

SENATE . . . . . No. 1273

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The Commonwealth of Massachusetts

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SENATE, April 9, 1969.

The committee on State Administration, to whom was referred the petition (accompanied by bill, House, No. 1327) of the Massachusetts Hospital Association for legislation to create a health and educational facilities authority, reports the accompanying Bill (Senate, No. 1273). (Representatives Bevilacqua of Haverhill and Hollis of Braintree dissenting).

For the committee,

JAMES A. KELLY, JR.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-Nine.

### AN ACT ESTABLISHING THE HEALTH AND EDUCATIONAL FACILITIES AUTHORITY.

1 *Whereas*, The deferred operation of this act would tend to  
2 defeat its purpose, which is, in part, to provide forthwith  
3 additional funds for urgently needed facilities for institutions  
4 for higher education and hospitals in the commonwealth, there-  
5 fore it is hereby declared to be an emergency law, necessary  
6 for the immediate preservation of the public health, welfare  
7 and convenience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter six hundred and fourteen of the acts  
2 of nineteen hundred and sixty-eight is hereby amended in  
3 each of the following respects:

4 A. By striking out section one of said chapter and inserting  
5 in the place thereof the following section: —

6 *Section 1. Declaration of Policy.* — It is hereby declared  
7 that for the benefit of the people of the commonwealth, the  
8 increase of their commerce, welfare and prosperity and the  
9 improvement of their health and living conditions it is es-  
10 sential that this and future generations of youth be given the  
11 fullest opportunity to learn and to develop their intellectual  
12 and mental capacities; that it is essential that institutions for  
13 higher education within the commonwealth be provided with  
14 appropriate additional means to assist such youth in achieving  
15 the required levels of learning and development of their in-  
16 tellectual and mental capacities; that it is essential that hos-  
17 pitals within the commonwealth be provided with appropriate  
18 additional means to expand, enlarge and establish health  
19 care, hospital and other related facilities; and that it is the  
20 purpose of this act to provide a measure of assistance and an

21 alternative method to enable institutions for higher educa-  
22 tion and hospitals in the commonwealth to provide the facili-  
23 ties and structures which are sorely needed to accomplish the  
24 purposes of this act, all to the public benefit and good, to the  
25 extent and manner provided herein.

26 B. By striking out section two of said chapter and insert-  
27 ing in the place thereof the following section: —

28 *Section 2. Short Title of Act.* — This act may be referred  
29 to and cited as the "Health and Educational Facilities Au-  
30 thority Act."

31 C. By striking out section three of said chapter and in-  
32 serting in the place thereof the following section: —

33 *Section 3. Definitions.* — In this act, the following words  
34 and terms shall, unless the context otherwise requires, have  
35 the following meanings: —

36 (a) "Authority", the Health and Educational Facilities  
37 Authority created by section four.

38 (b) "Project", in the case of a participating institution  
39 for higher education, a structure or structures suitable for  
40 use as a dormitory or other multi-unit housing facility for  
41 students, faculty, officers or employees, a dining hall, student  
42 union, administration building, academic building, library,  
43 laboratory, research facility, classroom, athletic facility,  
44 health care facility, maintenance, storage or utility facility  
45 and other structures or facilities related to any of the fore-  
46 going or required or useful for the instruction of students  
47 or the conducting of research or the operation of an in-  
48 stitution for higher education, including parking and other  
49 facilities or structures essential or convenient for the  
50 orderly conduct of such institution for higher education, and  
51 shall also include landscaping, site preparation, furniture,  
52 equipment and machinery and other similar items necessary  
53 or convenient for the operation of a particular facility or  
54 structure in the manner for which its use is intended but  
55 shall not include such items as books, fuel, supplies or  
56 other items the costs of which are customarily deemed to  
57 result in a current operating charge, and shall not include  
58 any facility used or to be used for sectarian instruction or

