

# SENATE BILL No. 991

February 12, 2004, Introduced by Senator ALLEN and referred to the Committee on Health Policy.

A bill to amend 1945 PA 47, entitled

"An act to authorize 2 or more cities, townships, and villages, or any combination of cities, townships, and villages, to incorporate a hospital authority for planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining, and operating 1 or more community hospitals and related buildings or structures and related facilities; to provide for the sale, lease, or other transfer of a hospital owned by a hospital authority to a nonprofit corporation established under the laws of this state for no or nominal monetary consideration; to define hospitals and community hospitals; to provide for changes in the membership therein; to authorize the cities, townships, and villages to levy taxes for community hospital purposes; to provide for the issuance of bonds; to provide for the pledge of assessments; to provide for borrowing money for operation and maintenance and issuing notes for operation and maintenance; to validate elections heretofore held and notes heretofore issued; to validate bonds heretofore issued; to authorize condemnation proceedings; to grant certain powers of a body corporate; to validate and ratify the organization, existence, and membership of entities acting as hospital authorities under the act and the actions taken by hospital authorities and by the members of the hospital authorities; and to prescribe penalties and provide remedies,"

by amending section 2 (MCL 331.2).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 2. (1) The hospital authority ~~shall be~~ **is** a body  
 2 corporate with power to sue or be sued in any court of this state  
 3 and may exercise those powers necessary and incident to the  
 4 acquisition, construction, improvement, enlargement, extension,  
 5 ownership, maintenance, and operation of 1 or more community  
 6 hospitals. The authority may contract with any of the  
 7 participating cities, villages, and townships, or any other city,  
 8 village, or township, or with any county ~~department of social~~  
 9 ~~welfare~~ **family independence agency**, for the hospital care of  
 10 indigent patients and other persons entitled to hospital care at  
 11 public expense. The authority may contract with any individual,  
 12 firm, or corporation for the furnishing of hospital care to  
 13 persons at the private expense of the individual, firm, or  
 14 corporation. The authority may establish rules providing for a  
 15 system of civil service for its employees.

16           (2) An entity ~~which~~ **that** is unable to document compliance  
 17 with sections 1 and 3 ~~, which~~ **and** is acting or purporting to  
 18 act as a hospital authority under this act ~~, and which~~  
 19 ~~continuously owned and operated a hospital for not less than 15~~  
 20 ~~years before the effective date of this subsection, shall be~~ **is**  
 21 a hospital authority duly organized and existing under this act  
 22 ~~, and~~ fully empowered to exercise any power granted to a  
 23 hospital authority under this act ~~. The entity shall file a~~  
 24 ~~written notice with the clerk of each city, village, or township~~  
 25 ~~included in the hospital authority within 30 days after the~~  
 26 ~~effective date of this subsection stating that the entity, being~~  
 27 ~~unable to document compliance with sections 1 and 3, is~~

1 ~~recognized as a hospital authority pursuant to this subsection.~~  
2 if the entity satisfies either of the following:

3 (a) Continuously owned and operated a hospital for not less  
4 than 15 years before February 6, 1978 and filed a written notice  
5 with the clerk of each city, village, or township included in the  
6 hospital authority within 30 days after February 6, 1978 stating  
7 that the entity, being unable to document compliance with  
8 sections 1 and 3, is recognized as a hospital authority pursuant  
9 to this subsection.

10 (b) Continuously owned and operated a hospital for not less  
11 than 40 years before the effective date of this subdivision and  
12 filed a written notice with the clerk of each city, village, or  
13 township included in the hospital authority within 30 days after  
14 the effective date of this subdivision stating that the entity,  
15 being unable to document compliance with sections 1 and 3, is  
16 recognized as a hospital authority pursuant to this subsection.

17 (3) An action or proceeding taken before **February 6, 1978** by  
18 a hospital authority recognized by subsection (2)(a) or before  
19 the effective date of ~~this~~ subsection (2)(b) by a hospital  
20 authority recognized by subsection ~~(2)~~ (2)(b), which a hospital  
21 authority is empowered by this act to take, is validated,  
22 ratified, and confirmed. A city, village, or township ~~which~~  
23 **that** appointed a representative to the board of a hospital  
24 authority recognized by subsection ~~(2)~~ (2)(a) or (b) or ~~which~~  
25 **that** levied a tax for or made payments to a hospital authority  
26 recognized by subsection ~~(2)~~ (2)(a) or (b) pursuant to this act  
27 ~~shall be~~ **is a member of that hospital authority**, and ~~shall be~~

1 **is** considered to have been **a member of that hospital authority**  
2 since the date a representative was first appointed, the tax was  
3 first levied, or the payment was first made. ~~—, a member of that~~  
4 ~~hospital authority.~~ Any action or proceeding of a city, village,  
5 or township taken in regard to a hospital authority recognized by  
6 subsection ~~—(2)—~~ **(2)(a) or (b)**, which the city, village, or  
7 township was empowered by this act to take in regard to a duly  
8 organized and existing hospital authority, is ~~hereby~~ validated,  
9 ratified, and confirmed.