

HOUSE BILL 1037

J3
HB 510/07 – HGO

EMERGENCY BILL

8lr0591

By: **Prince George's County Delegation**

Introduced and read first time: February 7, 2008

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County Hospital Authority**

3 **PG 410-08**

4 FOR the purpose of establishing the Prince George's County Hospital Authority;
5 providing for the mission of the Authority; providing that the Authority is an
6 instrumentality of the State and a public corporation; providing that the
7 exercise by the Authority of certain powers is the performance of an essential
8 public function; requiring the Authority to be subject to the State Open
9 Meetings Law; exempting the Authority from certain provisions of State law;
10 providing that the employees of the Authority are not State personnel as
11 defined in a certain provision of State law; authorizing the Authority to take
12 certain actions to fulfill its mission; requiring the Authority to allow the
13 Secretary of Health and Mental Hygiene and Prince George's County access to
14 certain records, notes, contracts, and plans; requiring the county to provide the
15 Authority with access to certain books and records; requiring the Authority to
16 submit certain reports to the Governor, the Prince George's County Executive,
17 and the General Assembly at certain times; providing for the powers and duties
18 of the Authority; requiring that the Authority be governed by a Board of
19 Directors; providing for the membership of the Board; providing for the removal
20 of Board members under certain circumstances; establishing certain duties of
21 the Board; providing that a member of the Board is entitled to reimbursement
22 for certain expenses; providing that an officer or director of the Authority is not
23 liable personally for actions taken as an officer or director under certain
24 circumstances; providing that Board members are subject to the provisions of
25 the State ethics laws; specifying the terms of the initial members of the Board;
26 providing that a certain agreement is contingent on the fulfillment of certain
27 contingencies; providing that the State and the county shall be relieved of their
28 respective obligations under certain circumstances; requiring the Authority to
29 develop certain plans; requiring the Authority to submit certain information to
30 the State Treasurer, the Secretary of Health and Mental Hygiene, certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 legislative committees, the Prince George's County Council, and the Prince
 2 George's County Executive within a certain time period; providing that a certain
 3 health care entity shall be recognized as a merged asset system under certain
 4 provisions of law; authorizing the Authority to issue revenue bonds for a certain
 5 purpose; establishing the rights and duties associated with revenue bonding
 6 authority; requiring the Governor to include certain appropriations in the
 7 annual State budget bill for certain fiscal years for the operating costs of the
 8 Authority; requiring the Governor to include certain amounts in the annual
 9 State capital budget for the capital costs of the Authority; requiring Prince
 10 George's County to make certain payments for the support of the Authority for
 11 certain fiscal years; requiring the county to finance for the Authority capital
 12 equipment having a certain value; authorizing the State under certain
 13 circumstances to redirect to the Authority certain State funds otherwise
 14 required to be paid to the county; requiring certain proceeds from certain sales
 15 of certain property to be credited against certain amounts that the county is
 16 required to pay for the support of the Authority; requiring that certain proceeds
 17 from certain sales of certain property be paid to the county; requiring the
 18 Authority to pay to the county the amount of a certain excess under certain
 19 circumstances; stating the intent of the General Assembly regarding certain
 20 State funding for the support of the Prince George's Hospital Center; defining
 21 certain terms; requiring the Department of Health and Mental Hygiene and the
 22 Department of Business and Economic Development to provide certain staffing
 23 and receive certain reimbursement; stating the intent of the General Assembly
 24 that State funding for certain purposes will not be affected by certain State
 25 support for the Prince George's County Hospital Authority; making this Act an
 26 emergency measure; and generally relating to the establishment of the Prince
 27 George's County Hospital Authority.

28 BY adding to
 29 Article – Health – General
 30 Section 24–1601 through 24–1608 to be under the new subtitle “Subtitle 16.
 31 Prince George's County Hospital Authority”
 32 Annotated Code of Maryland
 33 (2005 Replacement Volume and 2007 Supplement)

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

36 **Article – Health – General**

37 **SUBTITLE 16. PRINCE GEORGE'S COUNTY HOSPITAL AUTHORITY.**

38 **24–1601.**

39 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
 40 **INDICATED.**

1 **(B) “AUTHORITY” MEANS THE PRINCE GEORGE’S COUNTY HOSPITAL**
2 **AUTHORITY.**

3 **(C) “BOARD” MEANS THE BOARD OF DIRECTORS OF THE AUTHORITY.**

4 **(D) “COUNTY” MEANS PRINCE GEORGE’S COUNTY.**

5 **(E) (1) “DIMENSIONS” MEANS DIMENSIONS HEALTH CORPORATION.**

6 **(2) “DIMENSIONS” INCLUDES ANY SUCCESSOR, ASSIGNEE,**
7 **SUBSIDIARY, OR AFFILIATE OF DIMENSIONS HEALTH CORPORATION THAT**
8 **OPERATES OR PROVIDES SERVICES AT:**

9 **(I) PRINCE GEORGE’S HOSPITAL CENTER;**

10 **(II) LAUREL REGIONAL HOSPITAL;**

11 **(III) BOWIE HEALTH CAMPUS;**

12 **(IV) GLADYS SPELLMAN SPECIALTY HOSPITAL AND**
13 **NURSING CENTER; OR**

14 **(V) LARKIN CHASE NURSING AND REHABILITATION**
15 **CENTER.**

16 **(F) “SECRETARY” MEANS THE SECRETARY OF HEALTH AND MENTAL**
17 **HYGIENE.**

18 **24-1602.**

19 **(A) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE PRINCE**
20 **GEORGE’S COUNTY HOSPITAL AUTHORITY.**

21 **(B) THE MISSION OF THE AUTHORITY IS TO:**

22 **(1) ENTER INTO TRANSACTIONS, CONTRACTS, AND**
23 **ARRANGEMENTS THAT ARE REASONABLE AND NECESSARY OR CONVENIENT IN**
24 **ORDER TO:**

25 **(I) 1. OPERATE FACILITIES AND PROVIDE SERVICES**
26 **OPERATED AND PROVIDED BY DIMENSIONS; AND**

1 **2. PROVIDE EXPANDED OR IMPROVED HEALTH CARE**
2 **SERVICES TO MEET THE HEALTH CARE NEEDS OF THE RESIDENTS OF THE**
3 **COUNTY AND SURROUNDING JURISDICTIONS;**

4 **(II) DEVELOP SHORT-TERM AND LONG-TERM PLANS TO**
5 **ACHIEVE THE GOALS DESCRIBED IN ITEM (I) OF THIS ITEM; AND**

6 **(III) ENGAGE IN ANCILLARY HEALTH-RELATED ACTIVITIES**
7 **THAT HELP ACHIEVE THE GOALS DESCRIBED IN ITEM (I) OF THIS ITEM;**

8 **(2) DEVELOP A SHORT-TERM AND LONG-TERM STRATEGY FOR**
9 **DELIVERING HOSPITAL SERVICES AND RELATED HEALTH CARE IN THE COUNTY;**
10 **AND**

11 **(3) PUT IN PLACE ORGANIZATIONAL AND OPERATING**
12 **STRUCTURES THAT ARE:**

13 **(I) SELF-SUSTAINING; AND**

14 **(II) CONSISTENT WITH THE AUTHORITY'S SHORT-TERM**
15 **AND LONG-TERM STRATEGIES, CAPABLE OF:**

16 **1. PROVIDING HIGH QUALITY HEALTH CARE TO ALL**
17 **COUNTY RESIDENTS AND RESIDENTS OF SURROUNDING JURISDICTIONS; AND**

18 **2. MEETING THE SHORT-TERM AND LONG-TERM**
19 **HEALTH CARE NEEDS OF COUNTY RESIDENTS AND RESIDENTS OF**
20 **SURROUNDING JURISDICTIONS.**

21 **(C) THE AUTHORITY IS AN INSTRUMENTALITY OF THE STATE AND A**
22 **PUBLIC CORPORATION BY THAT NAME, STYLE, AND TITLE.**

23 **(D) (1) THE EXERCISE BY THE AUTHORITY OF THE POWERS**
24 **CONFERRED BY THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC**
25 **FUNCTION.**

26 **(2) THE AUTHORITY SHALL BE SUBJECT TO THE STATE OPEN**
27 **MEETINGS LAW, TITLE 10, SUBTITLE 5 OF THE STATE GOVERNMENT ARTICLE.**

28 **(3) THE AUTHORITY SHALL BE EXEMPT FROM THE FOLLOWING**
29 **PROVISIONS OF MARYLAND LAW:**

30 **(I) THE STATE PERSONNEL AND PENSIONS ARTICLE;**

1 (II) TITLE 10, SUBTITLE 6 OF THE STATE GOVERNMENT
2 **ARTICLE;**

3 (III) DIVISION II OF THE STATE FINANCE AND
4 **PROCUREMENT ARTICLE; AND**

5 (IV) THE CLEARINGHOUSE PROVISIONS SET FORTH IN
6 **§§ 5-310, 5-504, AND 5-505 OF THE STATE FINANCE AND PROCUREMENT**
7 **ARTICLE.**

8 (4) THE EMPLOYEES OF THE AUTHORITY ARE NOT STATE
9 **PERSONNEL AS DEFINED IN § 12-101 OF THE STATE GOVERNMENT ARTICLE.**

10 (E) TO FULFILL ITS MISSION, THE AUTHORITY MAY:

11 (1) ACQUIRE RIGHTS TO OR OPERATE ANY HEALTH CARE
12 **FACILITIES AND LEASEHOLD RIGHTS HELD OR OPERATED BY DIMENSIONS;**

13 (2) SEEK, THROUGH A REQUEST FOR PROPOSALS OR OTHERWISE,
14 **A NEW OWNER OR OPERATOR FOR ANY HEALTH CARE FACILITY OPERATED BY**
15 **DIMENSIONS;**

16 (3) TRANSFER HEALTH CARE FACILITIES AND LEASEHOLD
17 **RIGHTS HELD OR OPERATED BY DIMENSIONS TO ANOTHER HEALTH CARE**
18 **ENTITY;**

19 (4) ENGAGE IN NEW HEALTH CARE ACTIVITIES CONSISTENT WITH
20 **THE AUTHORITY'S MISSION; AND**

21 (5) ISSUE REVENUE BONDS.

22 (F) (1) THE AUTHORITY SHALL ALLOW THE SECRETARY AND THE
23 **COUNTY ACCESS TO ALL RECORDS, NOTES, CONTRACTS, AND PLANS OF THE**
24 **AUTHORITY.**

25 (2) THE COUNTY SHALL PROVIDE THE AUTHORITY WITH ACCESS
26 **TO ALL BOOKS AND RECORDS IN THE COUNTY'S POSSESSION RELATING TO**
27 **DIMENSIONS AND THE PROPERTY ON WHICH DIMENSIONS' HOSPITAL**
28 **FACILITIES ARE LOCATED.**

29 (G) SIX MONTHS AFTER THE AUTHORITY IS ESTABLISHED AND
30 **ANNUALLY THEREAFTER, THE AUTHORITY SHALL SUBMIT A REPORT ON ITS**
31 **PROGRESS IN FULFILLING ITS MISSION UNDER THIS SUBTITLE TO THE**
32 **GOVERNOR, THE PRINCE GEORGE'S COUNTY EXECUTIVE, AND, IN**

1 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE
2 GENERAL ASSEMBLY.

