

(Senate Bill 919)

AN ACT concerning

Creation of a State Debt - Provident Hospital Loan of 1974

FOR the purpose of authorizing the creation of a State debt in the aggregate amount of One Million Dollars (\$1,000,000), to be known as the "Provident Hospital Loan of 1974", [[the proceeds thereof to be made available, to be placed in trust under the supervision of the Circuit Court of Baltimore City, for the purpose of compromising and paying existing debts of Provident Hospital, Inc. in constructing, equipping and operating the facilities of Provident Hospital; and to meet necessary operating expenses of Provident Hospital, Inc. pursuant to a Plan of Reorganization approved by the Circuit Court of Baltimore City; subject to the requirement that the Mayor and City Council of Baltimore provide an equal and matching fund for this project, and that Provident Hospital commence a good faith effort to raise additional capital funds from a community fund-raising drive; and providing generally for the issue and sale of bonds evidencing such loan.]] Four Hundred Thousand Dollars (\$400,000) of the proceeds thereof to be placed immediately in trust as a lump sum grant under the supervision of the Circuit Court of Baltimore City, for the purpose of buying and paying certain existing debts of Provident Hospital, Inc. incurred in constructing, equipping and operating the facilities of Provident Hospital, and the balance thereof up to Six Hundred Thousand Dollars (\$600,000) to be made available as a lump sum grant to meet necessary operating expenses of Provident Hospital, Inc., pursuant to a Plan of Reorganization approved by the Circuit Court of Baltimore City; provided that before said Six Hundred Thousand Dollars (\$600,000) is released the Mayor and City Council of Baltimore provide One Million Dollars (\$1,000,000) to meet necessary operating expenses of Provident Hospital, Inc. and Provident Hospital commence a good faith effort to raise additional capital funds from a community fund-raising drive; and providing generally for the issue and sale of bonds evidencing such loan.

WHEREAS, Provident Hospital, Inc. has experienced financial difficulties [[during the past year]]; and

WHEREAS, This hospital has made great strides to stabilize its financial status; and