59 as a place of religious worship nor any facility which is  
60 used or to be used primarily in connection with any part  
61 of the program of a school or department of divinity for  
62 any religious denomination; and, in the case of a participa-  
63 ting hospital, a structure or structures suitable for use as a  
64 hospital, clinic, or other health care facility, laboratory,  
65 laundry, nurses or interns residence or other multi-unit  
66 housing facility for staff, employees, patients or relatives  
67 of patients admitted for treatment in such hospital, doctors  
68 office building, administration building, research facility,  
69 maintenance, storage or utility facility and other structures  
70 or facilities related to any of the foregoing or required or  
71 useful for the operation of a hospital, including parking  
72 and other facilities or structures essential or convenient  
73 for the orderly conduct of such hospital, and shall also in-  
74 clude landscaping, site preparation, furniture, equipment  
75 and machinery and other similar items necessary or con-  
76 venient for the operation of a particular facility or structure  
77 in the manner for which its use is intended but shall not  
78 include such items as fuel, supplies or other items the costs  
79 of which are customarily deemed to result in a current  
80 operating charge; and "project" may include any combina-  
81 tion of one or more of the foregoing undertaken jointly by  
82 any participating institution for higher education or any  
83 participating hospital with one or more other participating  
84 institutions for higher education and participating hospitals.

85 (c) "Cost", as applied to a project or any portion thereof  
86 financed under the provisions of this act embraces all or  
87 any part of the cost of construction, acquisition, alteration,  
88 enlargement, reconstruction and remodeling of a project  
89 including all lands, structures, real or personal property,  
90 rights, rights of way, air rights, franchises, easements and  
91 interests acquired or used for or in connection with a  
92 project, the cost of demolishing or removing any buildings  
93 or structures on land so acquired, including the cost of  
94 acquiring any lands to which such buildings or structures  
95 may be moved, the cost of all machinery and equipment,  
96 financing charges, interest prior to, during and for a

97 period after completion of such construction and acquisition,  
98 provisions for reserves for principal and interest and for  
99 extensions, enlargements, additions, replacements, renova-  
100 tions and improvements, the cost of architectural, engineer-  
101 ing, financial and legal services, plans, specifications, studies,  
102 surveys, estimates of cost and of revenues, administrative  
103 expenses, expenses necessary or incident to determining the  
104 feasibility or practicability of constructing the project and  
105 such other expenses as may be necessary or incident to  
106 the construction and acquisition of the project, the financing  
107 of such construction and acquisition and the placing of the  
108 project in operation.

109 (d) "Bonds" or "revenue bonds", revenue bonds of the  
110 authority issued under the provisions of this act, including  
111 revenue refunding bonds, notwithstanding that the same may  
112 be secured by mortgage or by the full faith and credit or by  
113 any other lawfully pledged security of either one or more  
114 participating institutions for higher education or one or  
115 more participating hospitals, or both.

116 (e) "Institution for higher education", a nonprofit edu-  
117 cational institution within the commonwealth authorized  
118 by law to provide a program of education beyond the high  
119 school level.

120 (f) "Participating institution for higher education", an  
121 institution for higher education which, pursuant to the pro-  
122 visions of this act, undertakes the financing and construc-  
123 tion or acquisition of a project or undertakes the refunding  
124 or refinancing of obligations or of a mortgage or of advances  
125 as provided in this act.

126 (g) "Hospital", a nonprofit hospital within the common-  
127 wealth licensed by the Department of Public Health.

128 (h) "Participating hospital", a hospital which, pursuant  
129 to the provisions of this act, undertakes the financing and  
130 construction or acquisition of a project or undertakes the  
131 refunding or refinancing of obligations or of a mortgage or  
132 of advances as provided in this act.

