

HOSPITAL FINANCE AUTHORITY ACT (EXCERPT)
Act 38 of 1969

331.73f Use of proceeds of refunding bonds and of earnings or profits on proceeds; resolution.

Sec. 43f.

(1) Except as provided in subsection (2), the proceeds of the refunding bonds issued pursuant to section 14(2) or 32 and the investment earnings or profits on those proceeds may be used to pay all or any part of any 1 or more of the following:

- (a) Principal of the bonds to be refunded, upon their maturity or earlier redemption.
 - (b) Interest accruing on the bonds to be refunded from the interest payment date last preceding the issuance of the refunding bonds, to the date the bonds to be refunded are paid, at maturity or earlier redemption.
 - (c) Redemption premiums, if any, on the bonds to be refunded, and the cost of redemption or payment of the bonds to be refunded.
 - (d) Incidental costs of the issuance of the refunding bonds.
 - (e) The funding of a reasonable reserve fund for the refunding bonds, in an amount established by the resolution authorizing the sale of the refunding bonds.
 - (f) Principal of, and interest and redemption premiums, if any, on any or all series of the refunding bonds.
- (2) The resolution or other documents pursuant to which the refunding bonds are issued may provide that investment earnings or profits on the proceeds of the refunding bonds may be paid or rebated to the hospital whose facilities were financed or refinanced by the proceeds of the bonds to be refunded, or to the hospital's successors.

History: Add. 1978, Act 277, Imd. Eff. July 3, 1978 ;-- Am. 1992, Act 302, Imd. Eff. Dec. 21, 1992