

**PUBLIC CHAPTER NO. 977**

**SENATE BILL NO. 2804**

**By Norris, Crowe, Marrero**

Substituted for: House Bill No. 2949

By Pitts, John Deberry, Camper, Fitzhugh, Fincher

AN ACT to amend Tennessee Code Annotated, Title 48, Chapter 101, Part 3, relative to non-profit primary care.

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

SECTION 1. Tennessee Code Annotated, Section 48-101-301, is amended by adding the following language as a new, appropriately designated subdivision:

( ) "Clinic", except in the context of a hospital-based facility, means a not for profit, out-patient, non-hospital facility providing:

- (A) Primary health care;
- (B) Dental care;
- (C) Eye care;
- (D) Child delivery or birthing facilities; or
- (E) Any other out-patient healthcare service.

SECTION 2. Tennessee Code Annotated, Section 48-101-301(14), is amended by adding the following language as a new subdivision (I):

(I) "Project", in the case of a clinic, means a structure, facility, machinery, equipment or other property suitable for use by a clinic, including, without limitation, supporting facilities, including a site therefor, a computer facility, a laboratory, a maintenance facility, administrative offices, parking facilities, x-ray facilities, facilities for specialized diagnostic or out-patient treatment or any combination of the foregoing; and, funds to be used by any such clinic in connection with the operation thereof, including, but not limited to, maintenance and supply costs, heating, lighting and other utility expenditures, repair and replacement expenses, employee compensation and administrative costs and expenses; furthermore, in the case of a clinic, "project" means the purchase of the accounts receivable of any aforescribed institution;

SECTION 3. Tennessee Code Annotated, Section 48-101-308(a), is amended by deleting subdivisions (6), (7) and (8) in their entirety, and by substituting instead the following language:

(6) Lease to a hospital institution, clinic, not for profit blood bank or blood center, or an institution for higher education or a housing facility, one (1) or more projects upon such terms and conditions as the board of directors shall deem proper and charge and collect rent therefor and terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; and include in any such lease, if desired, provisions that the lessee thereof shall have options to renew the term of the lease for such period or periods and at such rent as shall be determined by the board of directors of the corporation and/or to purchase any or all of its projects or that, upon payment of all of the indebtedness of the corporation, it may lease or convey any or all of its projects to the lessees thereof with or without consideration;

(7) Sell to a hospital institution, clinic, not for profit blood bank or blood center, or an institution for higher education or a housing facility or educational institution for physically and mentally retarded individuals, one (1) or more projects for such payments and upon such terms and conditions as the board of directors of the corporation may deem advisable in accordance with the provisions of sale contracts entered into pursuant to this part;

(8) Enter into loan agreements with a hospital institution, clinic, not for profit blood bank or blood center, or an institution for higher education or educational institutions for physically and mentally retarded individuals or a housing facility with respect to one (1) or more projects for such payments and upon such terms and conditions as the board of directors of the corporation may deem advisable in accordance with the provisions of this part;

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: May 13, 2010**

  
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RON RAMSEY  
SPEAKER OF THE SENATE

  
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KENT WILLIAMS, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 27th day of May 2010**



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PHIL BREDESEN, GOVERNOR