

sold as part of a single issue of bonds under § 8-122 of the State Finance and Procurement Article.

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: to provide State funds in accordance with §§ 8-1105.2 and 8-1105.3 of the Natural Resources Article for the construction of a beach replenishment project for the Town of Ocean City. None of the proceeds of the sale of bonds may be used for these purposes until at least an equal amount has been expended from Program 23.05.02.01 of Fiscal Year 1988 Capital Appropriations for the same purpose.

(4) State funds allocated under this Act may not be expended for purchase of any interest in property and may not be expended until substantially all easements necessary to complete both phases of this project have been obtained. Upon attainment of substantially all easements, the Department of Natural Resources may proceed with Phase I of this project. However, no funds may be expended for Phase II of this project until the Department of Natural Resources reports to the budget committees on the final status of the voluntary easement program and the budget committees release the funds. It is the intent of the General Assembly that neither the State nor local governments purchase easements. However, if local governments fund the purchase of any easements, such local expenditures shall not be included as a portion of any local government match required to complete both phases of this project.

(4) (5) (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 this Act shall take effect June 1, 1987.

Approved May 14, 1987.