

payments thereon, are to be repaid in full to the State over a period not in excess of forty (40) years from the time the loan funds are paid out to the hospital. At such time as a loan is made pursuant to the provisions of this subheading, the applicant and the State of Maryland shall enter into a written agreement, wherein the terms and conditions of the loan shall be set forth in full, and said agreement shall be placed upon the land records of the political subdivision within which the applicant's hospital is, or is to be located, and said recorded agreement shall serve as a lien upon the property and improvements, and shall constitute notice of the obligation and its priority over any creditors who thereafter may loan funds to the said hospital or applicant. HOWEVER, IN ORDER TO FACILITATE FINANCING FOR ANY PROJECT BY THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 43C OF THIS CODE, AS AMENDED FROM TIME TO TIME, THE BOARD OF PUBLIC WORKS HAS THE POWER, IN ITS SOLE DISCRETION, UPON TERMS AND CONDITIONS IT DEEMS NECESSARY OR DESIRABLE, AND WITHOUT SEEKING OR OBTAINING THE APPROVAL OF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, BUT ONLY IF IN THE JUDGMENT OF THE BOARD THE SECURITY INTEREST OF THE STATE REMAINS ADEQUATE TO SECURE THE FULL AMOUNT OF THE UNPAID LOAN UNDER THE PROVISIONS OF THIS SUBHEADING DUE TO THE STATE, (1) SUBORDINATE THE LIEN SECURING ANY LOAN MADE UNDER THIS SUBHEADING TO THE LIEN OR OTHER INTEREST SECURING ANY FINANCING OF THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY, (2) RELEASE PART OF THE COLLATERAL THEN SECURING ANY LOAN MADE UNDER THIS SUBHEADING, (3) RELEASE ALL OR PART OF THE COLLATERAL THEN SECURING ANY LOAN MADE UNDER THIS SUBHEADING AND ACCEPT A SUBSTITUTION OF COLLATERAL FOR THE COLLATERAL THEN SECURING ANY LOAN MADE UNDER THIS SUBHEADING OR (4) PERMIT ANY COMBINATION OF THE FOREGOING. Should the applicant or the hospital thereafter cease to be a voluntary nonprofit hospital, then upon the happening of that event, the full amount of the unpaid loan shall immediately become due and payable.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1976.

Approved May 4, 1976.

---

CHAPTER 529

(House Bill 2066)

AN ACT concerning

Allegany County - Tax Credit for [[Cresaptown Civic Center]] Cresaptown Civic Improvement Association, Inc.