

Farm Service Agency, USDA

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(f) All entities who have a present possessory interest in the land, to be eligible for CRSC cost share, must sign a CRSC contract.

(g) The participant and each entity signing the CRSC Contract shall be jointly and severally responsible for compliance with the contract and the provisions of this part and for any refunds or payments which may be required for violation of any of the terms and conditions of the CRSC Contract and the provisions of this part.

(h) The CRSC contract may require that all participants and/or landowners, as a condition of eligibility for cost-share assistance, grant to the Secretary a recordable security interest in the property or equipment of the SRP's that are installed, with the value of the granted interest to be determined by FSA.

(i) The Deputy Administrator, or the Deputy Administrator's designee, may, in consultation with SCS and the CD, accept or reject offers to enter into a CRSC Contract.

(j) CRSC Contracts shall be implemented, and salinity control plans shall be developed, in the order of priority within the applicable salt source area that is established by the COC and CD in consultation with SCS.

[52 FR 16741, May 5, 1987, as amended at 58 FR 11785, Mar. 1, 1993]

§ 702.10 Operation and maintenance agreements.

(a) The participant shall enter into with the COC any operation and maintenance agreements determined to be necessary by the COC in order to ensure proper operation and maintenance of the SRP's provided for in the CRSC Contract.

(b) The operation and maintenance agreement will be comprised of:

(1) The terms and conditions of the agreement; and

(2) An operation and maintenance plan prepared by SCS.

(c) By entering in a operation and maintenance agreement, the participant agrees to:

(1) Carry out the terms and conditions of the operation and maintenance agreement;

(2) Operate and maintain, at no cost to the Federal government, the SRP's

for the effective lifespan of all SRP's included in the operation and maintenance agreement;

(3) Operate, maintain and inspect the SRP's in accordance with the operation and maintenance plan;

(4) Obtain prior COC and SCS approval of all plans, designs, and specifications for any alteration to the SRP's;

(5) Prohibit the installation of any structure or facility that will interfere with the operation and maintenance of the SRP's;

(6) Notify the COC and SCS of any agreement to be entered into with other parties for the operation and maintenance of all or part of SRP's and provide the COC and SCS with a copy of such agreement when it has been signed by the participant and the other party; and

(7) Not undertake any action on the land subject to the operation and maintenance agreement that tends to defeat the purposes of the CRSC program;

(d) The participant and each person signing the operation and maintenance agreement shall be jointly and severally responsible for compliance with the operation and maintenance agreement and the provisions of this part and for any refunds or payment adjustments that may be required for violation of any of the terms and conditions of the operation and maintenance agreement and provisions of this part.

§ 702.11 Obligations of USDA.

FSA shall, subject to the availability of funds, share the cost with participants of establishing eligible SRP's specified in the salinity control plan at the levels and rates of cost-sharing determined in accordance with the provisions of § 702.13 and SCS shall provide such technical assistance as may be necessary to assist the participant in carrying out the CRSC Contract.

§ 702.12 Availability of cost-share payments.

(a) Cost-share payments shall be made available to a participant in a CRSC Contract upon a determination by the COC that SCS has certified that

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the eligible SRP or an identifiable portion thereof has been established in accordance with the appropriate standards and specifications and that such SRP would serve the functional purposes for which the practice is intended.

(b) Cost-share payments may be made available under this part only for the establishment or installation of an eligible SRP.

(c) Cost-share assistance may be approved for the replacement, enlargement, or restoration of SRP's installed under a CRSC Contract if such practices, as originally installed, failed to achieve the desired salinity reduction and if:

(1) The replacement, enlargement, or restoration of the SRP is required to solve identified problems or to achieve salt reduction benefits;

(2) The approved specifications for the SRP were met in the original installation of the practice; and

(3) The failure of the SRP to solve the identified problem or to achieve salt reduction benefits was caused by circumstances beyond the control of the participant.

(d) If a participant has taken any action which tends to defeat the purposes of the program provided for by this part, the COC may withhold or require a refund of all or part of any payments otherwise due or paid that participant in accordance with this part. Such actions include, but are not limited to, failure to properly maintain or deliberately destroying a SRP.

§ 702.13 Levels and rates of cost-share payments.

(a) The level of Federal cost-share assistance for the required SRP's for the project shall be determined by formulas as established in the USDA Salinity Control Report.

(b) Except as provided in paragraph (c) of this section, cost-share payments shall not exceed the lesser of 70 percent of the average cost or 70 percent of the actual cost of the installation of the SRP.

(c) The Deputy Administrator, in consultation with the USDA Salinity Control Coordinating Committee, may approve cost-share levels in excess of 70 percent of the average or actual cost of

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installation of the SRP or in excess of the level based on the ratio of on-farm and offsite benefits if such increased assistance is necessary to obtain acceptable program participation. Higher cost-share levels shall be considered only when one or more of the following apply, unless the Secretary finds at his discretion that such cost-sharing requirement would result in a failure to proceed with needed on-farm measures:

(1) On-farm benefits that are low relative to offsite benefits;

(2) Higher degree of project cost-effectiveness and magnitude of salinity reduction benefits to be achieved relative to other projects;

(3) The need for and the cost of implementing voluntary SRP's to replace incidental fish and wildlife values foregone;

(d) The combined cost-share assistance provided by Federal, State, and local governments or subdivisions thereof shall not exceed 100 percent of the cost of installing the SRP.

[52 FR 16741, May 5, 1987, as amended at 58 FR 11786, Mar. 1, 1993]

§ 702.14 Assignments.

Any participant entitled to cost-share payments under this program may assign the right to receive such payment, in whole or in part, as provided in the regulations at 7 CFR part 709, Assignment of Payment, or as provided in instructions issued by the Deputy Administrator.

§ 702.15 Payments not subject to claims.

Subject to the regulations found at 7 CFR part 13, any cost-share payment or portion thereof due any entity shall be allowed without regard to questions of title under State law, and without regard to any claim or lien against the practice in favor of the owner or any other creditor, except agencies of the United States Government.

§ 702.16 Maximum amount of cost-share payments.

(a) Maximum payments for on-farm SRP's.

(1) Except as provided in paragraph (a)(2) of this section, the maximum amount of cost-share payments that a