133 D. By striking out section four of said chapter and inserting  
134 in the place thereof the following section: —

135 *Section 4. Health and Educational Facilities Authority.* —

136 (a) There is hereby created a body politic and corporate to  
137 be known as the "Health and Educational Facilities Au-  
138 thority", hereinafter in this act called the authority. Said au-  
139 thority is constituted a public instrumentality and the exercise  
140 by the authority of the powers conferred by this act shall be  
141 deemed and held to be the performance of an essential public  
142 function. Said authority shall consist of nine members, to  
143 be appointed by the governor, who shall be residents of the  
144 commonwealth, not more than five of whom shall be members  
145 of the same political party. At least two of the members shall  
146 be trustees, directors, officers or employees of institutions for  
147 higher education, at least two shall be trustees, directors,  
148 officers or employees of hospitals, at least one shall be a per-  
149 son having a favorable reputation for skill, knowledge and  
150 experience in the field of state and municipal finance, either  
151 as a partner, officer or employee of an investment banking firm  
152 which originates and purchases state and municipal securities,  
153 or as an officer or employee of an insurance company or bank  
154 whose duties relate to the purchase of state and municipal  
155 securities as an investment and to the management and con-  
156 trol of a state and municipal securities portfolio, and at least  
157 one shall be a person having a favorable reputation for skill,  
158 knowledge and experience in the building construction field.  
159 The members of the authority first appointed shall serve for  
160 terms expiring on July first in the years nineteen hundred  
161 and sixty-nine, nineteen hundred and seventy, nineteen hun-  
162 dred and seventy-one, nineteen hundred and seventy-two,  
163 nineteen hundred and seventy-three, nineteen hundred and  
164 seventy-four and nineteen hundred and seventy-five respec-  
165 tively, the term of each such member to be designated by  
166 the governor; except that of the two members first appointed  
167 who are trustees, directors, officers or employees of institu-  
168 tions for higher education, one shall serve until July first  
169 nineteen hundred and seventy-one and one until July first  
170 nineteen hundred and seventy-three and of the two members  
171 first appointed who are trustees, directors, officers or em-  
172 ployees of hospitals, one shall serve until July first nineteen

173 hundred and seventy-two and one until July first nineteen  
174 hundred and seventy-four. Upon the expiration of the term  
175 of any member his successor shall be appointed for a term  
176 of seven years. The governor shall fill any vacancy for the  
177 remainder of the unexpired term. Any member of the au-  
178 thority may be removed by the governor for misfeasance,  
179 malfeasance or wilful neglect of duty or other cause after  
180 notice and a public hearing unless such notice and hearing  
181 shall be expressly waived in writing.

182 (b) The authority shall annually elect one of its members  
183 as chairman and one as vice chairman. It may appoint an  
184 executive director and assistant executive director, who shall  
185 not be members of the authority, who shall serve at the  
186 pleasure of the authority and who shall receive such com-  
187 pensation as shall be fixed by the authority.

188 (c) The executive director or assistant executive director  
189 or other person designated by resolution of the authority  
190 shall keep a record of the proceedings of the authority and  
191 shall be custodian of all books, documents and papers filed  
192 with the authority, the minute book or journal of the au-  
193 thority, and its official seal. Said executive director or assis-  
194 tant executive director or other person may cause copies to  
195 be made of all minutes and other records and documents of  
196 the authority and may give certificates under the official seal  
197 of the authority to the effect that such copies are true copies,  
198 and all persons dealing with the authority may rely upon such  
199 certificates.

200 (d) Five members of the authority shall constitute a quorum.  
201 The affirmative vote of a majority of all the members of the  
202 authority shall be necessary for any action taken by the au-  
203 thority. A vacancy in the membership of the authority shall  
204 not impair the right of a quorum to exercise all the rights  
205 and perform all the duties of the authority. Any action taken  
206 by the authority under the provisions of this act may be  
207 authorized by resolution at any regular or special meeting,  
208 and each such resolution shall take effect immediately and  
209 need not be published or posted.

210 (e) Before the issuance of any revenue bonds under the

211 provisions of this act, the chairman, vice chairman, executive  
212 director and assistant executive director and any other mem-  
213 ber of the authority authorized by resolution of the authority  
214 to handle funds or sign checks of the authority shall execute  
215 a surety bond in the penal sum of fifty thousand dollars. Each  
216 such surety bond shall be conditioned upon the faithful per-  
217 formance of the duties of the office of the principal, shall be  
218 executed by a surety company authorized to transact business  
219 in the commonwealth as surety, shall be approved by the  
220 attorney general and shall be filed in the office of the state  
221 secretary. The cost of each such bond shall be paid by the  
222 authority.

