

SECRETARY REQUESTS AN EXTENSION AND THE COURT FINDS THAT GROUNDS FOR APPOINTMENT OF A RECEIVER AS SET FORTH IN SUBSECTION (C) EXIST.

(J) THE SECRETARY MAY PETITION THE COURT FOR THE APPOINTMENT OF A NEW RECEIVER IF THE DEATH, DISABILITY, OR ADVERSE INTERESTS OF THE RECEIVER CAN BE SHOWN, OR IF THERE IS LACK OF REASONABLE PROGRESS IN ACCOMPLISHING THE PURPOSE OF THE RECEIVERSHIP.

(K) (1) A SPECIAL REVOLVING FUND MAY BE ESTABLISHED BY THE STATE IN THE AMOUNT OF AT LEAST \$250,000, BUT NOT MORE THAN \$500,000, FOR THE PURPOSE OF PROVIDING FINANCIAL SUPPORT FOR THE RECEIVER UNDER THIS SECTION. THIS SPECIAL REVOLVING FUND MAY ONLY BE UTILIZED FOR EXPENDITURES WHICH CANNOT BE SATISFIED BY PRIVATE OR THIRD PARTY REIMBURSEMENTS TO THE NURSING HOME, AND MAY ONLY BE UTILIZED WITH COURT APPROVAL. THE SPECIAL REVOLVING FUND SHALL BE FUNDED BY THE STATE OUT OF STATE FUNDS ALLOCATED FOR THAT PURPOSE. PRIOR TO AUTHORIZING THE USE OF ANY FUNDS FROM THE SPECIAL REVOLVING FUND, THE COURT SHALL HOLD A HEARING AT WHICH THE RECEIVER AND THE OWNER OF THE NURSING HOME MAY PRESENT EVIDENCE AND TESTIMONY FOR OR AGAINST THE USE OF FUNDS FROM THE SPECIAL REVOLVING FUND. NOTICE OF SUCH HEARING SHALL BE GIVEN TO THE RECEIVER AND THE OWNER OF THE NURSING HOME AT LEAST 7 DAYS PRIOR TO THE DATE OF SUCH HEARING.

~~(2) ANY EXPENDITURES FROM THIS FUND SHALL IMMEDIATELY CAUSE A LIEN TO BE PLACED ON THE NURSING HOME AND ITS ASSETS. A REPAYMENT SCHEDULE SHALL BE DETERMINED BY THE SECRETARY. THE LIEN PROVIDED FOR IN THIS SUBSECTION SHALL BE PRIOR TO ANY LIEN OR OTHER INTEREST WHICH ATTACHES SUBSEQUENT TO THE TIME THE LIEN PROVIDED FOR IN THIS SUBSECTION ATTACHES. A LIEN MAY NOT EXIST UNDER THIS SUBSECTION AGAINST ANY PERSON, OR ON ANY PROPERTY NOT SPECIFIED IN THIS SUBSECTION, AN OWNER OR AFFILIATE IS NOT LIABLE FOR PAYMENT OF THAT LIEN EXCEPT TO THE EXTENT OF HIS BENEFICIAL INTEREST IN THE PROPERTY AFFECTED BY THE LIEN.~~

(2) ANY EXPENDITURES FROM THIS FUND SHALL BECOME A LIEN ON THE NURSING HOME AND ITS ASSETS UPON THE RECEIVER FILING A NOTICE OF LIEN WHICH SETS FORTH THE AMOUNT OF THE LIEN, THE NAME OF THE NURSING HOME AFFECTED BY THE LIEN, AND A DESCRIPTION OF THE NURSING HOME'S ASSETS WHICH ARE AFFECTED BY THE LIEN. THE NOTICE SHALL BE FILED AMONG THE LAND AND CHATTEL RECORDS OF THE COUNTY WHERE THE NURSING HOME IS LOCATED AND WITH THE STATE DEPARTMENT OF ASSESSMENT AND TAXATION. NO LIEN FOR ANY EXPENDITURE OUT OF THE FUND SHALL EXIST UNTIL THE NOTICE OF LIEN IS FILED. A REPAYMENT SCHEDULE SHALL BE DETERMINED BY THE SECRETARY. THE LIEN PROVIDED FOR IN THIS SUBSECTION SHALL BE PRIOR TO ANY LIEN OR OTHER INTEREST WHICH ATTACHES SUBSEQUENT TO THE TIME THE LIEN PROVIDED FOR IN THIS SUBSECTION ATTACHES. NO LIEN SHALL EXIST UNDER THIS SUBSECTION AGAINST ANY PROPERTY OF A NURSING HOME WHICH IS NOT DESCRIBED IN THE NOTICE OF LIEN; AND NO OWNER OR AFFILIATE SHALL BE LIABLE FOR PAYMENT OF ANY LIEN EXCEPT TO THE EXTENT OF HIS BENEFICIAL INTEREST IN THE PROPERTY AFFECTED BY THE LIEN.