

2. No part of the earnings of which inures to the benefit of any individual or is used for any purpose other than the maintenance and operation of the facility, the purchase of equipment to be used in the facility, or the expansion of the facility.

(5) Any public or other nonprofit entity sponsoring a project involving the construction, acquisition, renovation, or equipment of a facility in this State may apply to the Department for a State grant toward the cost of that project. The application shall initially be directed to the Secretary of Health and Mental Hygiene. Upon approval of a project and the project plans, the Secretary shall promptly report the application to the Board of Public Works, together with the Secretary's recommendation that the Board makes funds available as provided in this Act.

(6) (a) Before the Department approves any project, the applicant shall file with the Department:

(i) A statement listing the personnel employed or to be employed at the facility and showing all remuneration and perquisites for personal services and all other expenses paid or to be paid to these personnel, as well as all other expenses incurred or to be incurred in operating the facility; and

(ii) The schedule of rates charged or to be charged for services rendered.

(b) Before the Department approves any project, the Secretary of Health and Mental Hygiene shall adopt regulations to carry out the intent of this Act and subsequent acts for the same purposes. Among other things, these regulations shall provide for certified annual financial statements from each facility and may provide for other reports. For each facility, this information shall be required annually for at least the term of the bonds used to finance any project at that facility.

(7) The allocation and use of State funds under this Act is are subject to the following terms and conditions:

(a) State funds may be used only for the construction, acquisition, renovation, and equipment equipping of facilities; for reports, plans, and specifications in connection therewith; and for site improvements, surveys, and programs in connection therewith.

(b) (i) Any federal grant that is available for this purpose shall be applied first to the cost of construction, acquisition, renovation, and equipment of a facility.

(ii) A State grant shall provide up to 50 percent of the eligible cost remaining after the federal grant has been applied.