3 24-1603.

4 (A) (1) THE AUTHORITY SHALL BE GOVERNED BY A BOARD OF
5 DIRECTORS.

6 (2) THE BOARD SHALL CONSIST OF SEVEN MEMBERS APPOINTED
7 AS FOLLOWS:

8 (I) FIVE MEMBERS SHALL BE APPOINTED BY THE
9 GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE;

10 (II) ONE MEMBER SHALL BE APPOINTED BY THE PRINCE
11 GEORGE'S COUNTY COUNCIL; AND

12 (III) ONE MEMBER SHALL BE APPOINTED BY THE PRINCE
13 GEORGE'S COUNTY EXECUTIVE.

14 (3) EACH MEMBER OF THE BOARD SHALL BE A MARYLAND
15 RESIDENT.

16 (4) THE GOVERNOR SHALL DESIGNATE A MEMBER TO SERVE AS
17 THE CHAIR OF THE BOARD.

18 (B) (1) THE TERM OF A MEMBER IS 3 YEARS.

19 (2) THE TERMS OF MEMBERS ARE STAGGERED.

20 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE
21 UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

22 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN
23 SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS
24 APPOINTED AND QUALIFIES.

25 (5) A MEMBER MAY BE REMOVED FOR NEGLIGENCE OF DUTY,
26 INCOMPETENCE, OR MISCONDUCT BY:

27 (I) THE GOVERNOR, IF THE MEMBER WAS APPOINTED BY
28 THE GOVERNOR;

1 **(II) THE PRINCE GEORGE’S COUNTY COUNCIL, IF THE**
2 **MEMBER WAS APPOINTED BY THE COUNTY COUNCIL; OR**

3 **(III) THE PRINCE GEORGE’S COUNTY EXECUTIVE, IF THE**
4 **MEMBER WAS APPOINTED BY THE COUNTY EXECUTIVE.**

5 **(C) A MEMBER MAY NOT BE AN ELECTED OFFICIAL OF STATE OR LOCAL**
6 **GOVERNMENT OR HAVE A FINANCIAL INTEREST IN:**

7 **(1) DIMENSIONS; OR**

8 **(2) ANY ENTITY AFFILIATED WITH DIMENSIONS.**

9 **(D) A MEMBER OF THE BOARD IS ENTITLED TO REIMBURSEMENT FOR**
10 **EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED**
11 **IN THE STATE BUDGET.**

12 **(E) THE BOARD SHALL BE THE GOVERNING BODY FOR ALL FACILITIES**
13 **OWNED OR OPERATED BY THE AUTHORITY.**

14 **(F) THE BOARD SHALL APPROVE THE MEDICAL STAFF BYLAWS FOR**
15 **EACH FACILITY OWNED OR OPERATED BY THE AUTHORITY.**

16 **(G) (1) AN OFFICER OR DIRECTOR OF THE AUTHORITY SHALL**
17 **PERFORM THE OFFICER’S OR DIRECTOR’S DUTIES:**

18 **(I) IN GOOD FAITH;**

19 **(II) IN THE MANNER THE OFFICER OR DIRECTOR**
20 **REASONABLY BELIEVES TO BE IN THE BEST INTERESTS OF THE AUTHORITY;**
21 **AND**

22 **(III) WITH THE CARE AN ORDINARILY PRUDENT PERSON IN A**
23 **LIKE POSITION WOULD USE UNDER SIMILAR CIRCUMSTANCES.**

24 **(2) AN OFFICER OR DIRECTOR WHO PERFORMS THE OFFICER’S**
25 **OR DIRECTOR’S DUTIES IN ACCORDANCE WITH THE STANDARD PROVIDED IN**
26 **PARAGRAPH (1) OF THIS SUBSECTION SHALL NOT BE LIABLE PERSONALLY FOR**
27 **ACTIONS TAKEN AS AN OFFICER OR DIRECTOR.**

28 **(H) BOARD MEMBERS SHALL BE SUBJECT TO THE PROVISIONS OF THE**
29 **STATE ETHICS LAWS, TITLE 15, SUBTITLES 1 THROUGH 7 OF THE STATE**
30 **GOVERNMENT ARTICLE.**

1 **24-1604.**

2 (A) IMMEDIATELY FOLLOWING THE ESTABLISHMENT OF THE
3 AUTHORITY, THE AUTHORITY SHALL ENTER INTO NEGOTIATIONS WITH
4 DIMENSIONS TO REACH DEFINITIVE AGREEMENTS REGARDING THE
5 FOLLOWING:

6 (1) ACQUIRING TITLE AND RIGHTS TO SOME OR ALL PROPERTY,
7 LEASEHOLD RIGHTS, AND OPERATING RIGHTS HELD OR USED BY DIMENSIONS;
8 AND

9 (2) ASSUMING CERTAIN OBLIGATIONS AND LIABILITIES HELD BY
10 DIMENSIONS, INCLUDING BOND INDEBTEDNESS AND PENSION LIABILITY.

