

(H) (1) EXCEPT TO THE INDUSTRIAL LAND FUND, THE SECRETARY MAY NOT TRANSFER FUNDS FROM THE FUND TO ANY OF THE VARIOUS ACCOUNTS WITHIN THE DEPARTMENT OR SUBJECT TO ITS CONTROL.

(2) THE SECRETARY SHALL ACCOMPLISH ANY TRANSFER UNDER THIS SECTION IN ACCORDANCE WITH THE APPROPRIATION AMENDMENT PROCESS UNDER § 7-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

5-803.

(a) The Department may make a loan or grant to [a political subdivision] AN APPLICANT to cover part of the eligible project costs of an industrial or commercial redevelopment project. Proceeds of a loan or grant may be:

(1) Expended directly by the [political subdivision] APPLICANT;

(2) Loaned or granted by [the] A BORROWING political subdivision; or

(3) Used by [the] A BORROWING political subdivision to guarantee loans, to a private entity which has made a firm commitment to carry out part or all of an industrial or commercial redevelopment project.

(c) (1) A loan or grant may be for up to 90 percent of the nonfederal and nonprivate portion of the eligible project costs. However, a loan that, as to principal, is to be repaid in full may not exceed \$3,000,000. Any other loan or grant may not exceed \$2,000,000. The aggregate cumulative total of grants and outstanding principal balance of loans, made to or within any one county or, Baltimore City, may not exceed 40 percent of the aggregate cumulative total of appropriations and payments to the Fund, except that the aggregate cumulative total of grants and outstanding principal balance of loans may exceed the 40 percent limitation by an additional sum not to exceed 25 percent of such amount, if the additional sum is restricted to loans made to ~~a political subdivision~~ AN APPLICANT exclusively for use within an area designated an enterprise zone pursuant to § 5-402 of this article. Not more than 50 percent of the cumulative total of appropriations and payments to the Fund may be made available as grants or loans to all of the designated enterprise zones in the State.

(2) As determined by the Secretary, the principal of a loan:

(i) May be repayable, in whole or in part, from specified revenues or on a contingency;

(ii) May be noninterest bearing or bear interest at a rate of not more than 1/8 of 1 percent plus the interest cost of the:

1. Most recent State general obligation bond issue preceding approval by the Secretary of the application for the loan for a loan made from sources other than State general obligation bond proceeds; or

2. State general obligation bond issue out of which the loan is made for a loan made from the proceeds of a State general obligation bond issue; AND

(iii) To the extent that it is to be repaid, may be repayable in accordance with any schedule, with maturity of up to 25 years; ~~and.~~