

administrative costs subject to the statutory limitation on administrative costs, regardless of whether the expenditure is incurred by the State, a subrecipient, a grantee, or a contractor of the State.

(b) *Administrative costs for territories and Indian tribes.* For Indian tribes, tribal organizations and territories with allotments of \$20,000 or less, the limitation on the cost of planning and administering the low-income home energy assistance program shall be 20 percent of funds payable and not transferred for use under another block grant. For tribes, tribal organizations and territories with allotments over \$20,000, the limitation on the cost of planning and administration shall be \$4,000 plus 10% of the amount of funds payable (and not transferred for use under another block grant) that exceeds \$20,000.

[52 FR 37967, Oct. 13, 1987]

**§ 96.89 Exemption from standards for providing energy crisis intervention assistance.**

The performance standards in section 2604(c) of Pub. L. 97-35 (42 U.S.C. 8623), as amended by section 502(a) of the Human Services Reauthorization Act of 1986 (Pub. L. 99-425)—concerning provision of energy crisis assistance within specified time limits, acceptance of applications for energy crisis benefits at geographically accessible sites, and provision to physically infirm low-income persons of the means to apply for energy crisis benefits at their residences or to travel to application sites—shall not apply under the conditions described in this section.

(a) These standards shall not apply to a program in a geographical area affected by (1) a major disaster or emergency designated by the President under the Disaster Relief Act of 1974, or (2) a natural disaster identified by the chief executive officer of a State, territory, or direct-grant Indian tribe or tribal organization, if the Secretary (or his or her designee) determines that the disaster or emergency makes compliance with the standards impracticable.

(b) The Secretary's determination will be made after communication by the chief executive officer (or his or

her designee) to the Secretary (or his or her designee) of the following:

(1) Information substantiating the existence of a disaster or emergency;

(2) Information substantiating the impracticability of compliance with the standards, including a description of the specific conditions caused by the disaster or emergency which make compliance impracticable; and

(3) Information on the expected duration of the conditions that make compliance impracticable.

If the communication is made by the chief executive officer's designee and the Department does not have on file written evidence of the designation, the communication must also include:

(4) Evidence of the appropriate delegation of authority.

(c) The initial communication by the chief executive officer may be oral or written. If oral, it must be followed as soon as possible by written communication confirming the information provided orally. The Secretary's exemption initially may be oral. If so, the Secretary will provide written confirmation of the exemption as soon as possible after receipt of appropriate written communication from the chief executive officer.

(d) Exemption from the standards shall apply from the moment of the Secretary's determination, only in the geographical area affected by the disaster or emergency, and only for so long as the Secretary determines that the disaster or emergency makes compliance with the standards impracticable.

[53 FR 6827, Mar. 3, 1988]

**Subpart I—Community Services Block Grants**

**§ 96.90 Scope.**

This subpart applies to the community services block grant.

**§ 96.91 Audit requirement.**

Pursuant to section 1745(b) of the Reconciliation Act (31 U.S.C. 1243 note) an audit is required with respect to the 2-year period beginning on October 1, 1981, and with respect to each 2-year period thereafter. In its application for

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funds, a State may modify the assurance required by section 675(c)(9) of the Reconciliation Act (42 U.S.C. 9904(c)(9)) to conform to the requirements of section 1745(b).

### **§ 96.92 Termination of funding.**

Where a State determines pursuant to section 675(c)(11) of the Community Services Block Grant Act that it will terminate present or future funding of any community action agency or migrant and seasonal farmworker organization which received funding in the previous fiscal year, the State must provide the organization with notice and an opportunity for hearing on the record prior to terminating funding. If a review by the Secretary of the State's final decision to terminate funding is requested pursuant to section 676A, the request must be made in writing, within 30 days of notification by the State of its final decision to terminate funding. The Department will confirm or reject the State's finding of cause, normally within 90 days. If a request for a review has been made, the State may not discontinue present or future funding until the Department confirms the State's finding of cause. If no request for a review is made within the 30-day limit, the State's decision will be effective at the expiration of that time.

[52 FR 37968, Oct. 13, 1987]

## **Subpart J—Primary Care Block Grants**

### **§ 96.100 Scope.**

This subpart applies to the primary care block grant.

### **§ 96.101 Review of a State decision to discontinue funding of a community health center.**

Where a State determines for FY 1983, pursuant to section 1926(a)(2) of the Public Health Service Act (42 U.S.C. 300y-5(a)(2)), that a community health center does not meet the criteria for continued funding set forth in section 330 of the Public Health Service Act (42 U.S.C. 254c), the State must advise the Department of the decision and the basis upon which it was made. The Department will permit the center

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30 days to respond to the State's determination. After evaluating the reasons advanced by the State and the center, the Department will determine within 30 days after the center's response is due whether the center meets the requirements for receiving a grant under the Public Health Service Act. The State may not discontinue funding the center until the Department has completed its review.

[47 FR 29486, July 6, 1982; 47 FR 43062, Sept. 30, 1982]

### **§ 96.102 Carryover of unobligated funds.**

In implementing section 1925(a)(2) of the Public Health Service Act (42 U.S.C. 300y-4(a)(2)), the Secretary will determine that there is good cause for funds remaining unobligated if planned obligations could not be carried out because of a bona fide reason or if the State has determined that program objectives would be better served by deferring obligation of the funds to the following year.

## **Subpart K—Transition Provisions**

### **§ 96.110 Scope.**

Except as otherwise stated, this subpart applies to the community services, preventive health and health services, alcohol and drug abuse and mental health services, and maternal and child health services block grants for the fiscal year beginning October 1, 1981. The social services block grant and the low-income home energy assistance program are not subject to the provisions of this subpart.

### **§ 96.111 Continuation of pre-existing regulations.**

The regulations previously issued by the Department and the Community Services Administration to govern administration of the programs replaced by the block grants specified in § 96.1 of this part shall continue in effect until revised to govern administration of those programs by the Department in those circumstances in which States have not qualified for block grants.