County	*Rate per bushel*
VIRGINIA	
All counties	3.47
WEST VIRGINIA	
All counties	3.45
WISCONSIN	
All counties	3.43

(b) *Premiums and discounts.* The basic loan and purchase rates shall be adjusted as applicable by premiums and discounts as follows (all footnotes at end of paragraph):

	Cents per bushel
1. Premiums—Moisture (percent):	
12.2 or less	+7.0
12.3 through 12.7	+3.5
12.8 through 13.0	0
2. Discounts:	
(a) Class:	
Black	−25
Brown	−25
Mixed	−25
(b) Moisture:	
13.1 through 13.5	−3.5
13.6 through 14.0	−7.0
14.1 and over	(1)
(c) Test weight per bushel (pounds):	
53.9 to 53.0	−0.5
52.9 to 52.0	−1.0
51.9 to 51.0	−1.5
50.9 to 50.0	−2.0
49.9 to 49.0	−2.5
48.9 and under	(1)
(d) Splits:	
20.1 to 25.0	−0.25
25.1 to 30.0	−0.50
30.1 to 35.0	−0.75
35.1 to 40.0	−1.00
40.1 and over	(1)
(e) Damaged kernels:	
(1) Heat damage (percent):	
0.6 to 1.0	−1.0
1.1 to 1.5	−2.0
1.6 to 2.0	−3.0
2.1 to 2.5	−4.0
2.6 to 3.0	−5.0
3.1 and over	(1)
(2) Total damage:	
2.1 to 3.0	−1.0
3.1 to 4.0	−2.0
4.1 to 5.0	−3.0
5.1 to 6.0	−5.0
6.1 to 7.0	−7.0
7.1 to 8.0	−9.0
8.1 and over	(1)
(f) Black, brown and/or bicolored soybeans in yellow or green soybeans:	
1.1 to 2.0	−0.5
2.1 to 5.0	−1.5
5.1 to 10.0	−3.5
10.1 and over	(1)
(g) Special factors:	
(1) Materially weathered	−5.0
(2) Stained	−2.0
(3) Purple mottled	−2.0
(4) Weed control laws (where required by § 1421.25)	−10

[1]See note.

NOTE.—Soybeans exceeding limits shown in this schedule or soybeans containing in excess of 14.0 percent moisture are not eligible for loan. In the event quantities of soybeans exceeding limits shown are delivered in satisfaction of loan obligations, such quantities will be discounted on the basis of the schedule of discounts as provided by the Kansas City Commodity Office for settlement purposes.

Other factors. Amounts determined by CCC to represent market discounts for quality factors not specified above which affect the value of the soybeans, such as (but not limited to) moisture, musty, sour, and heating. Such discounts will be established not later than the time delivery of soybeans to CCC begins and will thereafter be adjusted from time to time as CCC determines appropriate to reflect changes in market conditions. Producers may obtain schedules of such factors and discounts at county ASCS offices approximately one month prior to the loan maturity date.

Signed at Washington, D.C., on January 11, 1978.

STEWART N. SMITH,
Acting Executive Vice President,
Commodity Credit Corporation.

[FR Doc. 78-1484 Filed 1-19-78; 8:45 am]

[3410-05]

[CCC Grain Price Support Regulations, 1977 Crop Wheat Supplement]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1977 Crop Wheat Loan and Purchase Program

AGENCY: Commodity Credit Corporation, U.S. Department of Agriculture.

ACTION: Final rule.

SUMMARY: The purpose of the rule is to set forth the (1) final loan and purchase availability dates, (2) maturity dates, and (3) premiums and discounts under which Commodity Credit Corporation (CCC) will make loans on 1977 crop wheat. This rule is needed in order to implement the 1977 wheat loan and purchase program. This rule will enable eligible wheat producers to obtain loans and purchases on their eligible 1977 crop wheat.

EFFECTIVE DATE: January 20, 1978.

ADDRESS: Price Support and Loan Division, ASCS, U.S. Department of Agriculture, 3752 South Building, P.O. Box 2415, Washington, D.C.

FOR FURTHER INFORMATION CONTACT:

Merle Strawderman (ASCS), 202-447-9224.

SUPPLEMENTARY INFORMATION: A notice of proposed rulemaking was published in the FEDERAL REGISTER on July 29, 1976, 41 FR 31563, stating that the Department of Agriculture proposed to make determinations and issue regulations relative to a loan and purchase program for 1977 crop wheat. Such determinations included determining loan and purchase rates and other related provisions. Interested persons were given until August 30, 1976, to submit any data, views, and recommendations. Seven responses were received concerning the loan and purchase rates. All recommended that the support rate be increased. Such recommended increases ranged from $2.50 to $4. After considering applicable factors it has been determined that the loan and purchase rates for 1977 crop wheat on a national average will be $2.25 per bushel. The final availability date for purchases will be changed to March 31, 1978, the same as for loans.

Additional disbursements on 1977 crop wheat loans already made will be available for those producers who want their loans adjusted to the rates in this supplement.

Producers who wish to secure loans or adjust present loans to these rates can do so by contacting their local Agricultural Stabilization and Conservation Service Office or Agricultural Service Center.

The General Regulations Governing Price Support for 1976 and Subsequent Crops, published at 41 FR 22334 and any amendments thereto and the 1970 and Subsequent Crops Wheat Loan and Purchase Regulations, published at 35 FR 8204 and any amendments to such regulations are further supplemented for the 1977 crop of wheat. 7 CFR §§ 1421.485 through 1421.488 and the title of the subpart are revised to read as provided below, effective as to the 1977 crop of wheat. The material previously appearing in these sections shall remain in full force and effect as to the crops to which it is applicable.

Subpart—1977 Crop Wheat Loan and Purchase Program

AUTHORITY: Secs. 4 and 5, 62 Stat. 1070, as amended (15 U.S.C. 714 b and c); Secs. 107, 401, 63 Stat. 1051, as amended (7 U.S.C. 1445a, 1421).

Subpart—1977 Crop Wheat Loan and Purchase Program

§ 1421.485 Availability.

(a) *Loans.* Producers desiring to participate in the program through loans must request a loan on their 1977 crop of eligible wheat on or before March 31, 1978.