223 (f) The members of the authority shall receive no compen-  
224 sation for the performance of their duties hereunder but  
225 each such member shall be paid his necessary expenses  
226 incurred while engaged in the performance of such duties.

227 (g) Any member, officer, agent or employee of the au-  
228 thority who, directly or indirectly, has any financial interest  
229 in any property to be included in, or any contract for prop-  
230 erty or materials to be furnished or used in connection with,  
231 any project of the authority, shall be punished by a fine of  
232 not less than fifty dollars nor more than one thousand dol-  
233 lars, or by imprisonment for not more than one month, or  
234 both.

235 Notwithstanding the foregoing provisions of paragraph (g)  
236 of this section or the provisions of any other law to the con-  
237 trary, it shall not be or constitute a conflict of interest or vio-  
238 lation of the provisions of said paragraph (g) or the pro-  
239 visions of any other law for a trustee, director, officer or  
240 employee of a participating institution for higher education  
241 or of a participating hospital or for a person having the re-  
242 quired favorable reputation for skill, knowledge and experi-  
243 ence in state and municipal finance or for a person having  
244 the required favorable reputation for skill, knowledge and ex-  
245 perience in the building construction field to serve as a mem-  
246 ber of the authority; provided, in each case to which the  
247 provisions hereof are applicable, such trustee, director, officer  
248 or employee of such participating institution for higher edu-

249 cation or of such participation hospital abstains from dis-  
250 cussion, deliberation, action and vote by the authority in  
251 specific respect to any undertaking pursuant to this act in  
252 in which such participating institution for higher education  
253 or such participating hospital has an interest, or such person  
254 having the required favorable reputation for skill, knowledge  
255 and experience in state and municipal finance abstains from  
256 discussion, deliberation, action and vote by the authority in  
257 specific respect to any sale, purchase or ownership of bonds  
258 of the authority in which the investment banking firm or  
259 insurance company or bank of which such person is a partner,  
260 officer or employee has a past, current or future interest, or  
261 such person having the required favorable reputation for  
262 skill, knowledge and experience in the building construction  
263 field abstains from discussion, deliberation, action and vote  
264 by the authority in specific respect to construction or ac-  
265 quisition of any project of the authority in which any partner-  
266 ship, firm, joint venture, sole proprietorship or corporation  
267 of which such person is an owner, venturer, participant,  
268 partner, officer or employee has a past, current or future in-  
269 terest.

270 E. By striking out section five of said chapter and inserting  
271 in the place thereof the following section:

272 *Section 5. General Grant of Powers.* — The purpose of the  
273 authority shall be to assist institutions for higher education  
274 and hospitals in the acquisition, construction, financing and  
275 refinancing of projects, and for this purpose the authority is  
276 authorized and empowered:

277 (a) to adopt by-laws for the regulation of its affairs  
278 and the conduct of its business;

279 (b) to adopt an official seal and alter the same at pleas-  
280 ure;

281 (c) to maintain an office at such place or places as it may  
282 designate;

283 (d) to sue and be sued in its own name, plead and be  
284 impleaded;

285 (e) to determine the location and character of any pro-  
286 ject to be financed under the provisions of this act, and to

287 construct, reconstruct, remodel, maintain, manage, enlarge,  
288 alter, add to, repair, operate, lease, as lessee or lessor, and  
289 regulate the same, to enter into contracts for any or all of  
290 such purposes, to enter into contracts for the management  
291 and operation of a project, and to designate a participating  
292 institution for higher education or a participating hospital  
293 as its agent to determine the location and character of a  
294 project undertaken by such participating institution for  
295 higher education or such participating hospital under the  
296 provisions of this act and as the agent of the authority, to  
297 construct, reconstruct, remodel, maintain, manage, enlarge,  
298 alter, add to, repair, operate, lease, as lessee or lessor, and  
299 regulate the same, and as the agent of the authority, to  
300 enter into contracts for any or all of such purposes, includ-  
301 ing contracts for the management and operation of such  
302 project;

