



State of Tennessee
PUBLIC CHAPTER NO. 929

SENATE BILL NO. 2912

By Overbey

Substituted for: House Bill No. 3275

By Harrison, Sargent

AN ACT to amend Tennessee Code Annotated, Title 48, Chapter 68, relative to domestic nonprofit corporations.

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

SECTION 1. Tennessee Code Annotated, Section 48-68-206, is amended by deleting subdivision (3) in its entirety and substituting instead the following:

(3) Whether the proceeds of the proposed public benefit hospital conveyance transaction will be used consistent with the trust under which the assets are held by the public benefit hospital entity;

SECTION 2. Tennessee Code Annotated, Section 48-68-206, is amended by inserting the following as new subdivisions (4) and (5) and by redesignating the remaining subdivisions accordingly:

(4) Whether the proceeds are used by a county or municipality for general or special revenue obligations not expressly provided for when the hospital was established;

(5) Whether the proceeds will be controlled as funds independently of the acquiring or related entities; provided, however, no proceeds shall be returned to any county or municipal government except to the extent necessary to pay lawful obligations to such county or municipal government;

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it. A sale, lease, exchange or other disposition of any assets by an entity which was required to give notice to the attorney general prior to such sale, lease, exchange or other disposition before the enactment of this act shall be governed by the law in effect when such notice was sent.

SENATE BILL NO. 2912

PASSED: April 18, 2012



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 10th day of May 2012



BILL HASLAM, GOVERNOR