

SEC. 2. *And be it further enacted, That new Section 568A of Article 43 of the Annotated Code of Maryland (1965 Replacement Volume), title "Health," subtitle "Maryland Hospital Commission," be, and hereby is, enacted to read as follows:*

568A.

After July 1, 1968 all of the functions, powers, and duties heretofore assigned to the Maryland Hospital Commission shall be vested in the Department of Health. The Department of Health is hereby substituted, in place of the Hospital Commission, in any and all instruments, contracts, and agreements heretofore executed by the Commission. Such substitution shall be effective as a written assignment of all rights and privileges inuring to the benefit of the Commission and shall give the Department the right to enforce such contract or agreement according to its terms.

SEC. 3. *And be it further enacted, That Sections 568B and 568D of the Annotated Code of Maryland (1965 Replacement Volume), title "Health," subtitle "Maryland Hospital Commission," be, and hereby are, repealed and re-enacted, with amendments, to read as follows:*

568B. Powers and duties of **[Commission]** *Department of Health;* procedure for granting State loan funds.

(a) The **[Maryland Hospital Commission]** *Department of Health* has, generally, the duty and responsibility of administering matters and problems of hospital construction under this program and of any State funds hereunder, provided for the construction, expansion, replacement, relocation or modernization of hospital buildings, facilities and equipment, for voluntary nonprofit hospitals in this State. For this purpose, the **[Commission]** *Department* 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 nonprofit hospitals in this State. The approval or disapproval of loans so requested by the several hospitals shall be submitted by the **[Commission]** *Department* 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]** *Department* 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]** *Department of Health* shall not consider any application from any voluntary nonprofit 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]** *Department of Health* shall give general consideration to the current status and operations of voluntary nonprofit hospitals throughout the State, and shall study and consider also plans and needs concerning the adequacy of hospital facilities throughout the State. In