303 (f) to issue bonds, bond anticipation notes and other  
304 obligations of the authority for any of its corporate pur-  
305 poses, and to fund or refund the same all as provided in  
306 this act;

307 (g) generally, to fix and revise from time to time and  
308 charge and collect rates, rents, fees and charges for the  
309 use of and for the services furnished or to be furnished by  
310 a project or any portion thereof and to contract with any  
311 person, partnership, association or corporation or other  
312 body public or private in respect thereof and to designate  
313 a participating institution for higher education or a partici-  
314 pating hospital as its agent to fix, revise, charge and  
315 collect such rates, rents, fees and charges and to make such  
316 contracts;

317 (h) to establish rules and regulations for the use of a  
318 project or any portion thereof and to designate a partici-  
319 pating institution for higher education or a participating  
320 hospital as its agent to establish rules and regulations for  
321 the use of a project in which such participating institution  
322 for higher education or such participating hospital is partici-  
323 pating;

324 (i) to employ consulting engineers, architects, attorneys,

325 accountants, construction and financial experts, superin-  
326 tendents, managers, and such other employees and agents  
327 as may be necessary in its judgment, and to fix their com-  
328 pensation;

329 (j) to receive and accept from any public agency loans  
330 or grants for or in aid of the construction of a project or  
331 any portion thereof, and to receive and accept loans, grants,  
332 aid or contributions from any source of either money, prop-  
333 erty, labor or other things of value to be held, used and  
334 applied only for the purposes for which such loans, grants,  
335 aid and contributions are made;

336 (k) to mortgage any project and the site thereof for the  
337 benefit of the holders of revenue bonds issued to finance  
338 such project;

339 (l) to make loans to any participating institution for  
340 higher education and to any participating hospital for the  
341 cost of a project in accordance with an agreement between  
342 the authority and one or more participating institutions  
343 for higher education or one or more participating hospitals,  
344 or both; provided that no such loan shall exceed the total  
345 cost of the project as determined by such participating  
346 institution or institutions for higher education and such  
347 participating hospital or hospitals and approved by the  
348 authority;

349 (m) to make loans to participating institutions for high-  
350 er education and to participating hospitals to refund out-  
351 standing obligations, mortgages or advances issued, made  
352 or given by such participating institutions for higher educa-  
353 tion or such participating hospitals for the cost of a  
354 project;

355 (n) to charge to and equitably apportion among par-  
356 ticipating institutions for higher education and participating  
357 hospitals its administrative costs and expenses incurred in  
358 the exercise of the powers and duties conferred by this act;

359 (o) to do all things necessary or convenient to carry out  
360 the purposes of this act.

361 In carrying out the purposes of this act, the authority may  
362 undertake a joint project or projects for two or more par-

363 participating institutions for higher education or two or more  
364 participating hospitals, or for any combination of participating  
365 institutions for higher education and participating hospitals,  
366 and, thereupon, all other provisions of this act shall apply to  
367 and for the benefit of the authority and the participants in  
368 such joint project or projects.

369 F. By striking out section seven of said chapter and in-  
370 serting in the place thereof the following section:

371 *Section 7. Acquisition of Property.* — The authority is  
372 authorized and empowered, directly or by and through a  
373 participating institution for higher education or a participat-  
374 ing hospital, as its agent, to acquire by purchase solely from  
375 funds provided under the authority of this act, or by gift or  
376 devise, such lands, structures, property, real or personal,  
377 rights, rights of way, air rights, franchises, easements and  
378 other interests in lands, including lands lying under water and  
379 riparian rights, which are located within the commonwealth  
380 as it may deem necessary or convenient for the acquisition,  
381 construction or operation of a project, upon such terms and at  
382 such prices as may be considered by it to be reasonable and  
383 can be agreed upon between it and the owner thereof, and to  
384 take title thereto in the name of the authority or in the name  
385 of one or more participating institutions for higher education  
386 or participating hospitals as its agent.