(b) *Purchases.* Producers desiring to offer eligible 1977 crop wheat not under loan for purchase must execute and deliver to the county ASCS office on or before March 31, 1978, a Purchase Agreement (Form CCC-614) indicating the approximate quantity of 1977 crop wheat they will sell to CCC.

§ 1421.486 Maturity of loans.

Loans mature in the case of farm stored loans on demand but not later than the last day of the ninth calendar month following the month the loan is disbursed, and in case of warehouse stored loans, on demand but not later than last day of the ninth calendar month following the month the warehouse receipt was issued, except that loans made on warehouse receipts which show that the nine-month storage charge has been paid but the date of tender to CCC is after the date the warehouse receipt was issued mature on the date through which such charges have been paid. Producers who have already received disbursement on loans may request a change of the loan maturity date to the nine-month maturity date described in this section.

§ 1421.487 Ineligible classes.

Unclassed wheat shall not be eligible for loan or purchase.

§ 1421.488 Loan and purchase rates.

(a) *Basic loan and purchase rates (counties).* Basic rates per bushel for loan and settlement purposes for wheat are established for wheat grading U.S. No. 1 and are as follows:

County	*Rate per bushel*
ALABAMA	
Mobile	2.39
All other counties	2.20
ARIZONA	
All counties	2.27
ARKANSAS	
All counties	2.21
CALIFORNIA	
Alameda	2.43
Alpine	2.25
Amador	2.38
Butte	2.32
Calaveras	2.38
Colusa	2.37
Contra Costa	2.38
El Dorado	2.37
Fresno	2.33
Glenn	2.31
Humboldt	2.20
Imperial	2.35
Inyo	2.31
Kern	2.38
Kings	2.35
Lake	2.31
Lasseb	2.20
Los Angeles	2.43
Madera	2.36
Marin	2.36
Mariposa	2.36
Mendocino	2.25
Merced	2.39
Modoc	2.20
Monterey	2.33
Napa	2.37
Orange	2.43
Placer	2.37
Plumas	2.20
Riverside	2.35
Sacramento	2.43
San Benito	2.36
San Bernardino	2.44
San Diego	2.43
San Francisco	2.43
San Joaquin	2.43
San Luis Obispo	2.32
San Mateo	2.43
Santa Barbara	2.33
Santa Clara	2.37
Santa Cruz	2.38
Shasta	2.21
Sierra	2.22
Siskiyou	2.20
Solano	2.38
Sonoma	2.35
Stanislaus	2.40
Sutter	2.37
Tehama	2.27
Tulare	2.35
Tuolumne	2.36
Ventura	2.40
Yolo	2.38
Yuba	2.37
COLORADO	
Adams	2.09
Alamosa	2.06
Arapahoe	2.09
Archuleta	2.03
Baca	2.12
Bent	2.09
Boulder	2.08
Chaffee	2.06
Cheyenne	2.10
Conejos	2.06
Costilla	2.06
Crowley	2.09
Custer	2.08
Delta	2.00
Denver	2.09
Dolores	2.00
Douglas	2.09
Eagle	2.03
Elbert	2.09
El Paso	2.09
Fremont	2.08
Garfield	2.03
Grand	2.06
Huerfano	2.10
Jackson	2.06
Jefferson	2.08
Kiowa	2.10
Kit Carson	2.10
La Plata	2.00
Larimer	2.09
Las Animas	2.12
Lincoln	2.09
Logan	2.09
Mesa	2.00
Moffat	2.06
Montezuma	2.00
Montrose	2.00
Morgan	2.09
Otero	2.09
Ouray	2.00
Phillips	2.09
Pitkin	2.00
Prowers	2.11
Pueblo	2.09
Rio Blanco	2.03
Rio Grande	2.06
Routt	2.06
Saguache	2.06
San Miguel	2.00
Sedgwick	2.09
Summit	2.03
Teller	2.08
Washington	2.09
Weld	2.09
Yuma	2.10
CONNECTICUT	
All counties	2.22
DELAWARE	
All counties	2.25
FLORIDA	
All counties	2.19
GEORGIA	
All counties	2.19
IDAHO	
Ada	2.19
Adams	2.19
Bannock	2.17
Bear Lake	2.15
Benewah	2.30
Bingham	2.15
Blaine	2.15
Boise	2.19
Bonner	2.22
Bonneville	2.14
Boundary	2.20
Butte	2.14
Camas	2.16
Canyon	2.19
Caribou	2.16
Cassia	2.18
Clark	2.12
Clearwater	2.28
Custer	2.14
Elmore	2.18
Franklin	2.18
Fremont	2.13
Gem	2.19
Gooding	2.19
Idaho	2.27
Jefferson	2.14
Jerome	2.19
Kootenai	2.28
Latah	2.30
Lemhi	2.14
Lewis	2.29
Lincoln	2.18
Madison	2.14
Minidoka	2.18
Nez Perce	2.32
Oneida	2.18
Owyhee	2.18
Payette	2.19
Power	2.18
Shoshone	2.28
Teton	2.13
Twin Falls	2.19
Valley	2.18
Washington	2.19
ILLINOIS	
Adams	2.23
Alexander	2.26
Bond	2.29
Boone	2.31
Brown	2.23
Bureau	2.29
Calhoun	2.30
Carroll	2.28
Cass	2.25
Champaign	2.29
Christian	2.27
Clark	2.25
Clay	2.25
Clinton	2.29
Coles	2.25
Cook	2.31
Crawford	2.24
Cumberland	2.25
De Kalb	2.31
DeWitt	2.25
Douglas	2.26
DuPage	2.31
Edgar	2.27
Edwards	2.25
Effingham	2.27
Fayette	2.28
Ford	2.29
Franklin	2.29
Fulton	2.27
Gallatin	2.22
Greene	2.29
Grundy	2.31
Hamilton	2.23
Hancock	2.23
Hardin	2.22
Henderson	2.25
Henry	2.28
Iroquois	2.31
Jackson	2.28
Jasper	2.24
Jefferson	2.29
Jersey	2.30
Jo Daviess	2.28
Johnson	2.26
Kane	2.31
Kankakee	2.31
Kendall	2.31
Knox	2.27
Lake	2.31
LaSalle	2.31
Lawrence	2.24
Lee	2.30
Livingston	2.30
Logan	2.25
McDonough	2.25
McHenry	2.31
McLean	2.27
Macon	2.25
Macoupin	2.29
Madison	2.30
Marion	2.29
Marshall	2.28
Mason	2.23
Massac	2.25
Menard	2.23
Mercer	2.27
Monroe	2.30

