

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 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. 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 be in an amount up to one-half of the eligible cost remaining after the maximum Federal grant has been applied~~ THAT WHEN COMBINED WITH THE MAXIMUM FEDERAL GRANT, THE COMBINED GRANTS SHALL NOT EXCEED 87-1/2 PERCENT OF TOTAL ELIGIBLE PROJECT COSTS AFTER OCTOBER 1, 1984 shall be in an amount up to [one-half] 72.22 PERCENT of the eligible cost remaining after the maximum Federal grant has been applied OR UP TO 32.5 PERCENT OF THE TOTAL ELIGIBLE PROJECT COSTS. When the maximum Federal grant offer covers more than 75- 55 percent of the total project cost for an innovative or alternative project as defined by the Federal Environmental Protection Agency, the State grant offer shall be ~~three-fourths~~ UP TO 85 PERCENT of the remaining amount or ~~12-1/2 percent, whichever is least~~ UP TO 21.25 PERCENT OF THE TOTAL ELIGIBLE PROJECT COSTS. 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.

3. 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 percent 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 compliance with water quality standards of the State, and (b) that a timely and sufficient Federal grant is not available for such project or part of a project.

SECTION 6. AND BE IT FURTHER ENACTED, That Section 5(2)(b) of Chapter 55 of the Acts of the General Assembly of 1973, as amended by Chapter 262 of the Acts of the General Assembly of 1975, and by Chapter 658 of the Acts of the General Assembly of 1980, be and it is hereby repealed and reenacted, with amendments, to read as follows:

Chapter 55 of the Acts of 1973