

SB222 ENROLLED



1 SB222
2 HGJF286-2
3 By Senator Hatcher
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 04-Mar-25



SB222 Enrolled

1 Enrolled, An Act,

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4 Relating to medical clinic boards; to add Section
5 11-58-5.2 to the Code of Alabama 1975; to authorize medical
6 clinic boards to readjust debt pursuant to federal bankruptcy
7 law in certain circumstances.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. Section 11-58-5.2 is added to the Code of
10 Alabama 1975, to read as follows:

11 §11-58-5.2

12 (a) This section shall apply to any medical clinic
13 board that leases property to a licensed acute care hospital
14 or general health care provider that has voluntarily filed for
15 Chapter 11 bankruptcy under the United States Bankruptcy Code.

16 (b) A medical clinic board meeting the requirements of
17 subsection (a) shall have the power to take all steps and
18 proceedings contemplated or permitted by any act of the
19 Congress of the United States relating to the readjustment of
20 municipal indebtedness including, without limitation, the
21 commencement of a case under the United States Bankruptcy
22 Code, and the State of Alabama hereby gives its assent thereto
23 and hereby authorizes such a medical clinic board to proceed
24 under the federal acts for the readjustment of its debts.

25 (c) (1) The members of the board of directors of a
26 medical clinic board authorized under this section to pursue
27 readjustment of its debts shall be immune from suit and
28 liability, both personally and in their official capacity, for



SB222 Enrolled

any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the member against whom the claim is made had a reasonable basis for believing occurred, within the scope of board employment, duties, or responsibilities.

(2) Nothing in this subsection shall be construed to protect any member from suit or liability for any damage, loss, injury, or liability caused by the intentional, willful, or wanton misconduct of that member.

(3) The procurement of insurance of any type by the board of directors does not in any way compromise or limit the immunity granted by this subsection.

Section 2. This act shall become effective immediately.



SB222 Enrolled

President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB222

Senate 06-Mar-25

I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 20-Mar-25

Senate concurred in House amendment 01-Apr-25

By: Senator Hatcher