

## **HEALTH AND SAFETY CODE – HSC**

### **DIVISION 23. HOSPITAL DISTRICTS [32000. - 32492.]**

*(Division 23 added by Stats. 1945, Ch. 932.)*

### **CHAPTER 2. Board of Directors [32100. - 32155.]**

*(Chapter 2 added by Stats. 1945, Ch. 932.)*

### **ARTICLE 2. Powers [32121. - 32138.]**

*(Article 2 added by Stats. 1945, Ch. 932.)*

#### **§ 32127.2. SECURING STATE INSURANCE OF FINANCING FOR THE CONSTRUCTION OF NEW HEALTH FACILITIES, THE EXPANSION, MODERNIZATION, RENOVATION, REMODELING AND ALTERATION OF EXISTING HEALTH FACILITIES, AND THE INITIAL EQUIPPING OF ANY SUCH HEALTH FACILITIES**

Exclusively for the purpose of securing state insurance of financing for the construction of new health facilities, the expansion, modernization, renovation, remodeling and alteration of existing health facilities, and the initial equipping of any such health facilities under Chapter 1 (commencing with Section 129000) of Part 6 of Division 107, and notwithstanding any provision of this division or any other provision or holding of law, the board of directors of any district may

- (a) borrow money or credit, or issue bonds, as well as by the financing methods specified in this division, and
- (b) execute in favor of the state first mortgages, first deeds of trust, and other necessary security interests as the Office of Statewide Health Planning and Development may reasonably require in respect to a health facility project property as security for the insurance. No payments of principal, interest, insurance premium and inspection fees, and all other costs of state-insured loans obtained under the authorization of this section shall be made from funds derived from the district's power to tax. It is hereby declared that the authorizations for the executing of the mortgages, deeds of trust and other necessary security agreements by the board and for the enforcement of the state's rights thereunder is in the public interest in order to preserve and promote the health, welfare, and safety of the people of this state by providing, without cost to the state, a state insurance program for health facility construction loans in order to stimulate the flow of private capital into health facilities construction to enable the rational meeting of the critical need for new, expanded and modernized public health facilities.

*(Amended by Stats. 1996, c. 1023, § 296. Effective September 29, 1996.)*