11 (B) THE AUTHORITY SHALL MAKE AN ACQUISITION OF THE TITLE AND
12 RIGHTS OR AN ASSUMPTION OF THE OBLIGATIONS AND LIABILITIES DESCRIBED
13 IN SUBSECTION (A) OF THIS SECTION CONTINGENT ON:

14 (1) TO THE EXTENT REQUIRED BY LAW OR THE TRUST
15 INDENTURES FOR ANY OUTSTANDING BONDS ISSUED BY THE COUNTY ON
16 BEHALF OF DIMENSIONS, CONSENT OF THE BONDS TRUSTEES ON BEHALF OF
17 THE APPLICABLE REQUIRED PERCENTAGE OF BONDHOLDERS TO THE
18 TRANSFER OF REAL PROPERTY, IMPROVEMENTS, AND FACILITIES DESCRIBED
19 IN ITEM (2) OF THIS SUBSECTION;

20 (2) THE TRANSFER, WITHIN 60 DAYS AFTER THE EARLIER OF THE
21 DATE THE BONDHOLDERS' CONSENT IS OBTAINED OR THE AUTHORITY IS
22 ESTABLISHED, FROM THE COUNTY TO THE AUTHORITY OR ANOTHER ENTITY
23 DESIGNATED BY THE AUTHORITY, OF CLEAR TITLE, FREE OF ALL LIENS AND
24 ENCUMBRANCES, TO ANY REAL PROPERTY, IMPROVEMENTS, AND FACILITIES
25 UNDER THE CONTROL OF OR OCCUPIED BY DIMENSIONS IN THE COUNTY, FOR
26 \$1;

27 (3) THE RECEIPT, WITHIN 120 DAYS AFTER THE AUTHORITY IS
28 ESTABLISHED, OF TWO INDEPENDENT APPRAISALS BY QUALIFIED APPRAISERS
29 WHO ARE EMPLOYED BY OR UNDER A CONTRACT WITH THE MARYLAND
30 DEPARTMENT OF GENERAL SERVICES OF ALL REAL PROPERTY,
31 IMPROVEMENTS, AND FACILITIES UNDER THE CONTROL OF OR OCCUPIED BY
32 DIMENSIONS IN THE COUNTY, INCLUDING ALL FEE SIMPLE AND LEASEHOLD
33 RIGHTS, THAT ESTABLISH AN AGGREGATE VALUE FOR THE APPRAISED
34 PROPERTY, IMPROVEMENTS, AND FACILITIES OF AT LEAST \$50,000,000; AND

1 (4) THE FULFILLMENT OF ANY OTHER CONDITIONS THE
2 AUTHORITY DETERMINES ARE REASONABLY NECESSARY OR PRUDENT,
3 INCLUDING:

4 (I) AGREEMENTS ABOUT ANY NECESSARY
5 REPRESENTATIONS, WARRANTIES, AND OTHER TERMS; AND

6 (II) THE RECEIPT OF ANY NECESSARY CONSENTS OR
7 REGULATORY APPROVALS.

8 (C) THE AUTHORITY, FOR GOOD CAUSE SHOWN, MAY EXTEND ANY
9 DEADLINE ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION.

10 (D) IF THE AUTHORITY CANNOT ACQUIRE THE TITLE AND RIGHTS TO
11 PROPERTY AND ASSUME THE OBLIGATIONS AND LIABILITIES OF DIMENSIONS IN
12 ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION BECAUSE THE
13 AUTHORITY HAS DETERMINED THAT ANY OR ALL OF THE CONTINGENCIES
14 ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION HAVE NOT BEEN
15 SATISFIED, THE STATE AND THE COUNTY SHALL BE RELIEVED OF THEIR
16 RESPECTIVE OBLIGATIONS TO PROVIDE FINANCIAL ASSISTANCE OR SUPPORT
17 TO THE AUTHORITY.

18 (E) (1) THE AUTHORITY MAY OPERATE OR MANAGE ANY FACILITIES
19 AND INTEREST ACQUIRED UNTIL THE FACILITIES AND INTERESTS ARE
20 TRANSFERRED TO ANOTHER ENTITY.

21 (2) CONSISTENT WITH ITS MISSION, WHILE THE AUTHORITY IS
22 OPERATING OR MANAGING FACILITIES AND INTERESTS ACQUIRED, THE
23 AUTHORITY MAY TAKE ANY LAWFUL AND NECESSARY ACTIONS, INCLUDING:

24 (I) HIRING STAFF, CONTRACTORS, CONSULTANTS,
25 ATTORNEYS, ACCOUNTANTS, AND OTHER PROFESSIONALS;

26 (II) ENTERING INTO BUSINESS ARRANGEMENTS NECESSARY
27 FOR THE EFFICIENT AND PROPER MANAGEMENT AND OPERATION OF THE
28 HEALTH CARE FACILITIES; AND

29 (III) ENTERING INTO SHORT-TERM AND LONG-TERM
30 ARRANGEMENTS FOR THE MANAGEMENT OR SATISFACTION OF ANY
31 INDEBTEDNESS OR THE FUNDING OF ANY LONG-TERM LIABILITIES OWED BY
32 DIMENSIONS RELATED TO THE HEALTH CARE FACILITIES IN THE COUNTY.

33 24-1605.

1 (A) CONSISTENT WITH ITS MISSION, THE AUTHORITY SHALL ACTIVELY
2 APPROACH AND ENTER INTO NEGOTIATIONS WITH OTHER ENTITIES PROVIDING
3 HEALTH CARE SERVICES INSIDE OR OUTSIDE THE STATE FOR THE SALE OR
4 TRANSFER OF ANY OR ALL FACILITIES, RIGHTS, OR OPERATIONS THE
5 AUTHORITY MAY HAVE ACQUIRED.

6 (B) THE AUTHORITY MAY ENTER INTO NEGOTIATIONS WITH OTHER
7 ENTITIES, AS PROVIDED IN SUBSECTION (A) OF THIS SECTION, ON A
8 CONTINGENT BASIS AND BEFORE THE AUTHORITY ACQUIRES OWNERSHIP OR
9 CONTROL OVER ANY FACILITIES.

10 (C) THE AUTHORITY MAY CONSULT WITH, AND FINANCE OR REFINANCE
11 THE AUTHORITY'S ACQUISITIONS AND PROJECTS THROUGH, THE MARYLAND
12 HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY, IF THE
13 AUTHORITY IS ELIGIBLE TO DO SO UNDER ARTICLE 43C OF THE CODE.

