

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Natural Resources

8-1001.

(e) "Project construction cost" means the estimated cost to DESIGN AND construct a shore erosion control project, exclusive of [design,] supervision, inspection, and maintenance costs.

8-1005.

(a) There is a "Shore Erosion Control Construction Loan Fund." The Department shall administer the Fund solely to provide interest-free loans to persons, municipalities, or counties for DESIGN AND construction of shore erosion structures. The Fund shall be maintained by:

(1) Repayments of principal on loans made from the Fund, with the repayments made through a [special real estate tax] BENEFIT CHARGE the State levies on privately owned property benefited by shore erosion control projects. The [tax] BENEFIT CHARGE shall compensate the State for net project construction cost. The [tax] BENEFIT CHARGE shall be levied at a uniform rate over a period not exceeding 25 years; and

(2) Annual appropriation of general funds to restore the Fund to a level sufficient to carry out an effective shore erosion control construction loan program during the succeeding year.

A property owner whose project is approved is eligible to receive an interest-free loan covering 100 percent of the first [\$50,000] \$60,000 of project construction cost, 50 percent of the next \$20,000 of project construction cost, 25 percent of the next \$20,000 of project construction cost, and 10 percent of the part of construction cost exceeding [\$90,000] \$100,000. However, where two or more property owners are included within a shore erosion control project, [and project construction costs exceed \$100,000,] the land of each property owner is considered a separate shore erosion project for the purpose of computing net project construction cost under this formula.

8-1005.1.

(A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, THE DEPARTMENT MAY REQUIRE A PROPERTY OWNER WHO HAS REQUESTED A LOAN, OR A PROPERTY OWNER MAY ELECT, TO PROCURE DESIGN AND CONSTRUCTION SERVICES FOR A SHORE EROSION CONTROL PROJECT.

(B) THE DEPARTMENT SHALL PROMULGATE REGULATIONS ESTABLISHING PROCEDURES AND TECHNICAL STANDARDS FOR THE