§ 404. Hospitals; property; authority to acquire and to hold. 1. The board of visitors of each state hospital in the department, as the agent of the department, is hereby authorized to take and hold, in the name of and for the people of the state, by grant, gift, devise or bequest, property to be applied, principal or income, or both, for the benefit of the hospital, institution or of any patient or patients therein or to the maintenance and the general uses of the hospital or institution.

2. No property shall be taken or held as provided by this section, except with the approval of the commissioner unless the rules of the commissioner otherwise provide. Utilization and administration of property so taken and held shall be subject to the rules of the commissioner.

3. Property taken and held as provided by this section shall be applied or expended for the purpose specified by the donor, subject to the rules of the commissioner.

4. The expenditure of moneys derived from any source pursuant to the provisions of this section, including income, shall be under the immediate direction of the hospital, or treasurer of the institution, except as the rules of the commissioner may otherwise provide.