

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 MAY EQUAL THE TOTAL COST OF THE PROJECT.

2. [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 to which it was found to be entitled under the provisions of the Federal Water Pollution Control Act, the petition may include a request for the advance payment of the Federal deficit, provided that the petitioner shall contract to repay to the State for the deposit to the Sanitary Sewerage Facilities Loan account all subsequent Federal funds which the petitioner may receive to make up the original Federal deficiency.] THE BOARD OF PUBLIC WORKS IS AUTHORIZED, IN ITS DISCRETION AND UPON RECOMMENDATION OF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, TO APPROVE A STATE GRANT NOT TO EXCEED 87-1/2 PER CENT OF THE ELIGIBLE COST OF A PROJECT OR PART OF A PROJECT, IF THE BOARD FINDS (A) THAT THE IMMEDIATE INITIATION OR CONTINUATION OF SUCH PROJECT IS CRITICAL TO THE PUBLIC HEALTH OR WATER QUALITY STANDARDS OF THE STATE, AND (B) THAT A TIMELY AND SUFFICIENT FEDERAL GRANT IS NOT AVAILABLE FOR SUCH PROJECT.

13. When the petitioner has received a grant offer under the Federal Water Pollution Control Act for a demonstration project equal to seventy-five per centum (75%) of the cost of the said project, then the funds made available under this Act shall be allocated as an outright State grant to the petitioner in an amount no greater than twelve and one-half per centum (12-1/2%) of the eligible cost.]

SECTION [113] 12. AND BE IT FURTHER ENACTED, That Section 5(b) of Chapter 561 of the Laws of Maryland (1966), as amended by Chapter 689 of the Laws of Maryland (1967), be and it is hereby repealed and re-enacted, with amendments, to read as follows:

5.

(b) Any county, municipality, or any agency which is entitled to receive a State grant pursuant to the provisions of Section 387(A) 2 of Article 43 of the Annotated Code of Maryland, as amended from time to time, may petition the State Department of Health for a grant, within the following conditions and limitations:

1. That a preliminary application, in such form as the State Department of Health shall specify, must be received by the State Department of Health for each project no later than January 1 OF EACH YEAR, for projects to be financed during the fiscal year starting THE FOLLOWING July 1 [1967].

2. That the final petition and such supporting documents as may be required by the State Department of Health are received by the State Department of Health no later than May 1 OF EACH YEAR, [1967] for all projects to be financed in the fiscal year starting the following July 1.

3. [That such Federal funds as are available from the Federal Water Pollution Control Act for financing such construction projects shall be used to the maximum extent possible. The State funds authorized by this Act will be used to provide 50 percent of the cost of each construction project, to the extent that Federal funds from the Federal Water Pollution Control Act do not provide that percentage of