

i.e., any benefit to veterans, their families, or survivors by virtue of the service of a veteran in the Armed Forces of the United States;

(8) *Grantee* means a person who applies for or receives a grant directly from a Federal agency (except another Federal agency);

(9) *Individual* means a natural person;

(10) *State* means any of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency of a State, exclusive of institutions of higher education, hospitals, and units of local government. A State instrumentality will be considered part of the State government if it has a written determination from a State government that such State considers the instrumentality to be an agency of the State government.

§ 12.610 Coverage.

(a) The drug-free workplace requirements for grants applies to any grantee of the agency.

(b) The drug-free workplace requirements for grants applies to any grant, except where application of the drug-free workplace requirements for grants would be inconsistent with the international obligations of the United States or the laws or regulations of a foreign government. A determination of such inconsistency may be made only by the agency head or his/her designee.

(c) The provisions of subpart D apply to matters covered by the drug-free workplace requirements for grants, except where specifically modified by the drug-free workplace requirements for grants. In the event of any conflict between provisions of the drug-free workplace requirements for grants and other provisions of subpart D, the provisions of the drug-free workplace requirements for grants are deemed to control with respect to the implementation of drug-free workplace requirements concerning grants.

[55 FR 21688, 21701, May 25, 1990]

§ 12.615 Grounds for suspension of payments, suspension or termination of grants, or suspension or debarment.

A grantee shall be deemed in violation of the requirements of the drug-free workplace requirements for grants if the agency head or his or her official designee determines, in writing, that—

(a) The grantee has made a false certification under § 12.630;

(b) With respect to a grantee other than an individual—

(1) The grantee has violated the certification by failing to carry out the requirements of paragraphs (A)(a)–(g) and/or (B) of the certification (Alternate I to appendix C) or

(2) Such a number of employees of the grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the grantee has failed to make a good faith effort to provide a drug-free workplace.

(c) With respect to a grantee who is an individual—

(1) The grantee has violated the certification by failing to carry out its requirements (Alternate II to appendix C); or

(2) The grantee is convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity.

§ 12.620 Effect of violation.

(a) In the event of a violation of the drug-free workplace requirements for grants as provided in § 12.615, and in accordance with applicable law, the grantee shall be subject to one or more of the following actions:

(1) Suspension of payments under the grant;

(2) Suspension or termination of the grant; and

(3) Suspension or debarment of the grantee under the provisions of subpart D.

(b) Upon issuance of any final decision under subpart D requiring debarment of a grantee, the debarred grantee shall be ineligible for award of any grant from any Federal agency for a period specified in the decision, not to