14 (D) ANY AGREEMENT FOR THE SALE OR TRANSFER OF FACILITIES,
15 RIGHTS, OR OPERATIONS MAY BE MADE CONTINGENT ON THE RECEIPT OF
16 SPECIFIC COMMITMENTS FROM THE STATE, THE COUNTY, OR A RELATED
17 REGULATORY AGENCY.

18 (E) AS PART OF ANY TRANSFER OF INTEREST OR TITLE, THE
19 AUTHORITY SHALL DEVELOP A PLAN FOR THE SATISFACTION OF ANY
20 INDEBTEDNESS OR LIABILITY HELD BY DIMENSIONS AS OF JANUARY 1, 2008.

21 (F) AT LEAST 60 DAYS BEFORE THE AUTHORITY COMPLETES THE SALE
22 OR TRANSFER OF ANY MATERIAL PART OF THE PROPERTY OR OPERATIONS OF
23 DIMENSIONS, THE AUTHORITY SHALL SUBMIT INFORMATION ON THE TERMS OF
24 THE SALE OR TRANSFER TO THE SECRETARY, THE STATE TREASURER, THE
25 SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE FINANCE
26 COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, THE HOUSE HEALTH
27 AND GOVERNMENT OPERATIONS COMMITTEE, THE PRINCE GEORGE'S COUNTY
28 COUNCIL, AND THE PRINCE GEORGE'S COUNTY EXECUTIVE.

29 (G) ANY HEALTH CARE ENTITY THAT RECEIVES THE TRANSFER OF THE
30 FACILITIES AND LEASEHOLD RIGHTS HELD OR OPERATED BY DIMENSIONS
31 SHALL BE RECOGNIZED UNDER MARYLAND HEALTH PLANNING LAW AS A
32 MERGED ASSET SYSTEM UNDER TITLE 19, SUBTITLE 1 OF THIS ARTICLE.

33 24-1606.

34 (A) (1) SUBJECT TO ANY LIMITATIONS UNDER THIS SUBTITLE OR
35 OTHER APPLICABLE LAW, THE AUTHORITY SHALL HAVE ALL POWERS

1 NECESSARY OR CONVENIENT FOR THE OPERATION, MANAGEMENT, CONTROL,
2 AND USE OF THE AUTHORITY'S ASSETS.

3 (2) THE ENUMERATION OF SPECIFIC POWERS IN THIS SUBTITLE
4 IS NOT INTENDED TO RESTRICT THE AUTHORITY'S POWER TO TAKE ANY
5 LAWFUL ACTION THAT THE AUTHORITY DETERMINES IS NECESSARY OR
6 CONVENIENT TO FURTHER ITS MISSION.

7 (B) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS
8 SUBTITLE, THE AUTHORITY MAY:

9 (1) ADOPT AND ALTER AN OFFICIAL SEAL;

10 (2) SUE AND BE SUED, PLEAD AND BE IMPEADED;

11 (3) ADOPT BYLAWS, RULES, AND REGULATIONS TO CARRY OUT
12 THE PROVISIONS OF THIS SUBTITLE;

13 (4) MAINTAIN AN OFFICE AT THE PLACE DESIGNATED BY THE
14 AUTHORITY;

15 (5) EMPLOY OR RETAIN ANY PERSONNEL THAT THE AUTHORITY
16 DETERMINES TO BE NECESSARY AND FIX THEIR COMPENSATION;

17 (6) ENTER INTO ANY AGREEMENTS NECESSARY TO MANAGE ITS
18 OWN AFFAIRS;

19 (7) ACQUIRE PROPERTY AND RIGHTS, INCLUDING, SUBJECT TO
20 APPLICABLE LAW AND REGULATION, THE RIGHT TO CONSTRUCT, LEASE, OR
21 OPERATE ADDITIONAL HEALTH CARE FACILITIES AS MAY BE NECESSARY AND
22 APPROPRIATE TO THE FULFILLMENT OF THE MISSION OF THE AUTHORITY;

23 (8) APPLY FOR AND RECEIVE FUNDING FROM STATE, LOCAL, AND
24 NATIONAL GOVERNMENTAL ENTITIES;

25 (9) APPLY FOR AND RECEIVE GRANTS, CONTRACTS, OR OTHER
26 FUNDING; AND

27 (10) ENTER INTO SHORT-TERM AND LONG-TERM FINANCIAL
28 ARRANGEMENTS, INCLUDING ISSUANCE OF DEBT AS PROVIDED IN § 24-1607 OF
29 THIS SUBTITLE, AS NECESSARY TO FULFILL THE MISSION OF THE AUTHORITY.

30 24-1607.

1 (A) **THE AUTHORITY MAY ISSUE REVENUE BONDS, IN ACCORDANCE**
2 **WITH TITLE 8, SUBTITLE 2 OF THE STATE FINANCE AND PROCUREMENT**
3 **ARTICLE, FOR THE PURPOSE OF FULFILLING THE MISSION OF THE AUTHORITY.**

4 (B) **REVENUE BONDS SHALL BE AUTHORIZED BY A RESOLUTION OF THE**
5 **AUTHORITY AND MAY BE ISSUED AS FIXED OR VARIABLE RATE BONDS.**

