

that the State may recover a certain portion of the State funds expended under certain circumstances; and providing generally for the issuance and sale of bonds evidencing the loan.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Nursing Home Loan of 1990 in the aggregate principal amount of ~~\$300,000~~ \$250,000. This loan shall be evidenced by the issuance and sale of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(2) The bonds issued to evidence this loan or installments thereof may be sold as a single issue or may be consolidated and sold as part of a single issue of bonds under § 8-122 of the State Finance and Procurement Article.

(3) The actual cash proceeds of the sale of the bonds shall be paid to the Treasurer and shall be first applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and thereafter shall be credited on the books of the State Comptroller and expended, upon approval of the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: for State grants to public and other nonprofit nursing homes for the construction, expansion, renovation, and equipping of these nursing homes, including the reports, plans, specifications, site improvements, surveys, and programs in connection therewith.

(4) (a) In this Act, the following terms have the meanings indicated.

(b) "Department" means the Department of Health and Mental Hygiene.

(c) "Facility" means a nursing home that is wholly owned by and operated under the authority of:

(i) A county or municipal corporation, or both; or

(ii) A nonprofit organization.

(d) "Nonprofit organization" means:

(i) A bona fide religious organization, no part of the earnings of which inures to the benefit of any individual or is used for any purpose other than the maintenance and operation of the facility, the purchase of equipment to be used in the facility, or the expansion of the facility; or

(ii) An organization:

1. That is chartered as a nonprofit corporation and classified by the Internal Revenue Service as nonprofit; and