

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 1128

7 H.P. 874

House of Representatives, March 8, 1983

8 On Motion of Representative Nelson of Portland referred to the Commit-
9 tee on Health and Institutional Services. Sent up for concurrence and ordered
printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Kelleher of Bangor.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-THREE
16

17 AN ACT to Permit the Maine Health and
18 Higher Education Facilities Authority
19 to Issue Hospital Equipment Loan Program
20 Revenue Bonds, to Allow Nonprofit Health
21 Services' Groups to Participate in the
22 Authority's Programs, and for other
23 Purposes.
24

25 Be it enacted by the People of the State of Maine as
26 follows:

27 Sec. 1. 22 MRSA §2053, sub-§4-C is enacted to
28 read:

29 4-C. Hospital Equipment Loan Program. "Hospital
30 Equipment Loan Program" means a program of the
31 authority whereby the authority may loan all or a
32 portion of the proceeds of its bonds or notes issued
33 for such program to a participating hospital or
34 participating hospitals for the acquisition of health

1 care or medical equipment to be utilized at and by
2 the participating hospital or participating hospi-
3 tals. These bonds or notes may be secured by those
4 loans to participating hospitals and in such other
5 manner as the authority may determine.

6 Sec. 2. 22 MRSA §2055, sub-§12-A is enacted to
7 read:

8 12-A. Hospital Equipment Loan Program. To bor-
9 row money and issue bonds, notes, bond anticipation
10 notes and other obligations of the authority to
11 finance projects, including one or more hospital
12 equipment loan programs, and to fund or refund the
13 projects, all as provided in this chapter;

14 Sec. 3. 22 MRSA §2061, sub-§2, as amended by PL
15 1981, c. 455, is further amended to read

16 2. Review. Each project for a hospital or nurs-
17 ing home, except in the case of a hospital equipment
18 loan program, has been reviewed and approved to the
19 extent required by the agency of the State which
20 serves as the Designated Planning Agency of the State
21 in accordance with the provisions of section 1122 of
22 the Federal Social Security Act, as amended, or by
23 the Department of Human Services in accordance with
24 the provisions of the Maine Certificate of Need Act
25 of 1978, as amended. Such review and approval need
26 not be a condition precedent to the issuance of bonds
27 or notes by the authority to finance a hospital
28 equipment loan program;

29 STATEMENT OF FACT

30 The bill specifically authorizes a hospital
31 equipment bond program and clarifies that bonds or
32 notes may be issued under the equipment program prior
33 to the obtaining of a Certificate of Need for each
34 piece of equipment involved in the bonding package.
35 Each participating institution continues to be gov-
36 erned by the Certificate of Need Act with respect to
37 capital expenditures financed by such bonds and re-
38 quires a Certificate of Need prior to obligating such
39 a capital expenditure.

1 This bill fosters the limiting of health care
2 costs through "packaging" of equipment financings of
3 different institutions, at lower costs and interest
4 rates, while ensuring full scrutiny of the need for
5 such equipment through the Certificate of Need Act.

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