387 G. By striking out section eight of said chapter and insert-  
388 ing in the place thereof the following section:

389 *Section 8. Title to Projects.* — When the principal of and  
390 interest on revenue bonds of the authority issued to finance  
391 the cost of a particular project or projects for one or more  
392 participating institutions for higher education and participat-  
393 ing hospitals, including any revenue refunding bonds issued  
394 to refund and refinance such revenue bonds, have been fully  
395 paid and retired or when adequate provision has been made  
396 to fully pay and retire the same, and all other conditions of  
397 the resolution or trust agreement authorizing and securing  
398 the same have been satisfied and the lien of such resolution  
399 or trust agreement has been released in accordance with the  
400 provisions thereof, the authority shall promptly do such things

401 and execute such deeds and conveyances as are necessary and  
402 required to convey title to such project or projects to such  
403 participating institution or institutions for higher education  
404 and such participating hospital or hospitals, free and clear of  
405 all liens and encumbrances, all to the extent that title to such  
406 project or projects shall not, at the time, then be vested in  
407 such participating institution or institutions for higher edu-  
408 cation or in such participating hospital or hospitals.

409 H. By striking out subsection (b) of section ten of said  
410 chapter and inserting in the place thereof the following sub-  
411 section: —

412 (b) The revenue bonds and notes of every issue shall be  
413 payable solely out of revenues to the authority, subject only  
414 to any agreements with the holders of particular revenue  
415 bonds or notes pledging any particular revenues and subject  
416 to any agreements with any participating institution for  
417 higher education or any participating hospital. Notwithstand-  
418 ing that revenue bonds and notes may be payable from a  
419 special fund, they shall be and be deemed to be, for all pur-  
420 poses, negotiable instruments, subject only to the provisions  
421 of the revenue bonds and notes for registration.

422 I. By striking out subsection (c) of section ten of said  
423 chapter and inserting in the place thereof the following sub-  
424 section:

425 (c) The revenue bonds may be issued as serial bonds or  
426 as term bonds, or the authority, in its discretion, may issue  
427 bonds of both types. The revenue bonds shall be authorized  
428 by resolution of the members of the authority and shall  
429 bear such date or dates, mature at such time or times, not  
430 exceeding fifty years from their respective dates, bear interest  
431 at such rate or rates, payable at such time or times, be in  
432 such denominations, be in such form, either coupon or reg-  
433 istered, carry such registration privileges, be executed in  
434 such manner, be payable in lawful money of the United States  
435 of America at such place or places, and be subject to such  
436 terms of redemption, as such resolution or resolutions may  
437 provide. The revenue bonds or notes may be sold at public  
438 or private sale for such price or prices as the authority shall

439 determine. Pending preparation of the definitive bonds, the  
440 authority may issue interim receipts or certificates which  
441 shall be exchanged for such definitive bonds.

442 J. By striking out subsection (d) of section ten of said  
443 chapter and inserting in the place thereof the following sub-  
444 section: —

445 (d) Any resolution or resolutions authorizing any revenue  
446 bonds or any issue of revenue bonds may contain provisions,  
447 which shall be a part of the contract with the holders of the  
448 revenue bonds to be authorized, as to:

449 (1) pledging all or any part of the revenues of a project  
450 or projects, any revenue producing contract or contracts made  
451 by the authority with any individual, partnership, corpora-  
452 tion or association or other body, public or private, to  
453 secure the payment of the revenue bonds or of any particu-  
454 lar issue of revenue bonds, subject to such agreements with  
455 bondholders as may then exist; (2) the rentals, fees and  
456 other charges to be charged, and the amounts to be raised in  
457 each year thereby, and the use and disposition of the revenues;  
458 (3) the establishment and setting aside of reserves or sinking  
459 funds, and the regulation and disposition thereof; (4) limita-  
460 tions on the right of the authority or its agent to restrict  
461 and regulate the use of the project; (5) limitations on the  
462 purpose to which the proceeds of sale of any issue of  
463 revenue bonds then or thereafter to be issued may be applied  
464 and pledging such proceeds to secure the payment of the  
465 revenue bonds or any issue of the revenue bonds; (6) limita-  
466 tions on the issuance of additional bonds, the terms upon  
467 which additional bonds may be issued and secured and the  
468 refunding of outstanding bonds; (7) the procedure, if any,  
469 by which the terms of any contract with bondholders may be  
470 amended or abrogated, the amount of bonds the holders of  
471 which must consent thereto, and the manner in which such  
472 consent may be given; (8) limitations on the amount of  
473 moneys derived from the project to be expended for operating,  
474 administrative or other expenses of the authority; (9) defin-  
475 ing the acts or omissions to act which shall constitute a de-  
476 fault in the duties of the authority to holders of its obliga-

