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these facilities must comply with the Architectural Barriers Act of 1968, as amended, (42 U.S.C. 4151 *et seq.*) and with the Uniform Federal Accessibility Standards (UFAS), (Appendix A to 41 CFR part 101.19, subpart 101-19.6).

(c) *Flood hazard area precautions.* In accordance with 7 CFR part 1788, if the project is in an area subject to flooding, flood insurance must be provided to the extent available and required under the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 *et seq.*). The insurance must cover, in addition to the buildings, any machinery, equipment, fixtures and furnishings contained in the buildings. RUS will comply with Executive Order 11988, Floodplain Management (3 CFR, 1977 Comp., p. 117), and §1794.41 of this chapter, in considering the application for the project. As set forth in §1794.41 of this chapter, public notice is required if a project will be located in a floodplain.

(d) *Uniform relocation assistance.* Relocations in connection with this program are subject to 49 CFR part 24 as referenced by 7 CFR Part 21, Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs except that the provisions in Title III, Uniform Real Property Acquisition Policy, of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended, (42 U.S.C. 4601-4655) (the "Uniform Act") do not apply to this program.

(e) *Drug-free workplace.* Grants made under this program are subject to the requirements set forth in 7 CFR part 3017, subpart F, Drug-Free Workplace Requirements, which implements the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 *et seq.*). A borrower requesting a grant will be required to certify that it will establish and make a good faith effort to maintain a drug-free workplace program.

(f) *Debarment and suspension.* The requirements of Executive Order 12549, Debarment and Suspension (3 CFR, 1986 Comp., p. 189), and 7 CFR part 3017, subparts A through E, Governmentwide Debarment and Suspension (Non-procurement), regarding debarment and suspension are applicable to this program.

(g) *Intergovernmental review of Federal programs.* (1) This program is subject to the requirements of Executive Order 12372, Intergovernmental Review of Federal Programs (3 CFR, 1982 Comp., p. 197) and 7 CFR part 3015, subpart V, Intergovernmental Review of Department of Agriculture Programs and Activities, which implements Executive Order 12372.

(2) With the exception of zero-interest loans and grants for project feasibility studies, proposed projects are subject to the state and local government review process set forth in 7 CFR part 3015. Under the review process, state and local governments have 60 days to comment on the proposed project.

(3) The Administrator will not give final approval to an application until the requirements of 7 CFR part 3015, subpart V, regarding state and local government review have been satisfied.

(h) *Restrictions on lobbying.* (1) The restrictions and requirements imposed by 31 U.S.C. 1352, entitled "Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions" and the implementing regulation, 7 CFR part 3018, New Restrictions on Lobbying, are applicable to this program. ca 7v15.018

(2) The regulation that implements this statute requires applicants for a zero-interest loan in excess of \$150,000 and applicants for a grant in excess of \$100,000 to file a certification statement regarding the use of Federal appropriated funds to lobby the Executive and Legislative branches of the Federal Government, and to file a disclosure form if engaged in these activities using unappropriated funds.

(3) In addition, persons that receive contracts or subcontracts in excess of \$150,000 under a zero-interest loan and persons that receive subgrants, contracts or subcontracts in excess of \$100,000 under a grant are required to file certification statements regarding lobbying the Executive and Legislative branches and, if engaged in these activities, to file disclosure forms.

### § 1703.34 Applications.

(a) Borrowers may file an application on any official workday during the

first 14 days of every month. A borrower must send a copy of the application, except for an application that requests a zero-interest loan or grant for project feasibility studies, to the state single point of contact for state and local governments at the same time it submits the application to RUS. As discussed in §1703.33(g), state and local governments have 60 days to review a borrower's proposal before the Administrator gives final approval to an application, except a proposal for project feasibility studies. The Administrator may establish a special application period if determined necessary.

(b) A completed application will consist of an original and two copies of:

(1) *An application form.* The application must include a completed application form, "Application for Federal Assistance," Standard Form 424;

(2) *A board resolution.* The application must include a board resolution that:

(i) Requests a zero-interest loan and/or grant, including the amount of the zero-interest loan and/or the amount of the grant rounded to the nearest 1,000 dollars;

(ii) Includes the total combined deferment and repayment period requested for a zero-interest loan if less than 10 years;

(iii) Includes the board's endorsement of the proposed rural economic development project as described in the application;

(iv) States the proposed project does not violate §§1703.20 and 1703.21; and discloses any information regarding a conflict of interest, potential conflict of interest, or appearance of a conflict of interest that would allow the Administrator to make an informed decision;

(v) Authorizes an official of the borrower to requisition zero-interest loan or grant funds under this program;

(vi) For an application for a grant only, authorizes the chief executive officer of the borrower to execute and deliver on behalf of the borrower the certification Form AD-1049 regarding a drug-free workplace program as required in part 3017, subpart F of this title; and