County	Rate per bushel
Montgomery	2.29
Morgan	2.27
Moultrie	2.26
Ogle	2.29
Peoria	2.27
Perry	2.29
Piatt	2.25
Pike	2.24
Pope	2.23
Pulaski	2.26
Putnam	2.28
Randolph	2.30
Richland	2.24
Rock Island	2.28
Saint Clair	2.30
Saline	2.23
Sangamon	2.27
Schuyler	2.23
Scott	2.25
Shelby	2.27
Stark	2.27
Stephenson	2.30
Tazewell	2.25
Union	2.26
Vermilion	2.30
Wabash	2.24
Warren	2.27
Washington	2.29
Wayne	2.25
White	2.22
Whiteside	2.29
Will	2.31
Williamson	2.27
Winnebago	2.30
Woodford	2.27

INDIANA

County	Rate per bushel
Adams	2.24
Allen	2.24
Bartholomew	2.24
Benton	2.29
Blackford	2.24
Boone	2.23
Brown	2.24
Carroll	2.27
Cass	2.27
Clark	2.29
Clay	2.25
Clinton	2.23
Crawford	2.29
Daviess	2.25
Dearborn	2.24
Decatur	2.24
De Kalb	2.24
Delaware	2.24
Dubois	2.26
Elkhart	2.26
Fayette	2.24
Floyd	2.29
Fountain	2.27
Franklin	2.24
Fulton	2.27
Gibson	2.24
Grant	2.23
Greene	2.25
Hamilton	2.24
Hancock	2.24
Harrison	2.29
Hendricks	2.23
Henry	2.24
Howard	2.23
Huntington	2.23
Jackson	2.25
Jasper	2.30
Jay	2.24
Jefferson	2.27
Jennings	2.25
Johnson	2.23
Knox	2.24
Kosciusko	2.27
Lagrange	2.23
Lake	2.31
La Porte	2.31
Lawrence	2.25
Madison	2.24
Marion	2.24
Marshall	2.27
Martin	2.25
Miami	2.23
Monroe	2.24
Montgomery	2.25
Morgan	2.23
Newton	2.30
Noble	2.24
Ohio	2.24
Orange	2.27
Owen	2.24
Parke	2.27
Perry	2.25
Pike	2.25
Porter	2.31
Posey	2.22
Pulaski	2.30
Putnam	2.23
Randolph	2.24
Ripley	2.24
Rush	2.24
St. Joseph	2.29
Scott	2.27
Shelby	2.24
Spencer	2.25
Starke	2.30
Steuben	2.24
Sullivan	2.25
Switzerland	2.25
Tippecanoe	2.26
Tipton	2.23
Union	2.24
Vanderburgh	2.24
Vermillion	2.27
Vigo	2.26
Wabash	2.23
Warren	2.29
Warrick	2.25
Washington	2.27
Wayne	2.24
Wells	2.24
White	2.29
Whitley	2.23

IOWA

County	Rate per bushel
Pottawattamie	2.33
All other counties	2.21

KANSAS

County	Rate per bushel
Allen	2.28
Anderson	2.31
Atchison	2.33
Barber	2.17
Barton	2.17
Bourbon	2.29
Brown	2.31
Butler	2.21
Chase	2.24
Chautauqua	2.24
Cherokee	2.26
Cheyenne	2.10
Clark	2.14
Clay	2.22
Cloud	2.22
Coffey	2.29
Comanche	2.15
Cowley	2.21
Crawford	2.27
Decatur	2.13
Dickinson	2.21
Doniphan	2.31
Douglas	2.32
Edwards	2.17
Elk	2.24
Ellis	2.17
Ellsworth	2.20
Finney	2.12
Ford	2.15
Franklin	2.32
Geary	2.24
Gove	2.15
Graham	2.17
Grant	2.11
Gray	2.14
Greeley	2.09
Greenwood	2.24
Hamilton	2.11
Harper	2.19
Harvey	2.20
Haskell	2.12
Hodgeman	2.16
Jackson	2.30
Jefferson	2.32
Jewell	2.21
Johnson	2.33
Kearny	2.11
Kingman	2.20
Kiowa	2.17
Labette	2.26
Lane	2.15
Leavenworth	2.33
Lincoln	2.20
Linn	2.31
Logan	2.11
Lyon	2.26
McPherson	2.20
Marion	2.20
Marshall	2.26
Meade	2.14
Miami	2.32
Mitchell	2.20
Montgomery	2.26
Morris	2.24
Morton	2.13
Nemaha	2.28
Neosho	2.27
Ness	2.16
Norton	2.17
Osage	2.29
Osborne	2.20
Ottawa	2.21
Pawnee	2.17
Phillips	2.17
Pottawatomie	2.28
Pratt	2.17
Rawlins	2.10
Reno	2.20
Republic	2.22
Rice	2.20
Riley	2.26
Rooks	2.18
Rush	2.17
Russell	2.18
Saline	2.21
Scott	2.12
Sedgwick	2.20
Seward	2.13
Shawnee	2.30
Sheridan	2.14
Sherman	2.09
Smith	2.20
Stafford	2.17
Stanton	2.11
Stevens	2.13
Sumner	2.20
Thomas	2.11
Trego	2.17
Wabaunsee	2.27
Wallace	2.09
Washington	2.24
Wichita	2.10
Wilson	2.26
Woodson	2.27
Wyandotte	2.33

KENTUCKY

County	Rate per bushel
Jefferson	2.30
All other counties	2.22

LOUISIANA

County	Rate per bushel
East Baton Rouge	2.40
Jefferson	2.40
Orleans	2.40
Saint Charles	2.40
West Baton Rouge	2.40
All other counties	2.25

MAINE

County	Rate per bushel
All counties	2.19

MARYLAND

County	Rate per bushel
Baltimore	2.38
All other counties	2.25

MASSACHUSETTS

County	Rate per bushel
All counties	2.21

MICHIGAN

County	Rate per bushel
Alcona	2.14
Alger	2.15
Allegan	2.23
Alpena	2.11
Antrim	2.11
Arenac	2.15
Baraga	2.15
Barry	2.22
Bay	2.19
Benzie	2.14
Berrien	2.27
Branch	2.24
Calhoun	2.23
Cass	2.24
Charlevoix	2.10
Cheboygan	2.10
Chippewa	2.15
Clare	2.17
Clinton	2.20
Crawford	2.14
Delta	2.15
Dickinson	2.15
Eaton	2.22
Emmet	2.08

County	Rate per bushel
Genesee	2.22
Gladwin	2.17
Gogebic	2.15
Grand Traverse	2.14
Gratiot	2.20
Hillsdale	2.25
Houghton	2.15
Huron	2.21
Ingham	2.22
Ionia	2.20
Iosco	2.15
Iron	2.15
Isabella	2.19
Jackson	2.23
Kalamazoo	2.23
Kalkaska	2.14
Kent	2.20
Keweenaw	2.15
Lake	2.16
Lapeer	2.22
Leelanau	2.13
Lenawee	2.26
Livingston	2.23
Luce	2.15
Mackinac	2.15
Macomb	2.25
Manistee	2.15
Marquette	2.15
Mason	2.18
Mecosta	2.19
Menominee	2.15
Midland	2.19
Missaukee	2.14
Monroe	2.28
Montcalm	2.20
Montmorency	2.11
Muskegon	2.20
Newaygo	2.18
Oakland	2.25
Oceana	2.18
Ogemaw	2.15
Ontonagon	2.15
Osceola	2.16
Oscoda	2.14
Otsego	2.11
Ottawa	2.20
Presque Isle	2.10
Roscommon	2.14
Saginaw	2.22
Saint Clair	2.25
Saint Joseph	2.24
Sanilac	2.22
Schoolcraft	2.15
Shiawassee	2.22
Tuscola	2.22
Van Buren	2.23
Washtenaw	2.25
Wayne	2.25
Wexford	2.14

MINNESOTA

County	Rate per bushel
Aitkin	2.43
Anoka	2.43
Becker	2.33
Beltrami	2.36
Benton	2.42
Big Stone	2.34
Blue Earth	2.41
Brown	2.41
Carlton	2.43
Carver	2.43
Cass	2.39
Chippewa	2.37
Chisago	2.43
Clay	2.31
Clearwater	2.35
Cottonwood	2.38
Crow Wing	2.41
Dakota	2.43
Dodge	2.43
Douglas	2.38
Faribault	2.40
Fillmore	2.39
Freeborn	2.39
Goodhue	2.43
Grant	2.36
Hennepin	2.43
Houston	2.36
Hubbard	2.36
Isanti	2.43
Itasca	2.41
Jackson	2.37
Kanabec	2.42
Kandiyohi	2.41
Kittson	2.27
Koochiching	2.37
Lac Qui Parle	2.35
Lake of the Woods	2.31
Le Sueur	2.43
Lincoln	2.33
Lyon	2.36
McLeod	2.43
Mahnomen	2.33
Marshall	2.30
Martin	2.39
Meeker	2.43
Mille Lacs	2.42
Morrison	2.41
Mower	2.41
Murray	2.36
Nicollet	2.43
Nobles	2.35
Norman	2.31
Olmsted	2.41
Otter Tail	2.36
Pennington	2.32
Pine	2.42
Pipestone	2.33
Polk	2.32
Pope	2.39
Ramsey	2.43
Red Lake	2.32
Redwood	2.39
Renville	2.41
Rice	2.43
Rock	2.33
Roseau	2.28
Saint Louis	2.43
Scott	2.43
Sherburne	2.43
Sibley	2.43
Stearns	2.41
Steele	2.41
Stevens	2.37
Swift	2.37
Todd	2.39
Traverse	2.33
Wabasha	2.42
Wadena	2.37
Waseca	2.42
Washington	2.43
Watonwan	2.40
Wilkin	2.33
Winona	2.40
Wright	2.43
Yellow Medicine	2.37

MISSISSIPPI

County	Rate per bushel
Harrison	2.40
Jackson	2.40
All other counties	2.21

MISSOURI

County	Rate per bushel
Adair	2.20
Andrew	2.31
Atchison	2.26
Audrain	2.25
Barry	2.21
Barton	2.25
Bates	2.29
Benton	2.25
Bollinger	2.25
Boone	2.22
Buchanan	2.33
Butler	2.24
Caldwell	2.30
Callaway	2.24
Camden	2.23
Cape Girardeau	2.26
Carroll	2.28
Carter	2.22
Cass	2.30
Cedar	2.24
Chariton	2.26
Christian	2.18
Clark	2.21
Clay	2.31
Clinton	2.31
Cole	2.23
Cooper	2.22
Crawford	2.25
Dade	2.23
Dallas	2.20
Daviess	2.28
De Kalb	2.30
Dent	2.23
Douglas	2.18
Dunklin	2.25
Franklin	2.29
Gasconade	2.27
Gentry	2.27
Greene	2.21
Grundy	2.25
Harrison	2.27
Henry	2.28
Hickory	2.25
Holt	2.29
Howard	2.22
Howell	2.16
Iron	2.25
Jackson	2.33
Jasper	2.24
Jefferson	2.28
Johnson	2.29
Knox	2.20
Laclede	2.20
Lafayette	2.31
Lawrence	2.21
Lewis	2.22
Lincoln	2.29
Linn	2.26
Livingston	2.27
McDonald	2.21
Macon	2.23
Madison	2.25
Maries	2.25
Marion	2.24
Mercer	2.24
Miller	2.22
Mississippi	2.27
Moniteau	2.23
Monroe	2.24
Montgomery	2.27
Morgan	2.23
New Madrid	2.27
Newton	2.21
Nodaway	2.29
Oregon	2.20
Osage	2.24
Ozark	2.16
Pemiscot	2.25
Perry	2.25
Pettis	2.25
Phelps	2.23
Pike	2.27
Platte	2.31
Polk	2.23
Pulaski	2.21
Putnam	2.22
Ralls	2.24
Randolph	2.23
Ray	2.31
Reynolds	2.23
Ripley	2.22
Saint Charles	2.30
Saint Clair	2.26
Saint Francois	2.26
Saint Louis	2.30
Sainte Genevieve	2.26
Saline	2.26
Schuyler	2.18
Scotland	2.18
Scott	2.27
Shannon	2.20
Shelby	2.23
Stoddard	2.26
Stone	2.21
Sullivan	2.23
Taney	2.18
Texas	2.19
Vernon	2.27
Warren	2.29
Washington	2.26
Wayne	2.24
Webster	2.19
Worth	2.27
Wright	2.19

MONTANA

County	Rate per bushel
Beaverhead	2.13
Big Horn	2.14
Blaine	2.15
Broadwater	2.19
Carbon	2.15
Carter	2.15
Cascade	2.18
Chouteau	2.18
Custer	2.14
Daniels	2.13
Dawson	2.15
Deer Lodge	2.20
Fallon	2.16
Fergus	2.17
Flathead	2.21
Gallatin	2.20
Garfield	2.13
Glacier	2.18
Golden Valley	2.17
Granite	2.20

County	Rate per bushel
Granite	2.20
Hill	2.16
Jefferson	2.20
Judith Basin	2.17
Lake	2.20
Lewis and Clark	2.18
Liberty	2.17
Lincoln	2.21
McCone	2.14
Madison	2.20
Meagher	2.18
Mineral	2.20
Missoula	2.20
Musselshell	2.15
Park	2.19
Petroleum	2.15
Phillips	2.14
Pondera	2.18
Powder River	2.14
Powell	2.20
Prairie	2.15
Ravalli	2.18
Richland	2.15
Roosevelt	2.14
Rosebud	2.13
Sanders	2.20
Sheridan	2.14
Silver Bow	2.20
Stillwater	2.17
Sweet Grass	2.18
Teton	2.18
Toole	2.17
Treasure	2.14
Valley	2.13
Wheatland	2.18
Wibaux	2.16
Yellowstone	2.15
NEBRASKA	
Adams	2.20
Antelope	2.28
Arthur	2.11
Banner	2.08
Blaine	2.18
Boone	2.28
Box Butte	2.08
Boyd	2.25
Brown	2.18
Buffalo	2.21
Burt	2.33
Butler	2.30
Cass	2.32
Cedar	2.29
Chase	2.10
Cherry	2.14
Cheyenne	2.08
Clay	2.21
Colfax	2.30
Cuming	2.32
Custer	2.18
Dakota	2.32
Dawes	2.08
Dawson	2.20
Deuel	2.09
Dixon	2.29
Dodge	2.32
Douglas	2.33
Dundy	2.10
Fillmore	2.23
Franklin	2.18
Frontier	2.13
Furnas	2.16
Gage	2.26
Garden	2.09
Garfield	2.22
Gosper	2.16
Grant	2.11
Greeley	2.24
Hall	2.22
Hamilton	2.24
Harlan	2.17
Hayes	2.12
Hitchcock	2.12
Holt	2.25
Hooker	2.12
Howard	2.22
Jefferson	2.25
Johnson	2.26
Kearney	2.18
Keith	2.11
Keay Paha	2.20
Kimball	2.08
Knox	2.28
Lancaster	2.29
Lincoln	2.15
Logan	2.15
Loup	2.18
McPherson	2.14
Madison	2.28
Merrick	2.25
Morrill	2.08
Nance	2.26
Nemaha	2.26
Nuckolls	2.20
Otoe	2.29
Pawnee	2.28
Perkins	2.10
Phelps	2.17
Pierce	2.28
Platte	2.28
Polk	2.27
Red Willow	2.13
Richardson	2.29
Rock	2.21
Saline	2.25
Sarpy	2.33
Saunders	2.32
Scotts Bluff	2.08
Seward	2.28
Sheridan	2.09
Sherman	2.21
Sioux	2.06
Stanton	2.30
Thayer	2.23
Thomas	2.15
Thurston	2.32
Valley	2.21
Washington	2.33
Wayne	2.29
Webster	2.20
Wheeler	2.24
York	2.25
NEVADA	
All counties	2.19
NEW HAMPSHIRE	
All counties	2.21
NEW JERSEY	
All counties	2.25
NEW MEXICO	
All counties	2.24
NEW YORK	
Albany	2.38
New York City	2.38
All other counties	2.23
NORTH CAROLINA	
All counties	2.19
NORTH DAKOTA	
Adams	2.15
Barnes	2.28
Benson	2.21
Billings	2.14
Bottineau	2.15
Bowman	2.15
Burke	2.13
Burleigh	2.19
Cass	2.30
Cavalier	2.22
Dickey	2.28
Divide	2.12
Dunn	2.15
Eddy	2.24
Emmons	2.22
Foster	2.25
Golden Valley	2.14
Grand Forks	2.29
Grant	2.17
Griggs	2.28
Hettinger	2.15
Kidder	2.22
La Moure	2.26
Logan	2.24
McHenry	2.16
McIntosh	2.24
McKenzie	2.13
McLean	2.15
Mercer	2.15
Morton	2.18
Mountrail	2.14
Nelson	2.27
Oliver	2.16
Pembina	2.26
Pierce	2.18
Ramsey	2.23
Ransom	2.31
Renville	2.15
Richland	2.32
Rolette	2.18
Sargent	2.31
Sheridan	2.18
Sioux	2.17
Slope	2.15
Stark	2.15
Steele	2.28
Stutsman	2.26
Towner	2.19
Traill	2.29
Walsh	2.28
Ward	2.14
Wells	2.22
Williams	2.13
OHIO	
Adams	2.25
Allen	2.26
Ashland	2.29
Ashtabula	2.31
Athens	2.28
Auglaize	2.25
Belmont	2.29
Brown	2.25
Butler	2.25
Carroll	2.29
Champaign	2.25
Clark	2.25
Clermont	2.25
Clinton	2.25
Columbiana	2.30
Coshocton	2.29
Crawford	2.28
Cuyahoga	2.29
Darke	2.25
Defiance	2.25
Delaware	2.28
Erie	2.28
Fairfield	2.28
Fayette	2.25
Franklin	2.28
Fulton	2.27
Gallia	2.25
Geauga	2.31
Greene	2.25
Guernsey	2.29
Hamilton	2.25
Hancock	2.28
Hardin	2.28
Harrison	2.29
Henry	2.27
Highland	2.25
Hocking	2.28
Holmes	2.29
Huron	2.28
Jackson	2.25
Jefferson	2.29
Knox	2.29
Lake	2.31
Lawrence	2.25
Licking	2.29
Logan	2.25
Lorain	2.29
Lucas	2.28
Madison	2.25
Mahoning	2.31
Marion	2.28
Medina	2.29
Meigs	2.25
Mercer	2.25
Miami	2.25
Monroe	2.29
Montgomery	2.25
Morgan	2.29
Morrow	2.29
Muskingum	2.29
Noble	2.29
Ottawa	2.28
Paulding	2.25
Perry	2.28
Pickaway	2.28
Pike	2.25
Portage	2.29
Preble	2.25
Putnam	2.27
Richland	2.29
Ross	2.28
Sandusky	2.28
Scioto	2.25
Seneca	2.28
Shelby	2.25
Stark	2.29
Summit	2.29
Trumbull	2.31
Tuscarawas	2.29

County	Rate per bushel
Union	2.28
Van Wert	2.25
Vinton	2.28
Warren	2.25
Washington	2.29
Wayne	2.29
Williams	2.25
Wood	2.28
Wyandot	2.28
OKLAHOMA	
Adair	2.25
Alfalfa	2.23
Atoka	2.27
Beaver	2.18
Beckham	2.26
Blaine	2.26
Bryan	2.27
Caddo	2.27
Canadian	2.27
Carter	2.27
Cherokee	2.25
Choctaw	2.27
Cimarron	2.17
Cleveland	2.27
Coal	2.27
Comanche	2.27
Cotton	2.27
Craig	2.25
Creek	2.26
Custer	2.26
Delaware	2.25
Dewey	2.25
Ellis	2.20
Garfield	2.25
Garvin	2.27
Grady	2.27
Grant	2.23
Greer	2.27
Harmon	2.27
Harper	2.18
Haskell	2.27
Hughes	2.27
Jackson	2.27
Jefferson	2.27
Johnston	2.27
Kay	2.24
Kingfisher	2.26
Kiowa	2.27
Latimer	2.27
Le Flore	2.27
Lincoln	2.27
Logan	2.26
Love	2.27
McClain	2.27
McCurtain	2.27
McIntosh	2.27
Major	2.25
Marshall	2.27
Mayes	2.25
Murray	2.27
Muskogee	2.27
Noble	2.25
Nowata	2.25
Okfuskee	2.27
Oklahoma	2.27
Okmulgee	2.27
Osage	2.26
Ottawa	2.25
Pawnee	2.25
Payne	2.26
Pittsburg	2.27
Pontotoc	2.27
Pottawatomie	2.27
Pushmataha	2.27
Roger Mills	2.24
Rogers	2.25
Seminole	2.27
Sequoyah	2.27
Stephens	2.27
Texas	2.18
Tillman	2.27
Tulsa	2.25
Wagoner	2.25
Washington	2.25
Washita	2.26
Woods	2.23
Woodward	2.23
OREGON	
Baker	2.30
Benton	2.36
Clackamas	2.43
Clatsop	2.50
Columbia	2.50
Coos	2.16
Crook	2.34
Curry	2.15
Deschutes	2.34
Douglas	2.20
Gilliam	2.39
Grant	2.34
Harney	2.20
Hood River	2.45
Jackson	2.20
Jefferson	2.37
Josephine	2.20
Klamath	2.28
Lake	2.25
Lane	2.34
Lincoln	2.26
Linn	2.37
Malheur	2.20
Marion	2.41
Morrow	2.37
Multnomah	2.50
Polk	2.39
Sherman	2.39
Tillamook	2.43
Umatilla	2.37
Union	2.32
Wallowa	2.30
Wasco	2.41
Washington	2.43
Wheeler	2.36
Yamhill	2.41
PENNSYLVANIA	
Philadelphia	2.38
All other counties	2.23
RHODE ISLAND	
All counties	2.22
SOUTH CAROLINA	
Charleston	2.38
All other counties	2.19
SOUTH DAKOTA	
Aurora	2.28
Beadle	2.27
Bennett	2.15
Bon Homme	2.31
Brookings	2.31
Brown	2.27
Brule	2.25
Buffalo	2.25
Butte	2.13
Campbell	2.20
Charles Mix	2.27
Clark	2.27
Clay	2.33
Codington	2.31
Corson	2.17
Custer	2.07
Davison	2.31
Day	2.31
Deuel	2.34
Dewey	2.17
Douglas	2.27
Edmunds	2.24
Fall River	2.07
Faulk	2.26
Grant	2.34
Gregory	2.24
Haakon	2.20
Hamlin	2.30
Hand	2.27
Hanson	2.28
Harding	2.14
Hughes	2.23
Hutchinson	2.30
Hyde	2.25
Jackson	2.19
Jerauld	2.28
Jones	2.21
Kingsbury	2.28
Lake	2.30
Lawrence	2.13
Lincoln	2.33
Lyman	2.22
McCook	2.31
McPherson	2.24
Marshall	2.31
Meade	2.14
Mellette	2.20
Miner	2.29
Minnehaha	2.32
Moody	2.32
Pennington	2.14
Perkins	2.14
Potter	2.22
Roberts	2.33
Sanborn	2.28
Shannon	2.14
Spink	2.27
Stanley	2.21
Sully	2.22
Todd	2.19
Tripp	2.22
Turner	2.32
Union	2.33
Walworth	2.22
Washabaugh	2.19
Yankton	2.29
Ziebach	2.15
TENNESSEE	
Shelby	2.31
All other counties	2.20
TEXAS	
Andrews	2.25
Archer	2.30
Armstrong	2.25
Atascosa	2.39
Bailey	2.26
Bandera	2.35
Bastrop	2.39
Baylor	2.29
Bee	2.47
Bell	2.39
Bexar	2.39
Blanco	2.37
Borden	2.25
Bosque	2.36
Bowie	2.32
Brazos	2.44
Briscoe	2.25
Brown	2.33
Burleson	2.44
Burnet	2.37
Caldwell	2.39
Calhoun	2.43
Callahan	2.29
Carson	2.25
Castro	2.25
Chambers	2.49
Cherokee	2.41
Childress	2.27
Clay	2.31
Cochran	2.25
Coke	2.26
Coleman	2.30
Collin	2.34
Collingsworth	2.25
Comal	2.39
Comanche	2.34
Concho	2.31
Cooke	2.32
Coryell	2.38
Cottle	2.25
Crosby	2.25
Culberson	2.25
Dallam	2.22
Dallas	2.36
Dawson	2.25
Deaf Smith	2.25
Delta	2.35
Denton	2.34
DeWitt	2.41
Dickens	2.25
Dimmit	2.33
Donley	2.25
Eastland	2.29
Edwards	2.29
Ellis	2.36
El Paso	2.25
Erath	2.34
Falls	2.38
Fannin	2.32
Fisher	2.26
Floyd	2.25
Foard	2.27
Frio	2.37
Gaines	2.25
Galveston	2.49
Garza	2.25
Gillespie	2.33
Glasscock	2.25
Goliad	2.43
Gonzales	2.41
Gray	2.25
Grayson	2.32
Grimes	2.44
Guadalupe	2.39
Hale	2.25
Hall	2.25

County	*Rate per bushel*
Hamilton	2.36
Hansforth	2.22
Hardeman	2.27
Harris	2.49
Hartley	2.22
Haskell	2.27
Hays	2.39
Hemphill	2.22
Hill	2.36
Hockley	2.25
Hood	2.33
Howard	2.25
Hudspeth	2.25
Hunt	2.35
Hutchinson	2.22
Irion	2.27
Jack	2.31
Jackson	2.39
Jeff Davis	2.25
Jefferson	2.45
Johnson	2.35
Jones	2.27
Karnes	2.43
Kaufman	2.37
Kendall	2.37
Kent	2.25
Kerr	2.33
Kimble	2.31
King	2.25
Kinney	2.29
Knox	2.27
Lamar	2.32
Lamb	2.25
Lampasas	2.38
Limestone	2.38
Lipscomb	2.22
Live Oak	2.45
Llano	2.35
Loving	2.25
Lubbock	2.25
Lynn	2.25
McCulloch	2.33
McLennan	2.38
Martin	2.25
Mason	2.33
Maverick	2.29
Medina	2.35
Menard	2.31
Midland	2.25
Milam	2.42
Mills	2.34
Mitchell	2.26
Montague	2.31
Moore	2.22
Motley	2.25
Navarro	2.37
Nolan	2.26
Nueces	2.49
Ochiltree	2.22
Oldham	2.25
Palo Pinto	2.31
Parker	2.33
Parmer	2.25
Pecos	2.25
Potter	2.25
Presidio	2.25
Randall	2.25
Real	2.31
Red River	2.32
Reeves	2.25
Refugio	2.46
Roberts	2.22
Robertson	2.41
Rockwall	2.35
Runnels	2.29
San Patricio	2.49
San Saba	2.34
Schleicher	2.27
Scurry	2.26
Shackelford	2.29
Sherman	2.22
Somervell	2.33
Stephens	2.30
Sterling	2.26
Stonewall	2.25
Sutton	2.27
Swisher	2.25
Tarrant	2.36
Taylor	2.27
Terry	2.25
Throckmorton	2.29
Tom Green	2.28
Travis	2.39
Uvalde	2.32
Van Zandt	2.37
Victoria	2.43
Waller	2.44
Ward	2.25
Wharton	2.44
Wheeler	2.25
Wichita	2.29
Wilbarger	2.29
Williamson	2.39
Wilson	2.41
Wise	2.32
Yoakum	2.25
Young	2.30
Zavala	2.33
UTAH	
All counties	2.19
VERMONT	
All counties	2.21
VIRGINIA	
Chesapeake (Norfolk)	2.38
All other counties	2.23
WASHINGTON	
Adams	2.35
Asotin	2.34
Benton	2.37
Chelan	2.37
Clallam	2.29
Clark	2.50
Columbia	2.36
Cowlitz	2.50
Douglas	2.35
Ferry	2.27
Franklin	2.37
Garfield	2.36
Grant	2.35
Grays Harbor	2.42
Island	2.31
Jefferson	2.31
King	2.50
Kitsap	2.32
Kittitas	2.39
Klickitat	2.41
Lewis	2.45
Lincoln	2.33
Mason	2.39
Okanogan	2.33
Pacific	2.42
Pend Oreille	2.22
Pierce	2.50
San Juan	2.31
Skagit	2.39
Skamania	2.45
Snohomish	2.44
Spokane	2.32
Stevens	2.27
Thurston	2.44
Wahkiakum	2.44
Walla Walla	2.37
Whatcom	2.36
Whitman	2.35
Yakima	2.37
WEST VIRGINIA	
All counties	2.24
WISCONSIN	
Douglas	2.41
All other counties	2.19
WYOMING	
All counties	2.10

(b) *Premiums and discounts.* The basic loan and purchase rates shall be adjusted as applicable by premiums and discounts as follows (all footnotes at end of paragraph):

	Cents per bushel
1. Class premiums and discounts:	
(i) Premiums: Hard amber durum, No. 3 or better[1]	+7½
(ii) Discounts:	
Durum	−10
Mixed wheat (mixes of classes other than contrasting classes)	−3
Mixed wheat (mixtures of contrasting classes)	−10
(iii) Unclassed wheat which includes red durum	([2])
2. Grade discounts:	
(i) Grade discounts:	
No. 2	−2
No. 3	−4
No. 4	−6
No. 5	−9
Sample grade	([3])
(ii) Special grade discounts:	
Smut—Light smutty	−3
Smutty	−9
Garlic—Light garlicky	−10
Garlicky	−20

[1] Except for Hard Amber Durum produced in Arizona, California and New Mexico.

