million dollars (\$100,000,000), less a proportionate share of the costs specified in Section 4 of this Act, shall be used exclusively to provide State grants and prepay Federal grant offers to assist in the construction of sewage treatment plants and related facilities eligible for grants under the Federal Water Pollution Control Act. Any county, municipality, or any agency OF THE STATE OR ANY OF ITS SUB-DIVISIONS which is entitled to receive a State Grant pursuant to the provisions of Section 387(B) (A) 2 of Article 43 of the Annotated Code of Maryland, as amended from time to time, that HAS RECEIVED AN ORDER FROM THE STATE BOARD OF HEALTH AND MENTAL HYGIENE PURSUANT TO SECTION 392 OF ARTICLE 43 TO CONSTRUCT OR IMPROVE SEWERAGE FACILITIES MAY PETITION THE STATE FOR A GRANT EQUAL TO 25 PERCENTUE THE ELIGIBLE COST OF THE PROJECT AS DETERMINED BY THE STATE AND FOR AN ADDITIONAL SUM EQUAL TO 50 PERCENT OF THE ELIGI-BLE COST IN ADVANCE OF A GRANT OFFER FROM THE FEDERAL WATER POLLUTION CONTROL AGENCY PRO-VIDED THAT THE PETITIONER FILES AN APPLICATION FOR A FEDERAL GRANT AND MEETS ALL OTHER CONDI-TIONS AND REQUIREMENTS TO BE ELIGIBLE FOR A FED-ERAL GRANT AND FURTHER PROVIDED THAT THE PETI-TIONER SHALL CONTRACT TO REPAY TO THE STATE FOR DEPOSIT TO THE WATER QUALITY LOAN ACCOUNT ALL SUBSEQUENT FEDERAL FUNDS WHICH THE PETITIONER MAY RECEIVE AS A RESULT OF THE GRANT APPLICATION TO THE FEDERAL WATER POLLUTION CONTROL ADMINIS-TRATION, OR has received a grant offer for a project in accordance with the provisions of the Federal Water Pollution Control Act or has been notified that the project is eligible for a Federal grant offer in a specified amount, but insufficient Federal Funds are available to make an offer in the amount for which the project has been found eligible, may petition the State Department of Health for a grant, within the following conditions and limitations:

- 1. That a State grant offer shall be made only for the construction of projects that meet the specifications required by the Federal Water Pollution Control Act and all applicable State legislation and regulations, as amended from time to time.
- 2. That a State grant offer shall be made for every project on which a Federal grant offer is made, or which has been found eligible for a Federal grant, and that the outright State grant shall be equal, when combined with the maximum Federal grant for which the project would be eligible if sufficient Federal funds were available, to seventy-five percent (75%) of the eligible cost of the project, except that when the size of the Federal grant is increased by the Secretary of the Interior, as the result of the project being in conformity with an approved comprehensive plan, such increase shall not be used to decrease the amount of the outright State grant. In the case of a project to be operated by a State owned institution of OR facility for which a federal grant offer has been made, the State grant offer shall equal the total cost of the project less the Federal grant offer.
- 3. When for lack of adequate Federal funds at the time the petition is filed, the amount of Federal Funds available for a grant is a lesser per centum of the eligible cost of the project than that