477 tions and providing the rights and remedies of such holders in  
478 in the event of a default; (10) the duties, obligations and  
479 liabilities of any trustee or paying agent; and (11) the mort-  
480 gaging of a project and the site thereof for the purpose of  
481 securing the bondholders.

482 K. By striking out subsection (f) of section ten of said  
483 chapter and inserting in the place thereof the following sub-  
484 section:

485 (f) The authority shall have power out of any funds avail-  
486 able therefor to purchase its bonds or notes. The authority  
487 may hold, pledge, cancel or resell such bonds or notes, sub-  
488 ject to and in accordance with agreements with bondholders.

489 L. By striking out the last sentence of section thirteen of  
490 said chapter and inserting in the place thereof the following  
491 sentence:

492 Except as may otherwise be provided in such resolution  
493 or such trust agreement, such sinking or other similar fund  
494 shall be a fund for all such revenue bonds issued to finance  
495 a project or projects at one or more participating institutions  
496 for higher education or participating hospitals, or both, as  
497 the case may be, without distinction or priority of one over  
498 another; provided the authority in any such resolution or trust  
499 agreement may provide that such sinking or other similar  
500 fund shall be the fund for a particular project at an institution  
501 for higher education or a hospital and for the revenue bonds  
502 issued to finance a particular project and may, additionally,  
503 permit and provide for the issuance of revenue bonds having  
504 a subordinate lien in respect of the security herein authorized  
505 to other revenue bonds of the authority and, in such case,  
506 the authority may create separate or other similar funds in  
507 respect of such subordinate lien bonds.

508 M. By striking out section fifteen of said chapter and in-  
509 serting in the place thereof the following section: —

510 *Section 15. Remedies.* — Any holder of revenue bonds,  
511 notes, bond anticipation notes, other notes or other obliga-  
512 tions of the authority issued under the provisions of this act  
513 or any of the coupons appertaining thereto, and the trustee  
514 or trustees under any trust agreement, except to the extent

515 the rights herein given may be restricted by any resolution  
516 authorizing the issuance of, or any such trust agreement  
517 securing, such bonds or other obligations, may, either at law  
518 or in equity, by suit, action, mandamus or other proceedings,  
519 protect and enforce any and all rights under the laws of the  
520 commonwealth or granted hereunder or under such resolution  
521 or trust agreement, and may enforce and compel the perform-  
522 mance of all duties required by this act or by such resolu-  
523 tion or trust agreement to be performed by the authority or  
524 any officer, employee or agent thereof, including the fixing,  
525 charging and collecting of the rates, rents, fees and charges  
526 herein authorized and required by the provisions of such  
527 resolution or trust agreement to be fixed, established and  
528 collected.

529 N. By changing the period at the end of section twenty of  
530 said chapter to a semicolon and adding the following:

531 but nothing herein shall be deemed to prevent the authority  
532 from acquiring any completed or partially completed project  
533 and completing such project pursuant to contracts and agree-  
534 ments entered into for such purpose.

1 SECTION 2. All members of the Educational Facilities Au-  
2 thority serving immediately prior to the effective date of this  
3 act shall continue and remain as members of the Health and  
4 Educational Facilities Authority for their original terms, un-  
5 less they earlier die, resign, or are removed.