

(a) Not more than \$7,000,000 may be used to provide a State grant to repay costs incurred in construction, construction inspection, and financing of the expansion and upgrading of sewage treatment capacity at the Princess Anne Wastewater Treatment Plant to replace capacity to be used by the Eastern Correctional Institution.

(b) The remainder of the proceeds shall be credited to the Water Pollution Control Fund and expended, as authorized under Title 9, Subtitle 3, Part VI of the Health Environmental Article of the Code and subject to the further limitations of this Act, for the following purposes:

(i) Proceeds may be used to provide grants to assist in the construction of publicly-owned sewage treatment works;

(ii) Not For FY 1987, not more than \$5,000,000 may be used to provide grants for projects to remove nitrogen at publicly-owned sewage treatment works; however, it is the intent of the General Assembly that this allocation for nitrogen removal shall be identified and adjusted annually to provide for future capital needs as identified in an agreement between Montgomery County, Prince George's County, the Washington Suburban Sanitary Commission (WSSC), and the State of Maryland;

(iii) Not more than \$5,000,000 may be used to provide grants for projects to control agriculturally-related nonpoint sources of water pollution; however, not more than \$1,000,000 of this amount may be expended for projects on public lands; and

(iv) Not more than \$1,000,000 may be used to provide grants for projects to reduce pollution from stormwater runoff in existing urban areas--

(4) An annual State tax is imposed on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds, as and when due and until paid in full. The principal shall be discharged within 15 years after the date of issue of the bonds.

SECTION 2. AND BE IT FURTHER ENACTED, That Section 1(3)(e) of Chapter 568 of the Acts of the General Assembly of 1983, as amended by Chapter 796 of the Acts of the General Assembly of 1984, be and it is hereby repealed and reenacted, with amendments to read as follows:

Chapter 568 of the Acts of 1983, as amended by

Chapter 796 of the Acts of 1984