

Natural Resources Conservation Service, USDA

§ 662.4

AUTHORITY: 16 U.S.C. 3841(d).

SOURCE: 74 FR 63540, Dec. 4, 2009, unless otherwise noted.

§ 662.1 General.

This part sets forth the procedures that NRCS will use to implement the Regional Equity provision of the Food Security Act of 1985, 16 U.S.C. 3841(d).

§ 662.2 Definitions.

The following definitions are applicable to this part:

Chief means the Chief of NRCS or the person delegated authority to act on behalf of the Chief.

Contribution programs means Regional Equity programs that contribute funding to Regional Equity States, as determined by the Chief each fiscal year, consistent with the limitations established in 16 U.S.C. 3841(d).

Drawing account means the aggregated amount of contribution program funds required to bring all States to the Regional Equity threshold.

Funding opportunity means the amount of funding needed to bring a State to the \$15,000,000 Regional Equity threshold for the aggregate of Regional Equity programs.

Initial allocation means the amount of conservation program allocation funding provided to all States through a merit-based, natural resource focused process.

Obligated means a specific binding agreement, in writing, for the purpose authorized by law and executed while the funding is available.

Regional Equity programs mean conservation programs under Subtitle D (excluding the Conservation Reserve Program, Wetlands Reserve Program, and the Conservation Security Program) of the Food Security Act of 1985. These programs include: Conservation Stewardship Program, Farm and Ranch Lands Protection Program, Grassland Reserve Program, Environmental Quality Incentives Program, Conservation Innovation Grants, Agricultural Water Enhancement Program, Conservation of Private Grazing Land, Wildlife Habitat Incentive Program, Grassroots Source Water Protection Program, Great Lakes Basin Program, Chesapeake Bay Watershed Initiative, and the Voluntary Public Access and Habi-

tat Incentive Program. Regional Equity programs will be aggregated to determine whether a State meets the \$15,000,000 Regional Equity threshold. However, not all Regional Equity programs will be considered contribution programs.

Regional Equity provision means the statutory requirement to give priority funding before April 1 for approved applications for specific programs within States that have not received a \$15,000,000 aggregate level of funding.

Regional Equity States means any State not meeting the Regional Equity threshold of \$15,000,000 through the initial allocation for Regional Equity programs.

Regional Equity threshold means the \$15,000,000 minimum aggregate amount of Regional Equity program funds.

Respective demand means the mix of contribution program funds that each State Conservationist in a Regional Equity State requests to fill that State's funding opportunity.

State means all 50 States, the District of Columbia, Commonwealth of Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of the Northern Mariana Islands, and the Freely Associated States.

State Conservationist means the NRCS employee authorized to implement Regional Equity programs and direct and supervise NRCS activities in a State, the Caribbean Area, or the Pacific Islands Area.

§ 662.3 Applicability.

The regulation in this part sets forth the policies and procedures for the Regional Equity provision as administered by the NRCS. This regulation applies to the Regional Equity programs defined in this part. The Chief will implement the Regional Equity provision by identifying programs that contribute to the establishment of program-specific drawing accounts for priority funding in Regional Equity States.

§ 662.4 Regional Equity implementation procedure.

The following procedures will implement the Regional Equity provision:

(a) *Determine initial allocations.* NRCS will determine initial conservation

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program funding levels for each State through a merit-based, natural resource focused allocation process as determined by the Chief.

(b) *Determine the funding opportunity.* The combined initial allocation funding level for Regional Equity programs, by State, will be compared to the Regional Equity threshold to determine each Regional Equity State's funding opportunity.

(c) *Establish contribution program fund levels.* Subject to availability of funds, contribution program fund levels are determined by:

(1) Identifying which programs contribute funds, as determined by the Chief, consistent with the limitations established in 16 U.S.C. 3841(d); and

(2) Each State's respective demand.

(i) State Conservationists in Regional Equity States, in consultation with State Technical Committees, will evaluate and determine their respective program demands based on the following criteria:

(A) Program applications and how they address national program priorities;

(B) Historic trends in program interest; and

(C) State priority natural resource concerns.

(ii) The State Conservationist's identified respective demand will assist the

Chief in determining the composition of contribution program funds within the established drawing account.

(d) *Establish the drawing account.* NRCS will establish a drawing account for each contribution program, as determined in paragraphs (c)(1) and (c)(2) of this section, and will give priority before April 1 of each fiscal year for such funds to be used to fund applications in Regional Equity States sufficient to bring each of the Regional Equity States to the Regional Equity threshold of \$15,000,000.

(e) *Access the drawing account.* State Conservationists in Regional Equity States may request access to that State's assigned portion of the drawing account once that State has obligated at least 90 percent of its initial allocation for that same program. The Chief may waive the 90 percent threshold requirement for a specific program in response to specific program needs.

(f) *Re-allocation of funds.* The program-specific drawing accounts for Regional Equity States will be available until April 1 of each fiscal year, after which date the remaining funds may be re-allocated at the discretion of the Chief.

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