacing the period
10 with "; and" at the end of paragraph (27), and by adding a new paragraph to read as follows:

11 "(28)(A) As used in this paragraph, the term 'rural joint venture outpatient healthcare
12 facility' shall have the same meaning as set forth in Code Section 31-7-77.

13 (B) To acquire, develop, operate, or equip a rural joint venture outpatient healthcare
14 facility that will be located in the same rural county as an existing hospital owned or
15 operated by the hospital authority, to be controlled by the hospital authority, to be
16 jointly owned and utilized by a single group of physicians who practice the same

17 medical specialty when the hospital authority determines that doing so will promote the
18 public health needs of the community served by the hospital authority. The ownership
19 of such facility by the hospital authority shall be no less than 51 percent and the
20 ownership of such facility by the single group of physicians shall be no more than 49
21 percent."

22 **SECTION 2.**

23 Said article is further amended by revising Code Section 31-7-77, relating to prohibition on
24 for-profit projects, rates and charges, and utilization of revenues to pay certain obligations,
25 as follows:

26 "31-7-77.

27 (a) As used in this Code section, the term:

28 (1) 'Rural county' means a county having a population of fewer than 50,000 according
29 to the United States decennial census of 2020 or any future such census; provided,
30 however, that for counties which contain a military base or installation, the military
31 personnel and their dependents living in such county shall be excluded from the total
32 population of such county for purposes of this definition.

33 (2) 'Rural joint venture outpatient healthcare facility' means a freestanding medical
34 facility that provides diagnostic, treatment, or rehabilitative services to patients but fewer
35 than 24 continuous hours of such services. Such term shall not include a hospital, nursing
36 home, assisted living community, or personal care home.

37 ~~(a)~~(b) No authority shall operate or construct any project for profit. It shall fix rates and
38 charges consistent with this declaration of policy and such as will produce revenues only
39 in amounts sufficient, together with all other funds of the authority, to pay principal and
40 interest on certificates and obligations of the authority, to provide for maintenance and
41 operation of the project, and to create and maintain a reserve sufficient to meet principal
42 and interest payments due on any certificates in any one year after the issuance thereof.

43 The authority may provide reasonable reserves for the improvement, replacement, or
44 expansion of its facilities or services.

45 ~~(b)~~(c) Notwithstanding subsection ~~(a)~~(b) of this Code section or any other provisions to
46 the contrary, a joint hospital authority established pursuant to Code Section 31-7-72 which
47 operates or leases a hospital containing more than 900 licensed beds shall only utilize
48 revenues to pay principal and interest on certificates and obligations of the authority, to pay
49 pension plan obligations of the authority existing as of January 1, 2021, and for funding
50 projects leased by the authority to a lessee pursuant to a contract entered into in accordance
51 with paragraph (7) of Code Section 31-7-75; provided, however, that no more than 1
52 percent of revenues shall be utilized to pay for personnel costs for employees or contractors
53 of the authority and no revenues shall be used to perform any power or duty delegated in
54 a lease.

55 (d) Notwithstanding subsection (b) of this Code section or any other provision to the
56 contrary, either a hospital in a rural county owned or operated by a hospital authority, or
57 a hospital authority directly, is authorized to acquire, develop, operate, or equip a rural joint
58 venture outpatient healthcare facility in accordance with paragraph (28) of Code Section
59 31-7-75."

60 **SECTION 3.**

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