

Section 4 of this Act; the remainder of the proceeds of said loan shall be credited on the books of the State Treasury Department to be expended as needed by the State, upon approval by the Board of Public Works, to be used exclusively to supplement grants made to municipalities in this State under the Water Pollution Control Act of the Congress of the United States, as amended by Public Law 660 of the Eighty-fourth Congress, and as further amended from time to time.

(c) Any use of State funds shall be only for the construction of necessary sewage treatment works to prevent the discharge of untreated or inadequately treated sewage or other waste into any waters and for the purpose of reports, plans, and specifications in connection therewith, under said Public Law 660, as amended from time to time.

(d) Any municipality in this State, as defined under the Water Pollution Control Act of the United States, as amended by P.L. 660 of the 84th Congress, which has received a Federal grant under said Public Law 660, as amended from time to time, may petition the State of Maryland for an equal and matching grant toward the cost of the same project. This petition is subject to the limitation that the State and Federal grants combined shall not exceed fifty per centum (50%) of the total construction cost of any sewage treatment works. The petition is subject to the further limitation that it may not request the allocation of State money for any one project by any one municipality in excess of the sum of Four Hundred Thousand Dollars (\$400,000). The petition in the first instance shall be directed to the State Board of Health, and upon the approval of the plans by the State Board of Health, the Board shall promptly report the petition to the Board of Public Works, together with its report that the project has been approved both by the Surgeon-General of the United States or other lawful Federal authority under the provisions of said Public Law 660, as amended from time to time, and also by the State Department of Health, and that the Board of Public Works shall make available the necessary matching funds as provided hereunder.

(e) The Board of Public Works shall allocate from monies available under this Act, to every municipality receiving such a Federal grant, an equal and matching sum toward the cost of the same project. This allocation is subject to the limitation that the State and Federal grants combined shall not exceed fifty per centum (50%) of the total construction cost of any sewage treatment works. The allocation is subject to the further limitation that no monies in excess of the sum of Four Hundred Thousand Dollars (\$400,000) shall be provided by the State to any one municipality for any one project. The Board shall certify the allocation of State funds to the Treasurer of the State, and the Treasurer shall make them available to the municipality when needed for the construction of the project.

(f) The Board of Public Works is authorized in its discretion to adopt and promulgate rules and regulations for receiving such petitions from municipalities in this State and for the consideration of the petitions and the disbursing of the funds to the petitioning municipalities, within the spirit and intent of this Act.

SEC. 6. *And be it further enacted, That until all of the interest on*