6 (C) **THE RESOLUTION OF THE AUTHORITY AUTHORIZING THE REVENUE**
7 **BONDS:**

8 (1) **SHALL APPROVE THE TERMS AND CONDITIONS OF THE**
9 **BONDS;**

10 (2) **SHALL DESCRIBE THE PROJECTS WHICH ARE TO BE**
11 **FINANCED OR REFINANCED BY THE BONDS;**

12 (3) **SHALL DESCRIBE THE SOURCES OF PAYMENT OF THE BONDS;**

13 (4) **MAY PROVIDE THAT THE BONDS MAY BE SUBJECT TO EARLY**
14 **REDEMPTION AS DETERMINED BY THE AUTHORITY; AND**

15 (5) **SHALL PROVIDE THAT THE PROCEEDS OF THE BONDS SHALL**
16 **BE INVESTED IN ACCORDANCE WITH § 6-222 OF THE STATE FINANCE AND**
17 **PROCUREMENT ARTICLE.**

18 (D) **AFTER CONSULTATION WITH THE MARYLAND HEALTH AND**
19 **HIGHER EDUCATIONAL FACILITIES AUTHORITY, THE REVENUE BONDS SHALL**
20 **BE SOLD IN THE MANNER AND ON THE TERMS DETERMINED BY THE AUTHORITY**
21 **AND, NOTWITHSTANDING § 8-206(B) OF THE STATE FINANCE AND**
22 **PROCUREMENT ARTICLE, MAY BE SOLD AT A PRIVATE OR NEGOTIATED SALE.**

23 (E) **REVENUE BONDS MAY BE ISSUED UNDER THE PROVISIONS OF THIS**
24 **SUBTITLE:**

25 (1) **WITHOUT OBTAINING THE CONSENT OF ANY DEPARTMENT,**
26 **DIVISION, COMMISSION, BOARD, BUREAU, OR AGENCY OF THE STATE; OR**

27 (2) **WITHOUT ANY OTHER PROCEEDINGS OR THE OCCURRENCE**
28 **OF ANY OTHER CONDITIONS OTHER THAN THOSE PROCEEDINGS OR CONDITIONS**
29 **THAT ARE REQUIRED SPECIFICALLY BY PROVISIONS OF THIS SUBTITLE.**

30 (F) **(1) EACH REVENUE BOND ISSUED BY THE AUTHORITY UNDER**
31 **THIS SUBTITLE SHALL STATE PLAINLY ON ITS FACE THAT THE BOND:**

1 (I) WAS ISSUED UNDER THE PROVISIONS OF THIS
2 SUBTITLE;

3 (II) DOES NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS
4 OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE;
5 AND

6 (III) DOES NOT PLEDGE THE FAITH OR CREDIT OF THE
7 STATE OR ANY PUBLIC BODY WITHIN THE MEANING OF ARTICLE III, § 34 OF
8 THE MARYLAND CONSTITUTION.

9 (2) THE REVENUE BONDS ISSUED UNDER THIS SUBTITLE DO NOT
10 CONSTITUTE A DEBT OR OBLIGATION CONTRACTED BY THE STATE OR A PLEDGE
11 OF THE FAITH OR CREDIT OF THE STATE OR ANY PUBLIC BODY WITHIN THE
12 MEANING OF ARTICLE III, § 34 OF THE MARYLAND CONSTITUTION.

13 (3) NEITHER THE REVENUE BONDS NOR THE INTEREST ON THE
14 BONDS SHALL EVER:

15 (I) CONSTITUTE AN INDEBTEDNESS OR A CHARGE AGAINST
16 THE GENERAL CREDIT OR TAXING POWERS OF ANY PUBLIC BODY WITHIN THE
17 MEANING OF ANY CONSTITUTIONAL OR CHARTER PROVISION OR STATUTORY
18 LIMITATION; OR

19 (II) CONSTITUTE OR GIVE RISE TO ANY PECUNIARY
20 LIABILITY OF ANY ISSUING PUBLIC BODY.

21 (G) THE REVENUE BONDS SHALL BE PAYABLE FROM AND SECURED
22 SOLELY BY:

23 (1) ALL OR ANY PART OF THE FEES OR REVENUES GENERATED BY
24 AN ACTIVITY OF THE AUTHORITY TO THE EXTENT LAWFULLY AVAILABLE FOR
25 THAT PURPOSE;

26 (2) THE PROCEEDS OF THE BONDS AND INVESTMENT EARNINGS
27 ON THE BONDS;

28 (3) ANY GRANT OR GIFT RECEIVED BY THE AUTHORITY TO THE
29 EXTENT LAWFULLY AVAILABLE FOR THAT PURPOSE;

30 (4) RESERVES OR OTHER FUNDS ESTABLISHED FOR THE BONDS
31 UNDER THE RESOLUTION OR TRUST AGREEMENT;

1 (5) ANY MONEYS THAT MAY LAWFULLY BE APPLIED TO THE
2 PAYMENT OF THE BONDS, INCLUDING ANY APPROPRIATION BY THE STATE OR
3 THE COUNTY MADE LAWFULLY AVAILABLE FOR THAT PURPOSE; OR

4 (6) ANY SOURCE OF FUNDS TO WHICH THE AUTHORITY HAS
5 ACCESS TO THE EXTENT LAWFULLY AVAILABLE FOR THAT PURPOSE.

6 (H) ALL REVENUE BONDS ISSUED UNDER THE PROVISIONS OF THIS
7 SUBTITLE SHALL HAVE ALL THE QUALITIES AND INCIDENTS OF NEGOTIABLE
8 INSTRUMENTS UNDER THE LAWS OF THE STATE RELATING TO NEGOTIABLE
9 INSTRUMENTS.

10 **24-1608.**

11 (A) (1) FOR EACH OF FISCAL YEARS 2010 THROUGH 2012, THE
12 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE
13 GENERAL ASSEMBLY AN APPROPRIATION FOR THE OPERATING COSTS OF THE
14 AUTHORITY IN AN AMOUNT EQUAL TO:

15 (I) \$9,000,000 FOR FISCAL YEAR 2010; AND

16 (II) \$6,000,000 FOR EACH OF FISCAL YEARS 2011 AND 2012.

