

(8) The cost of a project eligible for State financial assistance under this subsection and which is not receiving federal financial assistance shall include equipment, construction, land, easements and rights-of-way. However, the cost of a project to control nonpoint sources of agriculturally related water pollution may not include land or interests in land or the costs of operating and maintaining best management practices. In the case where the Department has ordered the Maryland environmental service to provide a project to abate pollution or to correct the deficient operation of a water supply, wastewater, or solid waste project of a municipality or person, as provided in Title 3 of the Natural Resources Article or the [Health Environmental] ENVIRONMENT Article of the Code, the eligible cost of a project shall be as authorized under Natural Resources Article Section 3-101(b), as amended.

(9) All State loans extended under this subsection shall be subject to the same conditions and limitations applicable to loans for sewer facilities under subsection (c) of this section except for the requirements of subsection (c)(4) OF THIS SECTION and those requirements which impose a dollar ceiling limitation on the principal amount of the loan.

(10) A loan guarantee of the principal of or interest on any commercial loan or obligation to finance an eligible project under this subsection to a governmental corporation may only be made if the applicant certifies that it is unable to obtain on reasonable terms sufficient credit to finance its actual needs without such guarantee and if the Board of Public Works determines that there is a reasonable assurance of repayment of the loan obligation.

(11) The Secretary of the Department of [Health and Mental Hygiene] THE ENVIRONMENT shall report on or before January 1 of each year to the Governor and the General Assembly on the status of Bond Funds for the construction of facilities under this Act. His report shall indicate funds expended, funds committed, and funds remaining; and a list of projects for which funds have been expended and are committed. It shall also contain his projection of projects to be constructed for the following two years for which grants, loans, or loan guarantees are anticipated.

(c) From the proceeds of the sale of the bonds issued under this Act, the sum of ten million dollars (\$10,000,000) may be used to provide loans to assist in the construction of sewer facilities. Any county or municipality, or any agency of the State or its subdivisions charged with providing sewer facilities, may petition the Department of [Health and Mental Hygiene] THE ENVIRONMENT for a loan to assist in the construction of these facilities, after having submitted a copy of its petition to the State Clearinghouse in the Department of State Planning. The Department may make a loan available for a project,