

MUNICIPAL HEALTH FACILITIES CORPORATIONS ACT (EXCERPT)
Act 230 of 1987

331.1402 Corporation or subsidiary corporation; additional powers; prohibited conduct.

Sec. 402.

In addition to the powers provided elsewhere in this act, a corporation or subsidiary corporation may, subject to approval of the county board of commissioners, city council, or village council, borrow money, issue bonds, and exercise the powers provided in the revenue bond act of 1933, Act No. 94 of the Public Acts of 1933, being sections 141.101 to 141.139 of the Michigan Compiled Laws, or issue bonds, notes, or other obligations pursuant to other applicable law. However, whether or not otherwise permitted by law, a corporation or a subsidiary corporation shall not borrow funds from, lease property from, or acquire property pursuant to a lease purchase agreement with a local hospital authority incorporated under the hospital finance authority act, Act No. 38 of the Public Acts of 1969, being sections 331.31 to 331.84 of the Michigan Compiled Laws, nor shall a corporation or subsidiary corporation otherwise receive the proceeds of bonds issued by such a local hospital authority, except as consideration for property transferred by the corporation or subsidiary corporation to a third party.

History: 1987, Act 230, Eff. Feb. 27, 1988 ;-- Am. 1988, Act 502, Eff. Jan. 1, 1989