

petitioner may receive as a result of the grant application to the Federal Water Pollution Control Administration, 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, or recognizing that pursuant to statutory authority and through agreements with the District of Columbia and the Federal Government the Washington Suburban Sanitary District's sanitary sewerage systems include allocated capacities or reserved portions of the sanitary sewerage facilities and systems operated by the District of Columbia, any improvement to or enlargement of those facilities for the Maryland district's sewerage is for the use and benefit of the residents of the Washington Suburban Sanitary District and of the State and advances the broad goals and purposes of this Act, and on such basis the Washington Suburban Sanitary Commission's portion of the capital costs for the improvements to or enlargement of those facilities to be made hereafter is equivalent to construction by the Washington Suburban Sanitary Commission of a project within the purview of this section, and that portion shall be treated as construction by the Commission with respect to eligibility for a grant hereunder, all within the following conditions and limitations:] IN MARYLAND; PROVIDED, HOWEVER, THAT THE WASHINGTON SUBURBAN SANITARY COMMISSION'S PORTION OF THE CAPITAL COSTS FOR IMPROVEMENTS TO AND ENLARGEMENT OF SANITARY SEWAGE FACILITIES AND SYSTEMS OPERATED BY THE DISTRICT OF COLUMBIA PURSUANT TO AGREEMENTS BETWEEN THE COMMISSION, THE DISTRICT OF COLUMBIA, AND THE UNITED STATES GOVERNMENT SHALL BE DEEMED A PROJECT [ELIGIBLE] ELIGIBLE FOR A STATE GRANT HEREUNDER. ALL GRANTS AUTHORIZED OR MADE HEREUNDER SHALL BE SUBJECT TO 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 or to such greater percentage as will equal the maximum total percentage of grants for which the project is eligible from both Federal and State sources, if and when, from time to time, the provisions of applicable Federal law are such that, in order for the project to qualify for the maximum amount of grants available from both Federal and State sources, the percentage exceeds seventy-five percent (75%) of the eligible cost of the project. If the amount of the Federal grant is increased as the result of the project being in conformity with an approved comprehensive plan, or for any other similar reason, such increase shall not be used to decrease the amount of the outright State grant.] EXCEPT AS PROVIDED IN PARAGRAPH (3) BELOW, A STATE GRANT OFFER SHALL BE MADE ONLY FOR A PROJECT OR PART OF A PROJECT ON WHICH A FEDERAL GRANT OFFER IS MADE, AND THE STATE GRANT OFFER SHALL AMOUNT TO ONE-HALF OF THE ELIGIBLE COST REMAINING AFTER THE MAXIMUM FEDERAL GRANT HAS BEEN APPLIED. In the case of a project to be operated by a State owned institution or facility, the State grant offer [shall] MAY equal the total cost of the project.