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# Private Acts of 1996 Chapter 125

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Sincerely,

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## Private Acts of 1996 Chapter 125

**SECTION 1.** A hospital, known as Maury Regional Hospital, and owned by Maury County, was created and established by Chapter 448 of the Private Acts of 1949, as amended by Chapter 373 of the Private Acts of 1953, Chapter 199 of the Private Acts of 1971, Chapter 43 of the Private Acts of 1973, Chapter 162 of the Private Acts of 1988, and Chapter 64 of the Private Acts of 1989, all of which were repealed by Chapter 2 of the Private Acts of 1995. Chapter 2 of the Private Acts of 1995 is hereby amended to read as provided in this act which shall constitute the sole private act relative to Maury Regional Hospital.

**SECTION 2.** The hospital is composed of those tracts or parcels of land, together with all buildings or other improvements thereon and all appurtenances thereto, whether within or without Maury County, in order to fulfill the hospital's mission of providing health care services to the region.

**SECTION 3.** The hospital shall be controlled by a Board of Trustees, nine (9) in number, which shall include the chief executive officer of the hospital who, by virtue of the position, shall automatically be an ex-officio member of the Board of Trustees with full voting privileges. Each member shall be a citizen of Maury County, over the age of twenty-one (21) years. Each member shall serve without compensation. The office of board member is not a county office for the purposes of Article XI, Section 9 of the Tennessee Constitution. No member of the Board of Trustees shall be a member of the county commission. No member of the Board of Trustees and no member of the county commission shall profit financially by reason of operation of the hospital except that the hospital chief executive officer and/or a member of the hospital medical or dental staff, while serving as a member of the Board of Trustees, may be compensated in the same manner as if such person were not a member of the Board of Trustees. No property belonging to the hospital shall be loaned.

**SECTION 4.** The present members of the Board of Trustees and the expiration of the terms that they are now serving shall be:

Tillman Knox, January 1998;  
 Dorothy Sowell, January 1998;  
 R. M. McKay, January 1998;  
 Joe Lancaster, January 1999;  
 John Thornton, January 1999;  
 Dr. Robert Thompson, January 1997;  
 Harlan Bowsheer, January 1997;  
 Waymon Hickman, January 1997; and  
 the chief executive officer of the hospital.

The term of a board member, except the chief executive officer of the hospital, is three (3) years. Upon the expiration of any term of a board member, or upon any vacancy which may occur by reason of death, resignation, refusal to serve, or otherwise, the county commission shall elect for a regular three (3) year term or for the remainder of the unexpired term of any member in case of a vacancy as appropriate. The appointment and acceptance of each board member shall be filed with the county clerk of Maury County, Tennessee. A member is eligible for reelection to the board. The Board of Trustees shall elect a chairman, vice chairman, and secretary from among its members.

Nothing contained herein shall prevent the board from electing and designating the chief executive officer as secretary. The board shall meet at least once each quarter, and more often if necessary. The board shall keep complete, permanent, and public records and minutes, reflecting all its business and transactions. The signature of the chief executive officer and chairman of the board or some other person duly designated by the board shall be affixed to all checks or warrants drawn on funds belonging to the hospital. The signatures may be affixed manually or by use of check writing equipment.

### **SECTION 5.**

(a) The Board of Trustees shall be vested with full, absolute and complete authority and responsibility for the operation, maintenance, management, conduct and control of the business and affairs of the hospital herein created. Such business and affairs may include without limitation, the provision of health care services in the home and the ownership, sponsorship or participation in any alternative health care delivery systems, notwithstanding that as a consequence of such exercise of powers, it engages in activities that may be deemed within the contemplation of the antitrust laws of the State or of the United States. Subject to the provisions of subsection (b), the

