HOSPITAL FINANCE AUTHORITY ACT (EXCERPT)
Act 38 of 1969

331.59 Contents of resolution authorizing bonds.

Sec. 29. A resolution authorizing bonds or an issue of bonds under this chapter may contain provisions, which shall be a part of the contract with the holders of the bonds, as to:

(a) The use and disposition of the rentals received under the agreement, or the income from hospital loans and mortgages owned by the local authority, and payment of principal and interest on the loans and mortgages, including the creation of reserves or sinking funds, and the regulation and disposition of the reserves and sinking funds.

(b) The limitations on the purpose to which the proceeds of a sale of notes or bonds may be applied, and pledging those proceeds to secure the payment of the notes or bonds or of an issue of notes or bonds.

(c) The limitations on the issuance of additional notes or bonds and the terms and conditions upon which additional notes or bonds may be issued.

(d) The maintenance and repair costs of the hospital facilities, which costs may be assumed by the lessee hospital, in which event provision need not be made for rental payments to meet the costs.

(e) The insurance to be carried on the hospital facilities and the use and disposition of insurance moneys.

(f) The terms and conditions upon which the holder of the bonds, or a portion of the bonds, or any trustees therefor, shall be entitled to the appointment of a receiver by a court which has jurisdiction in the proceedings, and which receiver may enter and take possession of the hospital facilities and lease and maintain the facilities, prescribe rentals, and collect, receive, and apply all income and revenues thereafter arising from the facilities in the same manner and to the same extent as the hospital authority might do.

(g) The procedure by which the terms of a contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent to an amendment or abrogation, and the manner in which the consent may be given.

(h) The vesting in 1 or more trustees of the property, rights, powers, remedies, and duties which the local authority considers necessary or convenient.

History: 1969, Act 38, Imd. Eff. July 14, 1969;—Am. 1978, Act 277, Imd. Eff. July 3, 1978.

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