17 (2) FOR EACH OF FISCAL YEARS 2010 THROUGH 2015, THE
18 GOVERNOR SHALL INCLUDE IN THE ANNUAL CAPITAL BUDGET FOR THE
19 CAPITAL COSTS OF THE AUTHORITY:

20 (I) \$9,000,000 FOR FISCAL YEAR 2010; AND

21 (II) \$12,000,000 FOR EACH OF FISCAL YEARS 2011
22 THROUGH 2015.

23 (B) (1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, FOR EACH OF
24 FISCAL YEARS 2008 THROUGH 2015, THE COUNTY SHALL MAKE PAYMENTS FOR
25 THE SUPPORT OF THE AUTHORITY AS FOLLOWS:

26 (I) \$7,800,000 FOR FISCAL YEAR 2008;

27 (II) \$11,900,000 FOR FISCAL YEAR 2009;

28 (III) \$19,100,000 FOR EACH OF FISCAL YEARS 2010
29 THROUGH 2012; AND

1 (IV) \$26,700,000 FOR EACH OF FISCAL YEARS 2013
2 THROUGH 2015.

3 (2) (I) IN ADDITION TO THE REQUIRED PAYMENTS FOR THE
4 SUPPORT OF THE AUTHORITY UNDER PARAGRAPH (1) OF THIS SUBSECTION,
5 FOR FISCAL YEAR 2009 THE COUNTY SHALL FINANCE FOR THE AUTHORITY,
6 THROUGH A LEASE-PURCHASE AGREEMENT OR OTHERWISE, CAPITAL
7 EQUIPMENT HAVING A VALUE OF \$13,200,000.

8 (II) IF THE COUNTY FAILS TO FINANCE CAPITAL EQUIPMENT
9 FOR THE AUTHORITY AS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS
10 PARAGRAPH ON OR BEFORE AUGUST 15, 2008, THE COUNTY SHALL MAKE A
11 PAYMENT OF \$13,200,000 FOR FISCAL YEAR 2009 FOR THE SUPPORT OF THE
12 AUTHORITY IN ADDITION TO THE PAYMENT REQUIRED UNDER PARAGRAPH
13 (1)(II) OF THIS SUBSECTION.

14 (III) FOR EACH OF FISCAL YEARS 2009 THROUGH 2015, IN
15 ADDITION TO THE REQUIRED PAYMENTS FOR THE SUPPORT OF THE AUTHORITY
16 UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COUNTY SHALL PAY ANY
17 LEASE PAYMENTS, DEBT SERVICE, OR OTHER PAYMENTS REQUIRED PURSUANT
18 TO A LEASE-PURCHASE OR OTHER FINANCING ARRANGEMENT FOR CAPITAL
19 EQUIPMENT FINANCED FOR THE AUTHORITY BY THE COUNTY IN ACCORDANCE
20 WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH.

21 (C) (1) (I) THE PAYMENT REQUIRED UNDER SUBSECTION (B)(1)(I)
22 OF THIS SECTION SHALL BE PAID ON OR BEFORE JUNE 30, 2008.

23 (II) A PAYMENT REQUIRED UNDER SUBSECTION (B)(1)(II),
24 (III), OR (IV) OR (2)(II) OF THIS SECTION SHALL BE PAID ON OR BEFORE AUGUST
25 15 OF THE FISCAL YEAR FOR WHICH THE PAYMENT IS REQUIRED.

26 (III) A PAYMENT REQUIRED UNDER SUBSECTION (B)(2)(III)
27 OF THIS SECTION SHALL BE PAID ON OR BEFORE THE DUE DATE FOR THE
28 PAYMENT UNDER THE LEASE-PURCHASE OR OTHER FINANCING ARRANGEMENT
29 FOR CAPITAL EQUIPMENT FINANCED FOR THE AUTHORITY BY THE COUNTY.

30 (2) IF THE COUNTY FAILS TO MAKE A PAYMENT REQUIRED UNDER
31 SUBSECTION (B) OF THIS SECTION ON OR BEFORE THE DATE THE PAYMENT IS
32 DUE UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE STATE, ACTING
33 THROUGH THE STATE COMPTROLLER OR OTHERWISE, SHALL IMMEDIATELY
34 REDIRECT TO THE AUTHORITY STATE FUNDS OTHERWISE REQUIRED TO BE
35 PAID TO THE COUNTY IN THE AMOUNT OF THE DELINQUENT PAYMENT.

1 **(3) NOTWITHSTANDING § 2-608 OF THE TAX - GENERAL**
2 **ARTICLE OR ANY OTHER PROVISION OF LAW, THE REDIRECTION OF FUNDS**
3 **FROM THE COUNTY TO THE AUTHORITY AUTHORIZED UNDER THIS SUBSECTION**
4 **MAY BE EFFECTED BY REDUCING ANY LOCAL AID OR GRANT FUNDS OTHERWISE**
5 **PAYABLE TO THE COUNTY OR BY WITHHOLDING FROM THE COUNTY ANY INCOME**
6 **TAX REVENUE OTHERWISE REQUIRED TO BE DISTRIBUTED TO THE COUNTY**
7 **UNDER § 2-608 OF THE TAX - GENERAL ARTICLE AND PAYING OVER DIRECTLY**
8 **TO THE AUTHORITY THE FUNDS OR REVENUE SO REDUCED OR WITHHELD.**

