

§ 25.4

Internal Revenue Code, 26 U.S.C. 168(j)(6).

Lead managing entity means the entity that will administer and be responsible for the implementation of the strategic plan.

Local government means any county, city, town, township, parish, village, or other general purpose political subdivision of a state, and any combination of these political subdivisions that is recognized by the Secretary.

Nominated area means an area which is nominated by one or more local governments and the state or states in which it is located for designation in accordance with this part.

Office of Community Development or OCD means the office of the Deputy Administrator, Community Development, as identified in 7 CFR 2003.26(b)(4).

Outmigration means the negative percentage change reported by the Bureau of the Census, U.S. Department of Commerce, for the sum of:

- (1) Net Domestic Migration;
- (2) Net Federal Movement; and
- (3) Net International Migration, as

such terms are defined for purposes of the 1990 Census.

Poverty rate means, for a given Census tract, the poverty rate reported in Table 19 of the Bureau of the Census CPH-3 series of publications from the 1990 Census of Population and Housing: Population and Housing Characteristics for Census Tracts and Block Numbering Areas.

Revocation of designation means the process by which the Secretary may revoke the designation of an area as an Empowerment Zone or Enterprise Community pursuant to § 25.405.

Round I identifies designations of rural Empowerment Zones and Enterprise Communities pursuant to subchapter C, part I (Empowerment Zones, Enterprise Communities and Rural Development Investment Areas) of Title XIII of the Omnibus Budget Reconciliation Act of 1993 (Pub. L. 103-66).

Round II identifies designations of rural Empowerment Zones pursuant to subtitle F (Empowerment Zones, Enterprise Communities, Brownfields, and Community Development Financial Institutions) of Title IX of the Taxpayer Relief Act of 1997 (Pub. L. 105-34).

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Round IIS identifies designations of rural enterprise communities pursuant to section 766 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (Public Law 105-277).

Round III identifies designations of empowerment zones pursuant to section 111 of the Community Renewal Tax Relief Act of 2000 (Public Law 106-554).

Rural area means any area defined pursuant to § 25.503.

Secretary means the Secretary of the U.S. Department of Agriculture.

State means any state in the United States.

State director means the state director for the Rural Development mission area within USDA, as identified in 7 CFR 2003.10.

Strategic plan means a plan for achieving benchmark goals evidencing improvement over identified baseline conditions, developed with the participation and commitment of local governments, tribal governments, state governments, private sector, community members and others, pursuant to the provisions of § 25.202.

USDA means the U.S. Department of Agriculture.

USDA EZ/EC grant program means the grant program authorized by section 766 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (Public Law 105-277).

[63 FR 19114, Apr. 16, 1998, as amended at 67 FR 13556, Apr. 24, 2002; 68 FR 16170, Apr. 3, 2003]

§ 25.4 Secretarial review and designation.

(a) *Designation.* The Secretary will review applications for the designation of nominated rural areas to determine the effectiveness of the strategic plans submitted by applicants; such designations of rural empowerment zones and enterprise communities as are made shall be from the applications submitted in response to the notice inviting applications or other applicable notice published in the FEDERAL REGISTER. The Secretary may elect to designate as champion communities those nominated areas which are not designated as either a rural empowerment

zone or enterprise community and whose applications meet the criteria contained in §25.301.

(b) *Number of rural empowerment zones, enterprise communities and champion communities*—(1) *Round I*. The Secretary may designate up to three rural Empowerment Zones and up to thirty rural Enterprise Communities prior to December 31, 1996.

(2) *Round II*. The Secretary may, prior to January 1, 1999, designate up to five rural empowerment zones in addition to those designated in Round I.

(3) *Round IIS*. The Secretary may designate up to 20 rural enterprise communities in addition to those designated in Round I.

(4) *Round III*. The Secretary may, prior to January 1, 2002, designate up to two rural empowerment zones in addition to those designated in Round I and Round II.

(5) *Champion communities*. The number of champion communities is limited to the number of applicants which are not designated empowerment zones or enterprise communities.

(c) *Period of designation*. The designation of a rural area as an Empowerment Zone or Enterprise Community shall remain in effect during the period beginning on the designation date and ending on the earliest of the:

(1) End of the tenth calendar year beginning on or after the designation date;

(2) Termination date designated by the state and local governments in their application for nomination;

(3) Date the Secretary revokes the designation; or

(4) Date the Empowerment Zone or Enterprise Community modifies its boundary without first obtaining the written approval of the Secretary.

[63 FR 19114, Apr. 16, 1998, as amended at 67 FR 13556, Apr. 24, 2002]

§ 25.5 Waivers.

The Secretary may waive any provision of this part in any particular case for good cause, where it is determined that application of the requirement would produce a result adverse to the purpose and objectives of this part.

§§ 25.6–25.99 [Reserved]

Subpart B—Area Requirements

§ 25.100 Eligibility requirements.

A nominated rural area may be eligible for designation pursuant to this part only if the area:

(a) Has a maximum population of 30,000;

(b) Is one of pervasive poverty, unemployment, and general distress, as described in §25.102;

(c) Meets the area size and boundary requirements of §25.103;

(d) Is located entirely within the jurisdiction of the general local government making the nomination; and

(e) Meets the poverty rate criteria contained in §25.104.

(f) *Provision for Alaska and Hawaii*. A nominated area in Alaska or Hawaii shall be presumed to meet the criteria of paragraphs (b), (c), and (e) of this section if, for each Census tract or block group in the area, at least 20 percent of the families in such tract have an income which is 50 percent or less of the statewide median family income.

§ 25.101 Data utilized for eligibility determinations.

(a) *Source of data*. The data to be employed in determining eligibility pursuant to this part shall be based on the 1990 Census, and from information published by the Bureau of Census and the Bureau of Labor Statistics, provided, however, that for purposes of demonstrating outmigration pursuant to §25.104(b)(2)(iii), data from the 1980 Census and interim data collected by the Bureau of Census for the 1990–1994 period may be used. The data shall be comparable in point or period of time and methodology employed.

(b) *Use of statistics on boundaries*. The boundary of a rural area nominated for designation as an Empowerment Zone or Enterprise Community must coincide with the boundaries of Census tracts, or, where tracts are not defined, with block numbering areas, except:

(1) Nominated areas in Alaska and Hawaii shall coincide with the boundaries of census tracts or block groups as such term is used for purposes of the 1990 Census;