

given and funds may be obligated subject to the DOL certification being received provided FmHA or its successor agency under Public Law 103-354 has made its own separate determinations of (c)(1)(i) and (ii) of this section when the project is in excess of \$1 million and affects over 50 employees.

(4) When a grant is being administered for a Federal Regional Commission and no FmHA or its successor agency under Public Law 103-354 grant funds are being used, the requirements for DOL determinations may be waived upon written request from the Commission. If the Commission so desires, the request will be included in the letter from the Commission to FmHA or its successor agency under Public Law 103-354 that gives notice of transfer of funds and conditions under which the funds are to be made available to the grantee. In such cases the letter of conditions from FmHA or its successor agency under Public Law 103-354 to the grantee will not include the requirement for DOL determinations.

(d) *Management assistance.* Grant recipients will be supervised as necessary to assure that projects are completed in accordance with approved plans and specifications and that funds are expended for approved purposes. Grants made under this subpart will be administered under and are subject to 7 CFR part 3015, 7 CFR part 3016, and 7 CFR part 3017, as appropriate, and established FmHA or its successor agency under Public Law 103-354 guidelines.

(e) *National Historic Preservation Act of 1966.* All projects will be in compliance with the National Historic Preservation Act of 1966 in accordance with subpart F of part 1901 of this chapter.

(f) *Uniform Relocation and Real Property Acquisition Policies Act.* All projects must comply with the requirements set forth in title 7, subtitle A, part 21 of the Code of Federal Regulation.

(g) *Floodplains and wetlands.* All projects must comply with Executive Order 11988 "Floodplain Management" and Executive Order 11990 "Protection of Wetlands."

(h) *Flood or mudslide hazard area precautions.* If the grantee financed project is in a flood or mudslide area, then flood or mudslide insurance must be provided.

(i) *Termination of Federal requirements.* Once the grantee has provided assistance to projects from a revolving fund, in an amount equal to the grant provided by FmHA or its successor agency under Public Law 103-354, the requirements imposed on the grantee shall not be applicable to any new projects thereafter financed from the revolving fund. Such new projects shall not be considered as being derived from Federal funds.

(7 U.S.C. 1989; 42 U.S.C. 1480; 5 U.S.C. 301; sec. 10, Pub. L. 93-357, 88 Stat. 392; 7 CFR 2.23; 7 CFR 2.70)

[45 FR 73637, Nov. 6, 1980, as amended at 47 FR 54423, Dec. 3, 1982; 49 FR 3760, Jan. 30, 1984; 53 FR 30248, Aug. 11, 1988; 55 FR 135, Jan. 3, 1990; 57 FR 33100, 33101, July 27, 1992]

#### § 1942.311 Application processing.

(a) *Preapplications and applications.* (1) The application review and approval procedures outlined in §1942.2 of subpart A of part 1942 of this chapter will be followed as appropriate. The State Director should assist the applicant in application assembly and processing. The applicant shall use SF 424.1, "Application for Federal Assistance (For Non-Construction)," or SF 424.2, "Application for Federal Assistance (For Construction)," as applicable, when requesting financial assistance under this program.

(2) Each application for assistance will be carefully reviewed in accordance with the priorities established in §1942.305(b)(3) of this subpart. A priority rating will be assigned to each application. Applications selected for funding will be based on the priority rating assigned each application and the total funds available. All applications submitted for funding should contain sufficient information to permit FmHA or its successor agency under Public Law 103-354 to complete a thorough priority rating.

(b) *Review of decision.* When the District Director is informed that favorable action will not be taken on a preapplication or application, the applicant will be notified in writing of the reasons why the request was not favorably considered. The notification to the applicant will state that a review of this decision by FmHA or its successor agency under Public Law 103-354

## § 1942.312

may be requested by the applicant in accordance with subpart B of part 1900 of this chapter.

[45 FR 73637, Nov. 6, 1980, as amended at 50 FR 33332, Aug. 19, 1985; 53 FR 30249, Aug. 11, 1988; 55 FR 135, Jan. 3, 1990; 57 FR 33101, July 27, 1992]

## § 1942.312 [Reserved]

### § 1942.313 Plan to provide financial assistance to third parties.

(a) For applications involving establishment of a revolving fund to provide financial assistance to third parties the applicant shall develop a plan which outlines the purpose and administration of the fund. The plan will include:

- (1) Planned projects to be financed.
- (2) Sources of all non RBE funds.
- (3) Amount of technical assistance (if any).
- (4) Purpose of the loans.
- (5) Number of jobs to be created/saved with each project.
- (6) Project priority and length of time involved in completion of each project.
- (7) Other information required by the State Office.

(b) Each third party project receiving funds will be reviewed for eligibility. When the applicant does not have a list of projects to be completed, the applicant should advise the FmHA or its successor agency under Public Law 103-354 at the time a preapplication is submitted.

[55 FR 135, Jan. 3, 1990, as amended at 57 FR 33101, July 27, 1992]

### § 1942.314 Grants to provide financial assistance to third parties, television demonstration projects, and technical assistance programs.

For applications involving a purpose other than a construction project to be owned by the applicant, the applicant shall develop a Scope of Work. The Scope of Work will be used to measure the performance of the grantee. As a minimum, the Scope of Work should contain the following:

- (a) The specific purposes for which grant funds will be utilized, *i.e.*, Technical Assistance, Revolving Fund, etc.
- (b) Timeframes or dates by which action surrounding the use of funds will be accomplished.

## 7 CFR Ch. XVIII (1-1-09 Edition)

(c) Who will be carrying out the purpose for which the grant is made (key personnel should be identified).

(d) How the grant purposes will be accomplished.

(e) Documentation regarding the availability and amount of other funds to be used in conjunction with the funds from the RBE/television demonstration program.

(f) For grants involving a revolving fund the scope of work should include those items listed in paragraphs (a) through (e) of this section as well as the following:

(1) Information which will establish/identify the need for the revolving loan fund.

(2) Financial statements which will demonstrate the financial ability of the applicant to administer the revolving loan fund. As a minimum the financial statements will include:

- (i) Balance sheet
- (ii) Income statement
- (3) Detail on the applicants experience in operating a revolving loan fund.

(g) For technical assistance and television demonstration program projects, the scope of work should include a budget based on the budget contained in the application, modified or revised as appropriate, which includes salaries, fringe benefits, consultant costs, indirect costs, and other appropriate direct costs for the project.

[55 FR 135, Jan. 3, 1990, as amended at 57 FR 33101, July 27, 1992]

### § 1942.315 Docket preparation and Letter of Conditions.

(a) The applicable provisions of § 1942.5 of subpart A of part 1942 of this chapter relating to preparation of loan dockets will be followed in preparing grant dockets.

(b) The State Director or the State Director's designated representative will prepare a Letter of Conditions outlining the conditions under which the grant will be made. It will include those matters necessary to assure that the proposed development is completed in accordance with approved plans and specifications, that grant funds are expended for authorized purposes, and that the terms of the Scope of Work and requirements as prescribed in parts