9 **(D) (1) IF ON OR BEFORE JUNE 30, 2015, THE AUTHORITY OR AN**
10 **ENTITY DESIGNATED BY THE AUTHORITY SELLS ANY OF THE REAL PROPERTY**
11 **TRANSFERRED BY THE COUNTY TO THE AUTHORITY OR AN ENTITY DESIGNATED**
12 **BY THE AUTHORITY IN ACCORDANCE WITH § 24-1604(B)(2) OF THIS SUBTITLE,**
13 **THE NET PROCEEDS OF THE SALE SHALL BE CREDITED AGAINST THE AMOUNTS**
14 **THE COUNTY IS REQUIRED TO PAY TO THE AUTHORITY UNDER SUBSECTION (B)**
15 **OF THIS SECTION.**

16 **(2) IF ON OR AFTER JULY 1, 2015, THE AUTHORITY OR AN ENTITY**
17 **DESIGNATED BY THE AUTHORITY SELLS ANY OF THE REAL PROPERTY**
18 **TRANSFERRED BY THE COUNTY TO THE AUTHORITY OR AN ENTITY DESIGNATED**
19 **BY THE AUTHORITY IN ACCORDANCE WITH § 24-1604(B)(2) OF THIS SUBTITLE,**
20 **THE NET PROCEEDS OF THE SALE SHALL BE PAID TO THE COUNTY.**

21 **(3) IF THE NET PROCEEDS OF ALL SALES AS DESCRIBED IN**
22 **PARAGRAPH (1) OF THIS SUBSECTION OF THE REAL PROPERTY TRANSFERRED**
23 **BY THE COUNTY TO THE AUTHORITY OR AN ENTITY DESIGNATED BY THE**
24 **AUTHORITY IN ACCORDANCE WITH § 24-1604(B)(2) OF THIS SUBTITLE EXCEED**
25 **THE TOTAL REMAINING AMOUNT THAT THE COUNTY IS REQUIRED TO PAY THE**
26 **AUTHORITY UNDER SUBSECTION (B) OF THIS SECTION, THE AUTHORITY SHALL**
27 **PROMPTLY PAY TO THE COUNTY THE AMOUNT OF THE EXCESS.**

28 **(4) ANY SALE OF THE REAL PROPERTY TRANSFERRED BY THE**
29 **COUNTY TO THE AUTHORITY OR AN ENTITY DESIGNATED BY THE AUTHORITY IN**
30 **ACCORDANCE WITH § 24-1604(B)(2) OF THIS SUBTITLE SHALL BE FOR FAIR**
31 **MARKET VALUE.**

32 **(E) IF THE AUTHORITY SELECTS A NEW OWNER OR OPERATOR FOR**
33 **HEALTH CARE FACILITIES PREVIOUSLY OPERATED BY DIMENSIONS, THE**
34 **AUTHORITY SHALL TRANSFER TO THAT OWNER OR OPERATOR FUNDS RECEIVED**
35 **FROM THE STATE OR COUNTY, EITHER CAPITAL OR OPERATING, AS THE**
36 **AUTHORITY CONSIDERS APPROPRIATE.**

1 **(F) (1) THE STATE AND COUNTY FINANCIAL SUPPORT OBLIGATIONS**
2 **AS SET FORTH IN SUBSECTIONS (A) AND (B) OF THIS SECTION SHALL BE**
3 **MAXIMUM OBLIGATIONS.**

4 **(2) IF THE AUTHORITY SELECTS A NEW OWNER OR OPERATOR OF**
5 **THE FACILITIES PREVIOUSLY OPERATED BY DIMENSIONS AND THAT OWNER OR**
6 **OPERATOR'S CONTRACT TO OPERATE THE FACILITIES REQUIRES LESS**
7 **FINANCIAL SUPPORT THAN THAT SPECIFIED UNDER SUBSECTIONS (A) AND (B)**
8 **OF THIS SECTION, THE AUTHORITY SHALL REFUND ANY EXCESS TO THE STATE**
9 **AND COUNTY, PRO RATA ACCORDING TO THEIR RESPECTIVE CONTRIBUTIONS**
10 **UNDER THIS SECTION.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
12 members of the Board of the Prince George's County Hospital Authority, established
13 under Section 1 of this Act, shall expire as follows:

14 (1) the term of the member appointed by the Prince George's County
15 Executive and of the member appointed by the Prince George's County Council shall
16 expire 3 years after the date the member is appointed;

17 (2) the terms of three members appointed by the Governor shall expire
18 in 2009 on the anniversary of the date of their appointment; and

19 (3) the terms of two members appointed by the Governor shall expire
20 in 2010 on the anniversary of the date of their appointment.

21 SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
22 Health and Mental Hygiene (DHMH) and the Department of Business and Economic
23 Development (DBED) shall provide initial staffing for the Prince George's County
24 Hospital Authority, established under Section 1 of this Act, until the Authority hires
25 or retains staff of its own. The Authority shall reimburse DHMH and DBED,
26 respectively, for the cost of the initial staffing provided by them.

27 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the
28 General Assembly that:

29 (1) as provided in Supplemental Budget No. 4 for fiscal year 2008, the
30 State shall provide operating support for the Prince George's Hospital Center in the
31 amount of \$20,000,000; and

32 (2) the State shall provide capital support for Prince George's Hospital
33 Center to be available in fiscal 2008 in the amount of \$13,000,000 as authorized in
34 previously appropriated but unexpended capital funding in the 2004, 2005, and 2006
35 capital budgets.

1 SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of the
2 General Assembly that State funding for education and public safety purposes will not
3 be affected by any State support for the Prince George's County Hospital Authority.

4 SECTION 6. AND BE IT FURTHER ENACTED, That this Act is an emergency
5 measure, is necessary for the immediate preservation of the public health or safety,
6 has been passed by a yea and nay vote supported by three-fifths of all the members
7 elected to each of the two Houses of the General Assembly, and shall take effect from
8 the date it is enacted.