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DIVISION 107. HEALTH CARE ACCESS AND INFORMATION [127000 - 130079] (*Heading of Division 107 amended by Stats. 2021, Ch. 143, Sec. 28.*)

PART 6. FACILITIES LOAN INSURANCE AND FINANCING [129000 - 129387] (*Part 6 added by Stats. 1995, Ch. 415, Sec. 9.*)

CHAPTER 1. Health Facility Construction Loan Insurance [129000 - 129355] (*Chapter 1 added by Stats. 1995, Ch. 415, Sec. 9.*)

ARTICLE 1.5. Hospital Construction Assistance [129048 - 129049] (*Article 1.5 added by Stats. 1999, Ch. 825, Sec. 1.*)

129048. The Legislature finds and declares all of the following:

- (a) The State of California has a compelling interest in ensuring that adequate health facilities that are able to withstand seismic events are available to care for patients, especially in the event of a disaster.
- (b) Hospitals are required, under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1 (commencing with Section 129675) of Part 7), to improve, or remove from acute care service, buildings that pose a significant safety risk of collapse and danger to the public by January 1, 2008.
- (c) Hospitals are also required by that act to repair, rebuild, or remove from service, buildings that may not be repairable or functional following strong ground motion, by January 1, 2030.
- (d) California hospitals should be enabled to participate in programs that provide financial assistance for hospital construction and retrofitting.
- (e) The United States Department of Housing and Urban Development operates a HUD 242 loan insurance program, through which hospitals can access facility mortgage insurance and lower interest rates.
- (f) As a condition for participating in the HUD 242 program, a hospital must have a state-commissioned or conducted feasibility study of a hospital construction project.

(Added by Stats. 1999, Ch. 825, Sec. 1. Effective January 1, 2000.)

129049. (a) The department may, at the request of a hospital, commission an independent study of market need and feasibility, as required by the United States Department of Housing and Urban Development, as part of an application for mortgage insurance for hospitals pursuant to Section 1715z-7 of Title 12 of the United States Code, or any other federal mortgage insurance program for health-related facilities.

- (b) The cost of the feasibility study permitted pursuant to subdivision (a) shall be paid for by the department from reimbursements received from the applicant.
- (c) Notwithstanding any other provision of law, the department may directly retain independent feasibility consultants and require a deposit from the applicant for the entire cost of the services at the time they are requested.
- (d) The department shall charge applicants a fee for the reasonable costs of administering this article.

(e) The program provided for in this article shall be administered in conformance with the requirements of the United States Department of Housing and Urban Development for feasibility studies authorized by this section and the applicable requirements of state law pertaining to contracts.

(Amended by Stats. 2021, Ch. 143, Sec. 232. (AB 133) Effective July 27, 2021.)