

§ 755.6

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program shall be submitted to the Secretary by the Federal Cochairman. Responsibility is assigned to the Farmer Programs Division, FSA for review and recommendation for approval or disapproval by the Secretary.

(g) Copies of bulletins setting forth the State program as approved by the Secretary shall be available in the office of the county committee.

[30 FR 8669, July 9, 1965, as amended by Amdt. 2, 30 FR 14099, Nov. 9, 1965]

§ 755.6 Cost-share contract.

(a) *Filing requests.* (1) Landowners, operators, or occupiers in eligible counties shall be furnished information with respect to the program and afforded an opportunity to request a cost-share contract covering those practices which would accomplish the objectives of the program on the farm.

(2) The request shall be on a form and in accordance with instructions prescribed by the Administrator.

(b) *Entering into a contract.* (1) The county committee is authorized to approve the contract on behalf of the Secretary.

(2) The contract must be signed by the owner of the land on which cost-share payments are provided under the contract and by the operator of the farm. The contract shall also be signed by any occupiers who will share in payments in one or more years of the contract period.

(3) There shall be only one contract for a farm.

(4) The final date for signing the contract shall be the date announced by the Administrator.

(c) *Contract period.* (1) The period to be covered by a contract shall be not less than 3 years or longer than 10 years as agreed to by the contract signers and the county committee.

(2) The first year of the contract period shall begin on the date of the approval of the contract and shall end on December 31 of such year. Each subsequent year of the contract period shall be on a calendar year basis.

§ 755.7 Cost-share payments.

(a) Subject to the conditions and limitations in this subpart, cost-sharing may be authorized for practices needed during the period of the contract to

conserve and develop soil, water, woodland, wildlife, and recreation resources. Payment of the cost-shares shall be made only upon application submitted on a form prescribed by the Administrator. Practices required to be established under the contract which are started after a request for a contract is filed shall be considered as started during the contract period.

(b) Cost-share rates shall not exceed 80 per centum of the average cost of carrying out the land treatment measures or such lower rate as the county committee determines will accomplish the objectives of the program. As a further limitation, cost-sharing may not be authorized in excess of a total amount computed by multiplying the number of acres designated under contract times \$50, unless a representative of the State committee approves an amount in excess of this limitation on the basis that the income potential and benefits derived from expenditures of the additional money warrant the higher limit.

(c) Cost-sharing shall not be approved for more than 50 acres per farm.

(d) The total acreage with respect to which any landowner, operator, or occupier receives cost-sharing payments shall not exceed 50 acres under all contracts in which he has an interest.

(e) Cost-sharing for the practices or components thereof contained in the approved State program is conditioned upon the establishment, maintenance, and performance of the practices in accordance with all applicable specifications and program provisions. The county committee shall specify on the practice approval the date by which the practice must be completed. Subject to the availability of funds, cost-sharing may be authorized for the restoration or replacement of any needed conservation measure if during the contract period the original conservation use is destroyed or rendered unsuitable through no fault of the contract signers.

(f) In addition to the provisions contained in this subpart, cost-sharing payments shall also be subject to the following regulations of the Agricultural Conservation Program (7 CFR 701.1-701.93, as amended):

Farm Service Agency, USDA

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Section 701.24 *Failure to meet minimum requirements,*
Section 701.25 *Conservation materials and services,*
Section 701.26 *Practices carried out with aid for ineligible persons,*
Section 701.27 *Division of Federal cost-share,*
Section 701.33 *Compliance with regulatory measures,*
Section 701.36 *Depriving others of Federal cost-sharing,*
Section 701.38 *Misuse of purchase orders,*
Section 701.39 *Federal cost-shares not subject to claims,* and
Section 701.40 *Assignments.*

The Agricultural Conservation Program regulations referred to above shall mean the Agricultural Conservation Program regulations applicable to the year in which the contract is approved.

(g) Cost-share payments shall not be made under the program with respect to land owned by the Federal Government, a State, or a political subdivision thereof.

[30 FR 8669, July 9, 1965, as amended by Amdt. 1, 30 FR 9753, Aug. 5, 1965; Amdt. 4, 33 FR 16141, Nov. 5, 1968]

§ 755.8 Modification of contract.

(a) If the farm is reconstituted in accordance with the regulations governing Reconstitution of Farms, Allotments, and Bases, part 719 of this chapter, as amended, or if there is any change in the land covered by a contract entered into pursuant to § 755.20, because of purchase, sale, change of operation, or otherwise, the contract shall be modified. Such modified contract or contracts shall reflect the changes in the number of acres in any resulting farm, the acreage covered by the contract, interested persons, and practices called for under the original contract. If persons who were not signatories to the original contract are eligible and required to sign such modified contract or contracts but are not willing to become parties to the modified contract or for any other reason a modified contract is not entered into, cost-share payments for practices which have not been carried out shall be forfeited with respect to acreage not continued in the program. In addition, with respect to acreage not continued in the program, cost-share payments paid for practices (or components

thereof) which have been carried out shall be refunded by the owner of such acreage prior to reconstitution unless the county committee with the approval of the State committee determines that the failure to carry out all of the practices called for by the original contract will not impair the practices which have been carried out and the completed practices will provide conservation benefits consistent with the cost-shares which have been paid. Notwithstanding the foregoing, if control of land was lost through eminent domain proceedings or to an agency having the right of eminent domain, any cost-share payments paid under the contract with respect to such land are not required to be refunded.

(b) Except in cases covered by paragraph (a) of this section, if the ownership or operation of the farm or the land covered by the contract changes in such a manner that the contract no longer contains the signatures of persons required to sign the contract as provided in § 755.6, the contract shall be modified to reflect the new interested persons. If such persons are not willing to become parties to the modified contract, or for any other reason a modified contract is not entered into, cost-share payments shall be forfeited and refunded in accordance with the rules in paragraph (a) of this section.

(c) Upon request of the contract signers and approval of the county committee, a contract may be modified to change or add practices, or to make other changes which are consistent with this subpart, the State program, and the conservation and development plan.

(d) Upon request of the contract signers, a contract which would otherwise be in a noncompliance status at the end of the contract period under the provisions of § 755.10(a) of these regulations may be modified to extend the contract period not to exceed a total period of 10 years if the county committee determines that failure to establish the practices specified in the contract was not the result of the fault or negligence of the contract signers.

[30 FR 8669, July 9, 1965, as amended by Amdt. 5, 35 FR 8442, May 29, 1970]