

758A.

(a) *There is hereby created a fund to be called the "Shore Erosion Control Construction Loan Fund," to be administered by the Department of Natural Resources solely to provide interest free loans to persons, municipalities, or counties for construction of shore erosion structures. The Fund will be established by an appropriation from General Funds not to exceed five hundred thousand dollars (\$500,000). Thereafter, the Fund shall be maintained by: (1) Repayments of principal on loans made from the Fund, such repayments to be made through a special real estate tax levied by the State on privately owned property benefited by such shore erosion control projects, said tax in each instance to compensate the State for the net project construction cost. The tax may be levied at a uniform rate over a period not exceeding twenty-five years, as agreed between the State and the property owner. (2) Annual appropriation of general funds to restore the Fund to a level sufficient to carry out an effective shore erosion control construction loan program during the succeeding year. PROPERTY OWNERS WHOSE PROJECTS HAVE BEEN APPROVED SHALL BE ELIGIBLE TO RECEIVE INTEREST-FREE LOANS COVERING ONE HUNDRED PER CENT OF THE FIRST \$20,000 OF NET PROJECT CONSTRUCTION COST, FIFTY PER CENT OF THE NEXT \$10,000 OF NET PROJECT CONSTRUCTION COST, TWENTY-FIVE PER CENT OF THE NEXT \$10,000 OF NET PROJECT CONSTRUCTION COST, AND TEN PER CENT OF THAT PART OF NET CONSTRUCTION COST EXCEEDING \$40,000.*

(b) *During the first month of each fiscal year, the Department of Natural Resources shall submit to the Department of Budget and Fiscal Planning an estimate of: (1) the amount of revenue to the Fund expected from the repayment of outstanding loans, and (2) the amount of general funds required to reestablish an adequate balance in the Fund from which to make loans during the next fiscal year.*

(c) *When a shore erosion control project has been approved by the Department of Natural Resources and an appropriate agreement signed by the owner or owners of the benefited property or properties, stipulating the manner in which the State will be reimbursed for net project construction costs, the Department shall, within budgetary limitations, proceed to effect the construction of the project. Upon satisfactory completion of construction, the property owner's cash contribution if any shall be endorsed to the credit of the contractor and the balance of the payment due the contractor shall be paid from the Shore Erosion Control Construction Loan Fund. Within thirty days thereafter, the Department of Natural Resources shall certify to the Board of Public Works the payment of such sum, and shall transmit to that agency a copy of the agreement referred to in subsection 758A(a), specifying the manner in which the State is to be reimbursed for the net project construction cost. The Board of Public Works shall then act to levy, beginning in the next fiscal year, a special tax on the benefited property or properties in conformity with such agreement. Benefited property or properties is that land immediately abutting waters of the State which are protected by an erosion control project constructed under the provisions of this Act; however, benefited property or properties may also include land in the vicinity of the waters of the State*