

Approved April 25, 2000.

CHAPTER 71

(Senate Bill 423)

AN ACT concerning

Hospital Bonds - ~~Public Body Obligation~~ Maryland Hospital Bond Program - Study

FOR the purpose of ~~providing that a public body obligation includes a bond or other obligation issued on behalf of a hospital that voluntarily closed that is insured by an effective municipal corporation insurance policy; and generally relating to public body obligations for closed or delicensed hospitals requiring the Maryland Health and Higher Education Facilities Authority and the Health Services Cost Review Commission to conduct a certain study and to make a certain report by a certain date.~~

~~BY repealing and reenacting, with amendments, Article 43C - Maryland Health and Higher Educational Facilities Authority Section 16A(b) Annotated Code of Maryland (1998 Replacement Volume and 1999 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That ~~the Laws of Maryland read as follows:~~ the Maryland Health and Higher Education Facilities Authority and the Health Services Cost Review Commission, in consultation with bond rating agencies, bond insurance companies, the Maryland Hospital Association, and any other interested parties, shall study changes to the Maryland Hospital Bond Program that will ensure access to affordable capital for Maryland hospitals while providing for the orderly elimination of excess hospital capacity in Maryland. On or before December 31, 2000, the Authority and the Commission, in accordance with § 2-1246 of the State Government Article, shall report any findings and recommendations to the General Assembly.

~~Article 43C - Maryland Health and Higher Educational Facilities Authority 16A.~~

(b) (1) ~~In this section the following terms have the meanings indicated.~~

(2) ~~"Closure costs" means the reasonable costs determined by the Health Services Cost Review Commission to be incurred in connection with the closure, delicensure, or conversion of a hospital, including expenses of operating the hospital, payments to employees, employee benefits, fees of consultants, insurance, security services, utilities, legal fees, capital costs, costs of terminating contracts with vendors, suppliers of goods and services and others, debt service, contingencies and other necessary or appropriate costs and expenses.~~