

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

Article - Natural Resources

8-1004.1.

(d) In carrying out this section, the Department may utilize any GENERAL, SPECIAL, STATE REIMBURSABLE, OR FEDERAL REIMBURSABLE funds appropriated in the budget for nonstructural shore erosion control. Appropriations and expenditures of funds for the purposes of this section may not be subject to any provision of §§ 8-1005 through 8-1007 of this subtitle.

8-1005.

(a) (1) There is a "Shore Erosion Control Construction Loan Fund". The Department shall administer the Fund to provide interest-free loans OR GRANTS to persons, municipalities, or counties for design and construction of shore erosion control projects. The Fund shall be maintained by:

(i) Repayments of principal on loans made from the Fund, with the repayments made through a benefit charge the State levies on privately owned property benefited by shore erosion control projects. The benefit charge shall compensate the State for net project construction cost. The benefit charge shall be levied at a uniform rate over a period not exceeding 25 years;

(ii) Repayment of administrative costs under § 8-1004 of this subtitle; and

(iii) 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.

(b) During the first month of each fiscal year, the Department shall submit to the Department of Budget and Management:

(1) An estimate of the amount of revenues the Fund expects to receive from repayment of outstanding loans; and

(2) The amount of [general] funds required to reestablish an adequate balance in the Fund to make loans during the next fiscal year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2001.

Approved May 18, 2001.