

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

**331.1304 Board of trustees and subsidiary board; additional powers.**

Sec. 304.

Without limiting the powers described in section 301 and elsewhere in this act, each board of trustees and subsidiary board, in furtherance of its purposes and consistent with its articles of incorporation, but subject to applicable licensing and other regulatory requirements, may do any or all of the following:

(a) Establish sites for its health care facilities inside or outside the local governmental unit and relocate its health care facilities in the same municipality or elsewhere.

(b) Acquire by purchase, gift, devise, lease, sublease, installment purchase agreement, land contract, option, or by any other means, hold, and own in its own name health care facilities and interests therein and other real and personal property, including, but not limited to, interests in condominiums, and property subject to mortgages, security interests, or other liens, necessary or convenient to fulfill its purposes; and, for the purpose of condemnation, proceed under the uniform condemnation procedures act, Act No. 87 of the Public Acts of 1980, being sections 213.51 to 213.77 of the Michigan Compiled Laws, or other applicable statute.

(c) Construct, add to, repair, remodel, renovate, equip, and re-equip health care facilities and establish rules, regulations, or policies conforming with applicable law with respect to requirements for competitive bidding, advertising, advertising for bids and letting contracts. However, in all cases, the right to reject any and all bids shall be reserved.

(d) Dispose of its real and personal property by sale, lease, sublease, installment sale agreement, land contract, or other lawful means.

(e) Purchase, contract for, or acquire administrative, management, and other services necessary or convenient to the fulfillment of its purposes from the local governmental unit and from other sources and sell these services to the local governmental unit and to other public and private persons.

(f) Apply for, negotiate, receive, and accept gifts or grants of money, property, services, or other aid offered or made available to it, and comply, subject to the provisions of this act and other applicable law, with the terms of such gifts, grants, or other aid.

(g) Provide insurance, reinsurance, obtain indemnification or establish programs or trusts for self-insurance against loss in connection with its assets or any liability in connection with its activities. The insurance, reinsurance, indemnification, or self-insurance shall be in such forms and amounts, and from such sources, as it considers appropriate.

(h) Invest funds not immediately required for its purposes, funds accumulated to provide retirement or pension benefits, endowment funds created for charitable or educational purposes, and other funds in any manner in which a local governmental unit may then lawfully invest such property and loan its funds in furtherance of its purposes.

(i) Borrow money from the local governmental unit in accordance with section 305(e) and enter into agreements for the repayment of the loans.

(j) Grant mortgages, security interests, and other liens in its real and personal property, sell and lease back its real and personal property, and pledge its property or revenues in furtherance of its purposes.

(k) Guarantee, in whole or in part, bonds, notes, and other obligations of the local governmental unit undertaken for its benefit and grant mortgages, security interests, and other liens in its real and personal property and pledge its property or revenues to secure obligations of the local governmental unit undertaken for its benefit, with or without guaranteeing such obligations.

(l) Transfer real or personal property to subsidiary corporations or parent corporations in furtherance of its purposes or the purposes of the subsidiary or parent corporations, with or without monetary consideration, and transfer money and other real and personal property not required to carry out its purposes to the local governmental unit.

(m) Guarantee, in whole or in part, corporation obligations, bonds, notes, and other obligations of a subsidiary corporation or a parent corporation.

(n) Grant mortgages, security interests, or other liens in its real and personal property and pledge its property or revenues to secure corporation obligations, bonds, notes, or other obligations of 1 or more of its subsidiary corporations or its parent corporation, with or without guaranteeing such obligations.

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