prior to the date referred to in paragraph (b) of this section. The extension shall be granted only if, in the Council’s judgment, acceptable and substantial justification is shown and the extension would further the objectives of the Act. An extension shall not be granted for more than 30 days.

§ 740.4 State water management planning program.

(a) A State shall submit a description of its proposed State program with the State application, which shall:
   (1) Describe water and related land resources problems, needs and opportunities, and the priorities proposed for their resolution;
   (2) Specify the goals and objectives which reflect the water resources policy of the State and which address the major problems which are of concern to the State;
   (3) Describe the major elements of the State water management program, which should address but not be limited to:
      (i) The integration of water quantity and water quality planning and management;
      (ii) The protection and management of instream values;
      (iii) The protection and management of groundwater supplies;
      (iv) The integration of ground and surface water planning and management; and
      (v) Water conservation.
   (4) Identify Federal, State, or local government, or public or private organizations that will participate and a general description of how they are involved in the management planning process;
   (5) If provisions are made for pass-through of funds, describe the process by which recipients will be selected, and the purpose of the pass-through; and
   (6) List existing or proposed administrative, legal and/or institutional arrangements to be used in coordinating intrastate, interstate and regional water resources planning activities involving State, local and/or the Federal Government with the proposed water management planning program of the State to assure that all such activities are considered in program implementation.

§ 740.5 Review and approval of State applications and programs.

(a) The Council shall review and approve each State application for financial assistance if it is determined that:
   (1) The State water management planning program meets the objectives of the Act;
   (2) The State application and the State water management planning program meet the requirements of this part; and
   (3) Progress on the previous grant period’s work plan is satisfactory, based on the requirements set forth by the Council.

(b) Based on the review of the application, the Council shall determine the amount of funds to be made available pursuant to §740.6 and shall notify the designated agency in each participating State of the grant award as soon as possible after funds are apportioned for Council use.

(c) If an application is not approved by the Council, it shall be returned by registered mail with a full explanation of the reasons for that determination. The State shall then be allowed the opportunity to submit a revised application within 30 days after receipt by the State of such notification. Should the State determine that further review is required by the State clearinghouse under OMB Circular A–95, an additional 30 days will be allowed.

(d) If the grant amount requested by a State differs from the grant amount offered by the Council, the Council will request the designated State agency to submit a revised budget and work plan with the acceptance of the grant offer.

(e) The State, upon acceptance of the terms and conditions of the notice of grant award, as presented by the Council, will be granted financial assistance in the amount of the approved final budget.

(f) The work plan for the State water management planning program may be revised at any time by submitting revisions to the work plan and budget to the Council for approval in connection with any proposed significant change (an addition or deletion of major activities specified in the approved work