

(b) Determines whether the reported relationship or association is defined in §1900.152 of this subpart and would violate the provisions of §1900.151(a) of this subpart.

(c)-(f) [Reserved]

§1900.155 Designating the processing/servicing official.

(a) *Designating an official with equivalent authority.* The State Director (or Administrator, under §1900.253(e) of this subpart or this paragraph) designates a nonrelated or nonassociated FmHA or its successor agency under Public Law 103-354 official authorized to conduct the activity under program regulations, established delegation of authority and approval authority under subpart A of part 1901 of this chapter, and whose duty station is most convenient to the recipient and to the security property. A type and/or amount of assistance processed or serviced by a County Supervisor or at a County Office should be assigned only to another County Supervisor or County Office. A type and/or amount of assistance processed or serviced by a District Director or at a District Office should be assigned only to another District Director or District Office.

(b) *County Committee.* For processing or servicing decisions to be made by a County Committee, if the recipient is a member, a different County Committee is designated. If the recipient is related to or associated with the member, notwithstanding the provisions of §1900.151(a)(3) of this subpart, the State Director *may* permit the decision to be made by the local committee, if the related/associated member abstains.

(c) [Reserved]

§1900.156 Special handling—processing.

(a) [Reserved]

(b) *Eligibility determination.* The designated processing official reviews the application and develops additional data as necessary. Upon determination of whether the assistance will be provided, the designated processing official notifies the applicant of the decision in writing under program regulations, subpart A of part 1910 of this chapter, and subpart B of part 1900. If the determination is favorable, unless

otherwise designated, the complete application is returned to the original processing official for docket preparation. If the determination is unfavorable, the designated processing official as decisionmaker participates in the appeal process to its conclusion.

(c)-(e) [Reserved]

(f) *Closing agent.* Unless there is a clear or apparent conflict of interest, closing will be at a location and by a closing agent chosen by the recipient.

(g) *Supervised bank account.* Unless there is a clear or apparent conflict of interest, any supervised bank account (or construction account) is established at a financial institution chosen by the recipient under subpart A of part 1902 of this chapter. Countersignature authority is delegated only to a nonrelated or nonassociated FmHA or its successor agency under Public Law 103-354 official.

(h) *Construction inspection.* Construction inspections are delegated to a nonrelated or nonassociated employee authorized to conduct inspections, whose duty station is nearest the construction site. The designated processing/servicing official notifies the builder (or architect/engineer) in writing of how and from whom to request inspections.

§§ 1900.157-1900.200 [Reserved]

PART 1901—PROGRAM-RELATED INSTRUCTIONS

Subparts A-D [Reserved]

Subpart E—Civil Rights Compliance Requirements

Sec.

1901.201 Purpose.

1901.202 Nondiscrimination in FmHA or its successor agency under Public Law 103-354 programs.

1901.203 Title VIII of the Civil Rights Act of 1968.

1901.204 Compliance reviews.

1901.205 Nondiscrimination in construction financed with FmHA or its successor agency under Public Law 103-354 loan or grant.

EXHIBIT A TO SUBPART E—CIVIL RIGHTS COMPLIANCE REVIEWS

EXHIBIT B TO SUBPART E—SUMMARY REPORT OF CIVIL RIGHTS COMPLIANCE REVIEWS