

used as needed by the State, upon approval by the Board of Public Works, exclusively to provide State grants to assist in the construction and equipping of sewage treatment plants and related facilities, and in the extension and improvements of existing public sanitary sewer systems. However, the portion of capital costs for construction of improvements to and enlargement of sanitary sewage facilities outside the State of Maryland required to serve the State of Maryland, its political subdivisions or agencies thereof shall be deemed eligible for State grants and loans hereunder, provided there is a written agreement between the agency constructing the sewerage facilities and the agency receiving sewerage service. All grants and loans authorized or made hereunder shall be subject to the following conditions and limitations:

(2) 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 up to one-half of the eligible cost remaining after the maximum Federal grant has been applied, EXCEPT THAT WHEN THE MAXIMUM FEDERAL GRANT OFFER FOR AN INNOVATIVE OR ALTERNATIVE PROJECT AS DEFINED BY THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY IS GREATER THAN 75 PERCENT THE STATE GRANT OFFER SHALL BE THREE-QUARTERS OF THE ELIGIBLE COST REMAINING OR 12 1/2 PERCENT, WHICHEVER IS THE LESSER. In the case of a project to be operated by a State owned institution or facility, the State grant offer shall equal the total cost of the project less the amount of any Federal grant offer made therefor.

Chapter 55 of the Acts of 1973

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(2) The remainder of the proceeds of such loan shall be credited on the books of the State Comptroller, to be expended as needed by the State, upon approval by the Board of Public Works, and subject to such conditions as it may set, for the following needs, purposes and projects, the amounts listed below being intended to include Architects' and Engineers' fees where applicable:

(b) The balance of the proceeds shall be used exclusively to provide State grants to assist in the construction of sewage treatment plants and related facilities in Maryland, and to finance studies relating to water quality problems in Maryland approved or conducted by the Department of Natural Resources: provided however, that the Washington Suburban Sanitary Commission's portion of the capital costs for improvements to an 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 for a State grant hereunder. All grants authorized or made hereunder other than for water quality studies shall be subject to the following conditions and limitations: