

cost of a project or part of a project, if the Board finds (a) that the immediate initiation or continuation of the project is critical to the public health or to compliance with water quality standards of the State, and (b) that a timely and sufficient Federal grant is not available for the project or part of a project. In approving such grants, the Board of Public Works shall make all reasonable efforts not to jeopardize Federal grants for the remaining part of the projects.

(4) The Secretary of the Department of Health and Mental Hygiene shall report on or before January 1 of each year to the Governor and the General Assembly on the status of Bond Funds for the construction of sewerage facilities under this and previous Bond Authorization Acts. His report shall indicate funds expended, funds committed, and funds remaining; and a list of projects for which funds have been expended and are committed. It shall also contain his projection of projects to be constructed for the following two years for which grants are anticipated.

SECTION 6. AND BE IT FURTHER ENACTED, That all unexpended funds remaining from the completed projects authorized under this Act shall be transferred to the Annuity Bond Fund and shall be applied to the debt service requirements of the State, said transfer to be made one year after the date of the final acceptance of the projects, said date of final acceptance to be certified in writing to the Board of Public Works by the Department of General Services. All funds which may be appropriated at any time or from time to time by the General Assembly in any Annual State Budget Bill for the payment of principal and interest on bonds issued pursuant to this Act shall be deposited in the Annuity Bond Fund by the State Comptroller to be applied to the payment of principal and interest on bonds issued pursuant to this Act.

SECTION 7. AND BE IT FURTHER ENACTED, That any furniture, fixtures and/or equipment authorized to be paid for from the sales of the bonds authorized by this Act shall be, where possible, manufactured or produced by the State Use Industries operated by the Division of Correction of the Department of Public Safety and Correctional Services, in accordance with the provisions of Section 681 of Article 27, Annotated Code of Maryland (1971 Replacement Volume).

SECTION 8. AND BE IT FURTHER ENACTED, That until all of the interest on and principal of any bonds issued