

(b) Any federal or other grant that is received for an eligible project shall be applied first to the cost of the project.

(c) Except as provided in subsection (7)(d), and (e) below, a State grant may not exceed \$300,000 or 50 percent of the cost of eligible work remaining unpaid after all federal and other grants have been applied, whichever is less.

(d) At the discretion of the Board of Public Works, a State grant may exceed 50 percent of the cost of eligible work remaining unpaid after all federal and other grants have been applied, up to \$300,000, if:

(i) The project involves the conversion of a public building or part of a building to an Adult Day Care Center, the renovation of an Adult Day Care Center, or the planning, design, and construction of an Adult Day Care Center;

(ii) The value of real property and improvements made available by the local government, or the value of the center to be renovated, equals or exceeds the amount of the State grant;

(iii) No State funds have been used for the acquisition, construction, or maintenance of any real property and improvements made available by the local government or any building to be converted or renovated; and

(iv) The State is not responsible for any bonded indebtedness in connection with any real property and improvements made available by the local government or any building to be converted or renovated.

(e) For a project designated under federal regulations, State plans, or the departmental regulations provided for by Section 1(6) of this Act as eligible for poverty area funding, a State grant may cover up to 75 percent of the cost of eligible work remaining unpaid after all federal and other grants have been applied.

(f) The amount of the State grant for any project shall be determined after consideration of all eligible applications, the total of unallocated State funds available at the time the application is received, and such priorities of area need as may be established by the Department.

(g) No portion of the proceeds of a State grant may be used for the furtherance of sectarian religious instruction, or in connection with the design, acquisition, or construction of any building used or to be used as a place of sectarian religious worship or instruction, or in connection with any program or department of divinity for any religious denomination. Upon the