

provided for the construction, expansion, replacement, relocation or modernization of hospital buildings, facilities and equipment, for voluntary non-profit hospitals in this State. For this purpose, the Commission has the responsibility and authority to receive and examine, and to approve or disapprove applications from voluntary nonprofit hospitals for loans to be made from State funds for the construction, expansion, relocation or modernization of hospital buildings, facilities and equipment belonging to and used by voluntary non-profit hospitals in this State. The approval or disapproval of loans so requested by the several hospitals shall be submitted by the Commission to the Board of Public Works. Any such approval or disapproval, together with any recommendations made to the Board of Public Works by the Commission are only for the consideration of the Board of Public Works, and are not binding upon the Board of Public Works. The Maryland Hospital Commission shall not consider any application from any voluntary non-profit hospital if the purpose of such application is to obtain funds for refinancing an existing loan. This shall not prohibit the submission of an application in those cases where the term of an existing loan has expired and there is a necessity for new financing for the balance.

(b) In the performance of its duties and responsibilities in relation to such State loans, the Maryland Hospital Commission shall give general consideration to the current status and operations of voluntary non-profit hospitals throughout the State, and shall study and consider also plans and needs concerning the adequacy of hospital facilities throughout the State. In the consideration of any specific application for loan funds from the State, the Commission, as in its discretion seems advisable in the public interest, may require the applicant hospital to modify or change its plans as a condition precedent to the approval of the proposed loan by the Commission. In performing this function, the Commission may call upon any State official or agency for information that may be helpful, and it may utilize the services of private agencies for additional research analysis or information.

(c) Final authority for the granting of any State loan funds to any applicant hospital is vested in the Board of Public Works. If an applicant, or any hospital, is rejected by the Board of Public Works, neither the Commission nor the Board of Public Works shall receive or consider another application for loan funds from that hospital or applicant until after a period of six (6) months from the time the prior application was disapproved.

(d) In considering applications for loan funds and prior to making recommendations upon any application for State funds under this subheading, the Commission shall consider, ascertain and determine that:

(1) The applicant is, in fact, a voluntary non-profit hospital corporation, chartered as such in the State of Maryland.

(2) The said applicant or hospital has sufficient financial integrity and is in such financial condition that it can reasonably be expected to meet its obligations to the State in the repayment of the principal and interest on the said loan.

(3) There exists in the community in which the hospital is located an ability to support the hospital in the repayment of the said loan.