(vii) Any other matters deemed necessary by the Administrator;

(3) *Miscellaneous Federal forms.* The application must include the following completed forms:

(i) Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions," as required in part 3015, subparts A through E of this title; and

(ii) Assurance statement or certification statement required under the Uniform Act as set forth in §1703.33(d). For pass-through-loans and pass-through-grants, the ultimate recipient of the proceeds of the RUS zero-interest loan or grant must sign the assurance statement that it will comply with the applicable provisions of the Uniform Act or sign a certification that the provisions of the Uniform Act will not apply to the rural development project which will be partially financed with the proceeds of RUS funds. If the borrower will not provide a pass-through-loan or pass-through-grant to another entity, the borrower must submit a completed assurance statement or certification regarding the applicable provisions of the Uniform Act, or have such an assurance statement on file at RUS;

(4) *Contingent certifications and disclosures.* As determined by the type and amount of requested funds, the application must include the following completed forms:

(i) For an application for a zero-interest loan in excess of \$150,000 or for an application for a grant in excess of \$100,000, a certification statement, "Certification Regarding Lobbying," and, if the borrower is engaged in lobbying activities described under §1703.33(h), a completed disclosure form, "Disclosure of Lobbying Activities"; and

(ii) For an application for a grant only, a completed certification form, "Certification Regarding Drug-Free Workplace Requirements (Grants)," Form AD-1049 as required in part 3017, subpart F of this title;

(5) *Other requirements.* The following:

(i) A section entitled "Selection Factors" as set forth in §1703.35;

(ii) A section entitled "Project Description" as set forth in §1703.36;

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(iii) Except for applications for project feasibility studies, a section entitled "Environmental Impact of the Project" as set forth in §1703.37;

(iv) Monitoring plan. For a pass-through loan and/or grant, a copy of the Borrower's plan to monitor the loan and/or grant and ensure that the requirements of this subpart are met; and

(v) Scope of work. For an application for a loan and/or grant, a proposed scope of work for the project.

(c) The Administrator may request additional information it considers relevant from the borrower.

(d) During the application review process, the borrower may change the amount of the zero-interest loan or grant funds requested or other portions of its application, only if approved by the Administrator. A borrower that changes its request from a grant to a zero-interest loan must submit information necessary for the Administrator to evaluate a loan proposal as set forth in this subsection, and submit a new board resolution requesting the loan.

(The information collection requirements contained in paragraph (b) of this section were approved by the Office of Management and Budget under control number 0572-0090)

[57 FR 44317, Sept. 25, 1992, as amended at 59 FR 11711, Mar. 14, 1994; 59 FR 38341, July 28, 1994]

**§ 1703.35 Section of the application covering the selection factors.**

The application must contain a section addressing the "selection factors" consisting of the following:

(a) "Nature of the project" (§1703.46(g)(1)), which includes any information considered appropriate including aspects of the project that may not be obvious to an outside observer;

(b) "Job creation project" (§1703.46(g)(2)), which includes any information that is not readily apparent concerning whether the project would directly create jobs in rural areas. The number of the jobs and the basis for the job projection should be included under "Number of long-term jobs";

(c) "Long-term improvements in economic development" (§1703.46(g)(3)), which addresses the extent to which the project will improve the productive

potential of the labor force, industrial plant, infrastructure, natural resources and institutions by employing advanced technology, creating higher-skilled occupations, adding higher value to natural resources, creating jobs with higher-career potential, or is considered part of a knowledge intensive industry;

(d) "Diversifying the rural economy or alleviating underemployment" (§1703.46(g)(4)), which includes any information the borrower desires the Administrator to consider;

(e) "Supplemental funds" (§1703.46(h)(1)), which includes the name of each source and the respective amount of supplemental funds that was provided to the project within 6 months of submitting the application to RUS, and the amount that will be provided within two years of receiving RUS funds. Also indicate the nature and strength of the commitments to make these supplemental funds available, when these funds are expected to be disbursed, any special terms and conditions associated with the commitments, copies of the commitments, and, if established, the interest rate, term and deferment period on any loan for the project;

(f) "Economic conditions and job creation" (§1703.46(h)(2)), which includes:

(1) "Unemployment rates" (§1703.46(h)(2)(i)). List the county or counties in which the project will be located. It is not necessary to include the county, state or national unemployment rates. RUS obtains these rates from other Federal agencies;

(2) "Per capita personal income" (§1703.46(h)(2)(ii)). As with "Unemployment rates," it is not necessary to include the county, state or national per capita personal income levels;

(3) "Change in population" (§1703.46(h)(2)(iii)). It is not necessary to include the county population levels;

(4) "Number of long-term jobs" (§1703.46(h)(2)(iv)). Include the number of long-term jobs that the project will directly create in rural areas and the total project cost;

(5) "Community-based economic development program" (§1703.46(h)(2)(v)).