§ 1942.307 Limitations on use of grant funds.

(a) Funds will not be used:

(1) To produce agriculture products through growing, cultivation and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, timber operations or limited agricultural production related to technical assistance projects.

(b) Grants, except grants for television demonstration programs, may be made only when there is a reasonable prospect that they will result in development of small and emerging private business enterprises.

(c) FmHA or its successor agency under Public Law 103–354 grant funds may be used jointly with funds furnished by the grantee or from other sources including FmHA or its successor agency under Public Law 103–354 loan funds. Pursuant to Pub. L. 95–334, other departments, agencies, and executive establishments of the Federal Government may participate and provide financial and technical assistance jointly with FmHA or its successor agency under Public Law 103–354. The amount of participation by the other department, agency, or executive establishment shall only be limited by its authorities other than authorities which impose restrictions on joint financing.

§ 1942.308 Regional Commission grants.

(a) Grants are sometimes made by Federal Regional Commissions for
projects eligible for FmHA or its successor agency under Public Law 103–354 assistance. FmHA or its successor agency under Public Law 103–354 has agreed to administer such funds in accordance with FmHA or its successor agency under Public Law 103–354 regulations and the requirements of the commission.

(b) The transfer of funds from a Regional Commission to FmHA or its successor agency under Public Law 103–354 will be based on specific applications determined to be eligible for an authorized purpose in accordance with the requirements of FmHA or its successor agency under Public Law 103–354 and the Regional Commission.

(c) ARC is authorized under the Appalachian Regional Development Act of 1965 (40 U.S.C. 1–405), as amended, to serve the Appalachian region. ARC grants are handled in accordance with the ARC Agreement which applies to all ARC grants administered by the Agency. Therefore, a separate Project Management Agreement between the Agency and ARC is not needed for each ARC grant.

(d) Other Federal Regional Commissions are those authorized under title V of the Public Works and Economic Development Act of 1965. Grants by these commissions are handled in accordance with a separate Project Management Agreement between the respective Regional Commission and FmHA or its successor agency under Public Law 103–354 for each Commission grant administered by FmHA or its successor agency under Public Law 103–354 (Guide 1 of this subpart). The agreement should be prepared by the FmHA or its successor agency under Public Law 103–354 State Director and the appropriate Commission official when the State Director receives a notice from the Commission of the amount of the grant to be made.


§ 1942.309 [Reserved]

§ 1942.310 Other considerations.

(a) Civil rights compliance requirements. All grants made under this subpart are subject to the requirements of title VI of the Civil Rights Act of 1964, which prohibits discrimination on the bases of race, color, and national origin as outlined in subpart E of part 1901 of this chapter. In addition, the grants made under this subpart are subject to the requirements of section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of handicap, the requirements of the Age Discrimination Act of 1975, which prohibits discrimination on the basis of age and title III of the Americans with Disabilities Act, Public Law 101–336, which prohibits discrimination on the basis of disability by private entities in places of public accommodations. When FmHA or its successor agency under Public Law 103–354 is administering a Federal Regional Commission grant and no FmHA or its successor agency under Public Law 103–354 RBE/television demonstration grant funds are involved, the Federal Regional Commission may make its own determination of compliance with the above Acts, unless FmHA or its successor agency under Public Law 103–354 is designated compliance review responsibilities. FmHA or its successor agency under Public Law 103–354 shall in all cases be made aware of any findings of discrimination or noncompliance with the requirements of the above Acts.

(b) Environmental requirements—(1) General applicability. Unless specifically modified by this section, the requirements of subpart G of part 1940 of this chapter apply to this subpart. FmHA or its successor agency under Public Law 103–354 will give particular emphasis to ensuring compliance with the environmental policies contained in §§1940.303 and 1940.304 in subpart G of part 1940 of this chapter. Although the purpose of the grant program established by this subpart is to improve business, industry and employment in rural areas, this purpose is to be achieved, to the extent practicable, without adversely affecting important environmental resources of rural areas such as important farmlands and forest lands, prime rangelands, wetlands and floodplains. Prospective recipients of grants, therefore, must consider the potential environmental impacts of their applications at the earliest planning stages and develop plans, grants