§ 3406. Transfer of property; relationship with the county; certain gifts, loans and guarantees by the county. 1. (a) By county ordinance only, the county may contract, sell, convey, loan, license the use of, or lease to the corporation any property or assets (except monies appropriated by the county and payable to the corporation pursuant to subdivision three and paragraph (a) of subdivision four of this section), including its interest in Healthfirst Inc., which are useful in connection with the exercise by the corporation of any of its powers under this title in order to transfer the facilities and operations in whole or in part of any facility, operation or program of the county of Nassau providing health care services, whether or not the provision of such facility, operation or program by the county is specifically mandated by state law, to the corporation by agreement between the county and the corporation and any subsequent renewal or amendment thereof. The powers conferred upon the county herein to sell, convey, loan, license the use of or lease property or assets of the county to the corporation are in addition to any other powers granted to the county by law relating to the sale, conveyance, alienation, leasing, licensing or loaning of real or personal property and are not subject to any law to the extent inconsistent herewith.

(b) Any such contract, sale, conveyance, loan, license or lease shall be upon such terms and conditions, for such consideration which may include cash, services or any combination thereof which the county determines to be in the best interests of the citizens and taxpayers of the county and for such term or terms of years, subject to the rights of the holders of any bonds, as the corporation and the county may agree. No real property of the county consisting of any health facility currently operated by Nassau county shall be transferred to the corporation in fee, except under such restrictions regarding rights of first refusal, or other rights, to repurchase the property as the Nassau county legislature shall approve by act. Any such contract, sale, conveyance, lease, loan or license shall not be subject to referendum, permissive or mandatory. In the event that the county contracts, sells, conveys, loans, licenses or leases any property or assets to the corporation, the county may contract with the corporation to lease, borrow, license, operate, maintain, manage and provide services for such facilities upon such terms and conditions and for such term or terms of

years, subject to the rights of holders of bonds, as the corporation and the county may agree. The corporation, in furtherance of any purchase, conveyance or lease of any property or facility from the county, may assume the primary responsibility for the payment of the principal and interest on any bonds or notes issued by the county for such property or facility.

(c) Upon the terms and conditions and on the effective date set forth in the agreement between the county and the corporation entered into pursuant to paragraph (a) of subdivision one of this section, such departments, agencies, facilities, services and other rights and interest of the county pertaining to health care services as the county or corporation may agree shall be transferred to the corporation. Upon any such transfer, the county is authorized to restructure or eliminate all such departments, agencies or facilities.

2. The county may acquire by purchase, lease, or condemnation pursuant to the eminent domain procedure law, real property in the name of the county for any corporate purpose of the corporation.

3. In addition to any other powers granted to it by law and consistent with the constitution and other provisions of law, the county may, from time to time, appropriate sums of money to defray project costs or any other costs or expenses of the corporation including operating expenses.

Subject to the rights of bondholders, the county may determine if the monies so appropriated shall be subject to repayment by the corporation to the county and, in such event, the manner and time or times for such repayment.

4. In addition to the authority granted elsewhere in this title and by other applicable laws, the corporation and the county may enter into a contract or contracts from time to time providing for one or more of the following:

(a) the payment of sums appropriated by the county pursuant to subdivision three of this section;

(b) the payment of sums for health care services provided by the corporation which could otherwise be provided directly by the county,

including services for uncompensated care;

(c) services to be provided by the county to or on behalf of the corporation;

(d) the transfer of employees of the county to the corporation as provided in section thirty-four hundred three of this title;

(e) indemnification by the corporation to the county for claims associated with establishment of and operation of the corporation and its health facilities;

(f) the sale, conveyance, loan, license or lease by the county to the corporation of any property (except monies appropriated by the county and payable to the corporation pursuant to subdivision three and paragraph (a) of this subdivision) or facilities which are useful in connection with the exercise by the corporation of any of its powers under this title not transferred pursuant to the authority granted in paragraph (a) of subdivision one of this section, which sale, conveyance, loan, license or lease shall nevertheless be subject to paragraph (b) of subdivision one of this section; and

(g) such other matters as may be appropriate to accomplish the purposes hereof.

Any such contract or contracts shall be authorized by the county by resolution or ordinance adopted by the county legislature or in such other manner as permitted by the county government law of the county of Nassau. Such contract or contracts shall include such terms and conditions and have such term or terms of years, as the corporation and the county may agree.

5. (a) The county of Nassau shall have the power and is hereby authorized, pursuant to section seven of article seventeen of the state constitution, to lend its money or credit to or in aid of the corporation or any subsidiary thereof for the purpose of providing health related facilities or hospital facilities for the prevention, diagnosis or treatment of human disease, pain, injury, disability, deformity or physical condition, and for facilities incidental or appurtenant thereto as may be prescribed by law. The county is hereby authorized to prescribe such facilities by local law of the county. The corporation or any such subsidiary thereof, as a condition to any such

loan of money or credit, shall enter into a regulatory agreement with the county as to its charges, profits, dividends and disposition or its property of franchises, which agreement shall be binding and enforceable by the county. The county may elect in such regulatory agreement to refrain from exercising all or any portion of its authority to so regulate such charges, profits, dividends and disposition of property or franchise to the extent such charges, profits, dividends and disposition of property or franchise are regulated by the state or any agency thereof. The county shall authorize such regulatory agreement by local law.

(b) In pursuance of the authority granted herein, the county shall have the power and is hereby authorized from time to time to issue its bonds, notes or other obligations in such principal amounts as it shall deem necessary, after taking into account other monies which may be available for the purposes set forth herein. Such bonds, notes or obligations shall be issued for the purpose of making loans to the corporation or any subsidiary thereof, paying interest on such bonds, notes or other obligations, and paying all other obligations and expenditures incidental to and necessary or convenient for the making of such loans. Such bonds, notes or obligations shall be issued in accordance with the applicable provisions of this chapter and the local finance law and applicable local laws.

(c) Any guarantee by the county made pursuant to the authority granted in this section shall be authorized by ordinance or ordinances of the county in the same manner as such ordinance or ordinances authorizing the issuance of bonds of the county for the purposes for which such guarantee is undertaken.

(d) The county shall also be authorized to enact laws governing the conditions under which such loans, commitments and guarantees shall be made.

6. For purposes of subdivision four of paragraph a of section 25.00 of the local finance law, amounts to be derived by the county of Nassau from the corporation, or any subsidiary thereof, shall be included in the term "other income".

7. (a) Notwithstanding the provisions of any other state or local law

to the contrary, including, but not limited to, sections six-n and six-j of the general municipal law, with the approval of the county legislature, amounts deposited for or on behalf of the health care and medical facilities or operations of the county which have been transferred to the corporation pursuant to this section in the liability and casualty and workers' compensation reserve funds established by the county pursuant to said sections of the general municipal law, and investment earnings thereon, may be withdrawn by the county from such funds and transferred to the corporation and shall be used by the corporation for the purposes for which such funds were established.

(b) No amounts shall be withdrawn and transferred to the corporation pursuant to this subdivision unless prior thereto the corporation has agreed in writing to indemnify and hold harmless the county, and provide defense, for all claims, cases, proceedings, actions or other matters against the county arising out of the properties, facilities, operations or employees of the corporation of the Nassau Health Care Corporation, whether commenced before or after the date of transfer of said amounts, and to provide such other security for this obligation as the county may reasonably require.

8. Notwithstanding the provisions of any state or local law to the contrary, including but not limited to section six-l of the general municipal law, any monies derived by the county in consideration of the sale of its facilities or property to the corporation pursuant to this section may be used for any lawful purpose of the county.