

Act No. 120
Public Acts of 2004
Approved by the Governor
May 27, 2004
Filed with the Secretary of State
May 27, 2004
EFFECTIVE DATE: May 27, 2004

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Senator Allen

ENROLLED SENATE BILL No. 991

AN ACT 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:

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

(2) An entity that is unable to document compliance with sections 1 and 3 and is acting or purporting to act as a hospital authority under this act is a hospital authority duly organized and existing under this act and fully empowered to exercise any power granted to a hospital authority under this act if the entity satisfies either of the following:

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

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

(3) An action or proceeding taken before February 6, 1978 by a hospital authority recognized by subsection (2)(a) or before the effective date of subsection (2)(b) by a hospital authority recognized by subsection (2)(b), which a hospital authority is empowered by this act to take, is validated, ratified, and confirmed. A city, village, or township that appointed a representative to the board of a hospital authority recognized by subsection (2)(a) or (b) or that levied a tax for or made payments to a hospital authority recognized by subsection (2)(a) or (b) pursuant to this act is a member of that hospital authority, and is considered to have been a member of that hospital authority since the date a representative was first appointed, the tax was first levied, or the payment was first made. Any action or proceeding of a city, village, or township taken in regard to a hospital authority recognized by subsection (2)(a) or (b), which the city, village, or township was empowered by this act to take in regard to a duly organized and existing hospital authority, is validated, ratified, and confirmed.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor