

RHS, RBS, RUS, FSA, USDA**§ 1940.961**

a minimum, the following items will be considered:

- (1) Law enforcement;
 - (2) Fire protection;
 - (3) Water, sewer, and solid waste management;
 - (4) Education;
 - (5) Health care;
 - (6) Transportation;
 - (7) Housing;
 - (8) Communications; and
 - (9) The availability of and capability to generate electric power.
- (g) Existing area or regional plans are acceptable provided the plan includes statements that indicate the degree to which the plan has met or is meeting all the requirements in paragraphs (a) through (f) of this section.

§ 1940.960 Federal employee panel members.

(a) The State Director will appoint one FmHA or its successor agency under Public Law 103-354 employee to serve as a voting member of the panel established in §1940.956(c)(1) of this subpart.

(b) The Administrator may appoint, temporarily and for specific purposes, personnel from any department or agency of the Federal Government as nonvoting panel members, with the consent of the head of such department or agency, to provide official information to the panel. The member(s) appointed shall have expertise to perform a duty described in §1940.956(b) of this subpart that is not available among panel members.

(c) Federal panel members will be paid per diem or otherwise reimbursed by the Federal Government for expenses incurred each day the employee is engaged in the actual performance of a duty of the panel. Reimbursement will be in accordance with Federal travel regulations.

§ 1940.961 Allocation of appropriated funds.

(a) *Initial allocations.* (1) Each FY, from sums appropriated for direct loans, loan guarantees, or grants for any designated rural development program, funds will be allocated to designated States in accordance with FmHA Instruction subpart L of part 1940, exhibit A, attachment 4, of this

chapter (available in any FmHA or its successor agency under Public Law 103-354 State or District Office).

(2) Each FY, and normally within 30 days after the date FmHA or its successor agency under Public Law 103-354 receives an appropriation of designated rural development program funds, the Governor of each designated State will be notified of the amounts allocated to the State under each designated program for such FY. The Governor will also be notified of the total amounts appropriated for the FY for each designated rural development program.

(3) The State Director will fund projects from a designated State's allocation of funds, according to appropriate program regulations giving great weight to the order in which the preapplications/applications for projects are ranked and listed by the panel in accordance with §1940.956(b)(3) of this subpart.

(b) *Reserve.* A percentage of the National Office reserve established in subpart L of part 1940 of this chapter will be used to establish a reserve for designated States that is separate and apart from that of nondesignated States. The percent reserved will be based upon the same criteria used in subpart L of part 1940 of this chapter to allocate program funds.

(c) *Pooling.* (1) On July 15 of each FY, and from time to time thereafter during the FY, as determined appropriate, unobligated funds will be pooled from among the designated States. Pooled funds will be made a part of the reserve established for designated States and will revert to National Office control.

(2) Funds pooled from designated States can be requested by designated States, pursuant to subsection (d) of this section. The designated States' pool; however, will not be available to nondesignated States until September 1 of each year.

(d) *Request for funds.* (1) Designated States may request designated States' reserve funds, and funds for other designated rural development programs controlled by the National Office, as shown in FmHA Instruction subpart L of part 1940, exhibit A, attachment 4, of this chapter, in accordance with applicable program regulations.