

(B) (1) THE SECRETARY SHALL ADOPT REGULATIONS TO CARRY OUT THIS TITLE.

(2) THE REGULATIONS SHALL PROVIDE FOR CERTIFIED ANNUAL FINANCIAL STATEMENTS FROM EACH FACILITY, AND MAY PROVIDE FOR OTHER REPORTS.

(3) FOR EACH FACILITY, THIS INFORMATION SHALL BE REQUIRED ANNUALLY FOR AT LEAST THE TERM OF THE BONDS USED TO FINANCE ANY PROJECT AT THAT FACILITY.

4-104.

THE ALLOCATION AND USE OF STATE FUNDS UNDER THIS TITLE ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

(1) STATE FUNDS MAY BE USED ONLY FOR THE PLANNING, DESIGN, CONSTRUCTION, CONVERSION, ACQUISITION, RENOVATION, AND EQUIPPING OF FACILITIES, INCLUDING REPORTS, PLANS, SPECIFICATIONS, SITE IMPROVEMENTS, SURVEYS, AND PROGRAMS IN CONNECTION THEREWITH;

(2) ANY FEDERAL OR OTHER GRANT THAT IS AVAILABLE FOR THE PURPOSE SHALL BE APPLIED FIRST TO THE COST OF PLANNING, DESIGN, CONSTRUCTION, CONVERSION, ACQUISITION, RENOVATION, OR EQUIPPING OF A FACILITY;

(3) A STATE GRANT MAY NOT EXCEED \$600,000 OR 50 PERCENT OF THE COST OF ELIGIBLE WORK REMAINING UNPAID AFTER ALL FEDERAL AND OTHER GRANTS HAVE BEEN APPLIED, WHICHEVER IS LESS;

(4) THE AMOUNT OF THE STATE GRANT FOR ANY PROJECT SHALL BE DETERMINED AFTER CONSIDERATION OF ALL ELIGIBLE APPLICATIONS, THE TOTAL OF UNALLOCATED STATE FUNDS AVAILABLE AT THE TIME APPLICATION IS RECEIVED, AND SUCH PRIORITIES OF AREA NEED AS MAY BE ESTABLISHED BY THE DEPARTMENT; AND

(5) NO PORTION OF THE PROCEEDS OF A STATE GRANT MAY BE USED FOR THE FURTHERANCE OF SECTARIAN RELIGIOUS INSTRUCTION, OR IN CONNECTION WITH THE DESIGN, ACQUISITION, OR CONSTRUCTION OF ANY BUILDING USED OR TO BE USED AS A PLACE OF SECTARIAN RELIGIOUS WORSHIP OR INSTRUCTION, OR IN CONNECTION WITH ANY PROGRAM OR DEPARTMENT OF DIVINITY FOR ANY RELIGIOUS DENOMINATION. UPON THE REQUEST OF THE BOARD OF PUBLIC WORKS, THE APPLICANT SHALL SUBMIT EVIDENCE SATISFACTORY TO THE BOARD THAT NONE OF THE PROCEEDS OF THE GRANT HAS BEEN OR IS BEING USED FOR A PURPOSE PROHIBITED BY THIS TITLE.