Board of Trustees of Maury Regional Hospital shall have the authority to acquire, to lease, to sell or to dispose of real property determined by the board to be appropriate for the operation of the hospital and the provision of health care services to the region. Such operation, maintenance, management, conduct and control shall not be inconsistent with existing contractual obligations of Maury County, Tennessee. Such authority shall include, but not be limited to, the establishment, promulgation, and enforcement of rules, regulations and policies necessary to direct and supervise the operation and maintenance of all property; the administration of all financial affairs, including the execution of all documents necessary to administer such financial affairs; except the county commission shall approve the borrowing of funds which would adversely affect the ability of Maury County to incur indebtedness; the execution of all contracts, agreements, leases, deeds, and other instruments in order to accomplish the purposes of the hospital, the ownership or leasing of property whether inside or outside Maury County subject to the provisions of subsection (b); and the employment, compensation, discharge and supervision of all personnel; and to adopt proper bylaws which shall meet the standards as set by the Joint Commission on the Accreditation of Health Care Organizations.

(b) None of the following actions shall be undertaken by the hospital without the approval of the county commission of Maury County:

- (1) The execution of any instrument which, by its explicit terms, creates a full faith and credit obligation of Maury County; or purports to involve taxexempt financing.
- (2) The removal of the general administrative offices of the hospital from the main hospital tract.

Notwithstanding the foregoing, the acquisition, lease, sale or disposition of any single tract of real property with a fair market value of one million dollars (\$1,000,000) or more shall be approved by two-thirds (2/3) majority vote of the county commission.

**SECTION 6.** In addition, Maury Regional Hospital, through its Board of Trustees, shall have, together with all powers incidental thereto or necessary to discharge the powers granted specifically herein, the powers to participate as a shareholder in a corporation, as a joint venturer in a joint venture, as a general partner in a general partnership, as a limited partner in a limited partnership or a general partnership, as a member in a nonprofit corporation or as a member of any other lawful form of business organization, which provides hospital medical or health care or engages in any activity supporting or related to the exercise of the provision of health care services to the region; to create, establish, acquire, operate or support subsidiaries and affiliates, either for profit or nonprofit, to assist Maury Regional Hospital in fulfilling its purposes; to create, establish or support nonaffiliated for profit or nonprofit corporations or other lawful business organizations which operate and have as their purposes the furtherance of Maury Regional Hospital's purposes; and to accomplish and facilitate the creation, establishment, acquisition, operation or support of any such subsidiary, affiliate, nonaffiliated corporation or other lawful business organization, by means of loans of funds, acquisition or transfer of assets, leases of real or personal property, gifts and grants of funds or guarantees of indebtedness of such subsidiaries, affiliates and nonaffiliated corporations.

**SECTION 7.** The Board of Trustees shall have authority to employ and fix the compensation of a hospital administrator, and such other personnel and employees as may be necessary, whose duties and responsibilities shall be determined and prescribed by the Board of Trustees; the hospital administrator so employed shall have a degree in hospital administration from an accredited college or university.

**SECTION 8.**

(a) The county commission of Maury County shall elect a committee from its membership. The duties of the committee are to advise the Board of Trustees and thereafter to recommend to the county commission measures affecting and pertaining to the welfare of the hospital. The duties shall include, but not be limited to, the approval and recommendations to the county commission for the purchase, replacement, and improvement of the capital equipment of the hospital if such capital equipment is to be paid for out of the funds of Maury County.

(b) The Maury County Commission may appropriate funds for the operation of Maury Regional Hospital.

**SECTION 9.** The Board of Trustees shall annually prepare and submit to the Maury County Commission a budget which will be the same budget prepared for and approved by the Board of Trustees. The budget shall be for a fiscal year running from July 1 through June 30.

The board shall submit the budget to the county commission not later than July 1, for approval by the county commission at the regular July term for each year.

**SECTION 10.** The Board of Trustees shall prepare and submit to the county commission of Maury County, on a monthly basis, the financial statement and report previously submitted to and approved by the Board of Trustees. Provided, however, the county commission may provide for an audit of the books, records, and financial affairs of the hospital at any time it deems advisable or necessary.

**SECTION 11.** This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of Maury County. Its approval or nonapproval shall be proclaimed by the presiding officer of the commission and certified to the Secretary of State.

**SECTION 12.** 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 upon being approved as provided in Section 11.

Passed: February 14, 1996.

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