

SENATE BILL 795

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1998 Regular Session  
8lr2814

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By: ~~Senator Ruben~~ **Senators Ruben, Boozer, Currie, Fry, McFadden, and  
Munson**

Constitutional Requirements Complied with for Introduction in the last 35 Days of  
Session

Introduced and read first time: March 18, 1998

Assigned to: Rules

Re-referred to: Budget and Taxation, March 20, 1998

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 30, 1998

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Shore Erosion Control Construction Loan Fund**

3 FOR the purpose of providing that the Department of Natural Resources shall take  
4 certain actions relating to certain shore erosion control projects; providing that  
5 the Shore Erosion Control Construction Loan Fund may be used to fund certain  
6 shore erosion control projects; and generally relating to shore erosion control  
7 projects and funding.

8 BY repealing and reenacting, with amendments,  
9 Article - Natural Resources  
10 Section 8-1002(4) through (6) and 8-1005(a)  
11 Annotated Code of Maryland  
12 (1990 Replacement Volume and 1997 Supplement)

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

1 **Article - Natural Resources**

2 8-1002.

3 The Department shall:

4 (4) Design or cause to be designed shore erosion control [structures]  
5 PROJECTS, including vegetative cover, in shore erosion control districts;6 (5) Enter into agreements with any person to construct shore erosion  
7 control [structures] PROJECTS;8 (6) Administer the Fund to provide loans to any person in support of  
9 construction of shore erosion control [structures] PROJECTS;

10 8-1005.

11 (a) (1) There is a "Shore Erosion Control Construction Loan Fund." The  
12 Department shall administer the Fund to provide interest-free loans to persons,  
13 municipalities, or counties for design and construction of shore erosion [structures]  
14 CONTROL PROJECTS. The Fund shall be maintained by:15 (i) Repayments of principal on loans made from the Fund, with the  
16 repayments made through a benefit charge the State levies on privately owned  
17 property benefited by shore erosion control projects. The benefit charge shall  
18 compensate the State for net project construction cost. The benefit charge shall be  
19 levied at a uniform rate over a period not exceeding 25 years;20 (ii) Repayment of administrative costs under § 8-1004 of this  
21 subtitle; and22 (iii) Annual appropriation of general funds to restore the Fund to a  
23 level sufficient to carry out an effective shore erosion control construction loan  
24 program during the succeeding year.25 (2) A property owner whose project is approved is eligible to receive an  
26 interest-free loan covering 100% of the first \$60,000 of project construction cost, 50%  
27 of the next \$20,000 of project construction cost, 25% of the next \$20,000 of project  
28 construction cost, and 10% of the part of construction cost exceeding \$100,000.  
29 However, where 2 or more property owners are included within a shore erosion  
30 control project, the land of each property owner is considered a separate shore erosion  
31 project for the purpose of computing net project construction cost under this formula.32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
33 June 1, 1998.

