§ 1776.4
available) that is not more than 100
percent of the median nonmetropolitan
household income for the State or ter-
ritory in which the individual resides,
according to the most recent decennial
census of the United States.

Grant agreement means the contract
between RUS and the grant recipient
which sets forth the terms and condi-
tions governing a particular grant
awarded under this part.

Grant recipient means an applicant
that has been awarded a HWWS grant
under this part.

HWWS means household water well
system.

HWWS grant means a grant awarded
by RUS to a grant recipient under this
part.

HWWS loan means a loan made by a
grant recipient to a loan recipient
using the direct or indirect proceeds of
a HWWS grant awarded under this
part.

Loan recipient means an eligible indi-
vidual who has received a HWWS loan.

Refurbishing means to renovate or to
restore a water well system or portion
thereof to near new condition.

Revolved funds means the cash por-
tion of the revolving loan fund that is
not composed of HWWS grant funds, in-
cluding repayments of revolving
HWWS loans, fees, and interest col-
clected on HWWS loans.

Revolving loan fund means the loan
fund established by the grant recipient
to carry out the purposes of this part,
such fund comprising the proceeds of a
HWWS grant and other related assets.

Rural area means any area other than
a city or town that has a population of
greater than 50,000 inhabitants; and the
urbanized area contiguous and adjacent
to such city or town.

RUS means the Rural Utilities Serv-
ice, a Federal agency delivering the
United States Department of Agri-
culture’s Rural Development Utilities
Program.

Servicing means making repairs or
performing maintenance on a water
well system or portion thereof.

USDA means the United States De-
partment of Agriculture.

§ 1776.5 Eligibility to receive a HWWS grant.

(a) The applicant must be a private
organization.

(b) The applicant must be organized
as a non-profit organization.

(c) The applicant must have legal ca-
pacity and lawful authority to perform
the obligations of a grant recipient
under this part. Example 1: If the orga-
nization is incorporated as a non-profit
 corporation, it must have corporate au-
thority under state law and its cor-
porate charter to engage in the prac-
tice of making loans to individuals. Ex-
ample 2: If the organization is an unin-
corporated association, state law may
prevent the organization from entering
into binding contracts, such as a grant
agreement.

(d) The applicant must have suffi-
cient expertise and experience in lend-
ing and in promoting the safe and pro-
ductive use of individually-owned
household water well systems and
ground water to assure the likelihood
that the objectives of this part can be
achieved.

§ 1776.6 Notice of availability of funds.

(a) In Fiscal Year 2005, applications
will be accepted for this program from
May 19, 2005, until July 18, 2005, at
which time the application period will
close. An applicant may withdraw, sub-
stitute, amend or supplement its appli-
cation at any time before the applica-
tion period closes. Once the application
period has closed, all applications will
be final.

(b) For subsequent fiscal years, if any
funds for this program are available,
the Secretary will publish a notice to
that effect. The notice will establish
the period during which applications
for such funds may be submitted for
consideration.

§ 1776.7 HWWS Grant application proc-
ess.

(a) The applicant must complete and
submit the following standard forms to
RUS to apply for a HWWS grant under
this part: