

Annotated Code of Maryland  
(2000 Replacement Volume and 2003 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Health - General**

24-606.

(a) In accordance with this section, the State:

(1) [shall] SHALL have the right to recover funds disbursed under this subtitle; AND

(2) MAY NOT:

(I) RECOVER FUNDS DISBURSED UNDER THIS SUBTITLE FROM THE FEDERAL GOVERNMENT IF THE FEDERAL GOVERNMENT IS THE LESSOR OF REAL PROPERTY ON WHICH A PROJECT IS CONSTRUCTED OR A FACILITY IS OPERATED; OR

(II) CREATE A LIEN AGAINST REAL PROPERTY THAT IS LEASED FROM THE FEDERAL GOVERNMENT ON WHICH A PROJECT IS CONSTRUCTED OR A FACILITY IS OPERATED.

(b) [In] SUBJECT TO SUBSECTION (A)(2) OF THIS SECTION, IN the event of failure to complete a project or failure to commence operation of a facility, the State may recover from the recipient of the funds disbursed for the project or facility or the owner of the property an amount equal to the amount of State funds disbursed for the project, together with all costs and reasonable attorneys' fees incurred by the State in the recovery proceedings.

(c) [If,] SUBJECT TO SUBSECTION (A)(2) OF THIS SECTION, IF, within 30 years after completion of a project, a community mental health facility, addiction facility, or developmental disabilities facility with respect to which funds have been paid under this subtitle is sold or transferred to any person, agency, or organization that would not qualify as an applicant under this subtitle, or that is not approved as a transferee by the Board of Public Works, or if, within the same period, a community mental health facility, addiction facility, or developmental disabilities facility ceases to be a "facility" as defined in this subtitle, then the State may recover from either the transferor or transferee or, in the case of a community mental health facility, addiction facility, or developmental disabilities facility that has ceased to be a "facility" as defined in this subtitle, from the owner, an amount bearing the same ratio to the then current fair market value of so much of the property as constituted an approved project as the amount of the State participation bore to the total eligible cost of the approved project, together with all costs and reasonable attorneys' fees incurred by the State in the recovery proceedings.

(d) (1) The Department shall cause notice of the State's right of recovery to be recorded in the land records of the county or Baltimore City in which the property is located before the State makes any funds available for the approved project.