[2] Unclassed wheat which includes Red Durum is ineligible for loan.

[3] Wheat grading sample is ineligible for loan. In the event quantities of wheat grading sample are delivered in satisfaction of loan obligations, such quantities will be discounted on the basis of the schedule of discounts as provided by the Kansas City Commodity Office for settlement purposes.

(iii) Grade Discounts Sample—on the factors of Test Weight and Total Damage.

Sample on account of test weight

Hard Red Spring		All other classes	
Test weight	Cents per bushel	Weight	Cents per bushel
49	−13	50	−13
48	−17	49	−17
47	−21	48	−21
46	−25	47	−25
45	−29	46	−29
44	−35	45	−33
43	−41	44	−39
42	−47	43	−45
41	−53	42	−51
40	−59	41	−57
		40	−63

Sample on account of total damaged kernels

Percent—Total damaged kernels	Cents per bushel
15.1 to 16	−10
16.1 to 17	−12
17.1 to 18	−14
18.1 to 19	−16
19.1 to 20	−18
20.1 to 21	−20
21.1 to 22	−22
22.1 to 23	−24
23.1 to 24	−26
24.1 to 25	−28
25.1 to 26	−30
26.1 to 27	−32
27.1 to 28	−34
28.1 to 29	−36
29.1 to 30	−38
Each percent over 30	−3

(iv) Weed control discount (where required by § 1421.25) −15.

3. *Premiums for Protein Content.*

Applicable to wheat grading No. 5 or better of the classes Hard Red Winter and Hard Red Spring.

Hard Red Winter

Percent protein	Cents per bushel
10.50 to 10.99	0
11.00 to 11.49	½
11.50 to 11.99	1
12.00 to 12.49	2
12.50 to 12.99	3
13.00 to 13.49	4½
13.50 to 13.99	6
14.00 to 14.49	8
14.50 to 14.99	10
15.00 and over	12

Hard Red Spring

Percent protein	Cents per bushel
11.50 to 11.99	0
12.00 to 12.49	1
12.50 to 12.99	2
13.00 to 13.49	4
13.50 to 13.99	6
14.00 to 14.49	9
14.50 to 14.99	12
15.00 to 15.49	16
15.50 to 15.99	20
16.00 to 16.49	25
16.50 to 16.99	30
17.00 and over	36

(c) *Other factors.* Amounts determined by CCC to represent market discounts for quality factors not specified above which affect the value of wheat, such as (but not limited to) moisture, weevily, ergoty, stones, musty, sour, and heating. Such discounts will be established not later than the time delivery of wheat to CCC begins and will thereafter be adjusted from time to time as CCC determines appropriate to reflect changes in market conditions. Producers may obtain schedules of such factors and discounts at county ASCS offices.

NOTE.—Premiums and discounts are cumulative except only one grade discount shall be applied.

Signed at Washington, D.C., on January 11, 1978.

STEWART N. SMITH,
Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc. 78-1471 Filed 1-19-78; 8:45 am]

CHAPTER XVIII—FARMERS HOME ADMINISTRATION, DEPARTMENT OF AGRICULTURE

[FmHA Instruction 1933-I]

SUBCHAPTER B—LOANS AND GRANTS PRIMARILY FOR REAL ESTATE PURPOSES

PART 1822—RURAL HOUSING LOANS AND GRANTS

SUBCHAPTER J—LOAN AND GRANT PROGRAMS (GROUP)

PART 1933—LOAN AND GRANT PROGRAMS (GROUP)

Subpart I—Self-Help Technical Assistance Grants

AGENCY: Farmers Home Administration, USDA.

ACTION: Final rule.

SUMMARY: The Farmers Home Administration adds regulations as a result of a general administrative restructuring of the agency regulations. This addition is intended to strengthen, expand, redesignate, clarify, consolidate and revise the regulations concerning self-help technical assistance grants.

EFFECTIVE DATE: January 20, 1978.

FOR FURTHER INFORMATION CONTACT:

Mr. Paul R. Conn, 202-447-7207.

SUPPLEMENTARY INFORMATION: On November 22, 1976, there was published in the FEDERAL REGISTER (41 FR 51404-51420) and republished June 10, 1977 (42 FR 29885-29906), a notice of proposed rulemaking which would establish under Chapter XVIII, Title 7, of the Code of Federal Regulations a new Subchapter J, "Loan and Grant Programs (Group)," Part 1933, Subpart I, "Self-Help Technical Assistance Grants, §§ 1933.401-1933.450." This new Part 1933 (42 FR 24232, May 13, 1977) was revised, transferred and redesignated from Part 1822, Subpart I (35 FR 11226, as amended at 37 FR 3802, 40 FR 52837, 41 FR 7486) of this Chapter XVIII. Interested parties were given the opportunity to submit on or before December 23, 1976, and July 11, 1977, comments, suggestions, or objections regarding the proposed addition.

Comments received and considered for the initial and second proposals have resulted in many changes (herein incorporated) including specific changes as set forth below:

1. In § 1933.402, the State Director's grant approval authority has been increased to $200,000. If the grant plus unexpended funds of a previous grant exceed $300,000, National Office consent is required.

2. In § 1933.403, Indian Tribes or tribal corporations are included as types of eligible organizations; the definition of participating families has been expanded to clarify that it includes those qualifying and receiving interest credits regardless of the age or sex of the heads of households. The term "sponsor" has been expanded to include community action agencies; a system for determining "equivalent units" has been included as a more accurate method for determining grantee performance and unit production. This section also provides for financial supervision to individual families with 502 RH loans; grant closeout has been redefined and technical assistance has been broadened to provide assistance to 502 self-help families in obtaining invoices and itemized bills for materials and preparing checks for FmHA countersignatures.

3. In § 1933.404 only those members of the Board of Directors who have annual incomes below the Federal poverty guidelines may be paid for attending meetings.

4. In § 1933.405, participant families are required to provide their own hand tools, however, the State Director may authorize the purchase of office equipment on a case by case basis; also, grantee personnel may be permitted cost of travel and per diem to attend certain training sessions.

5. In § 1933.406, proposed grantee applicants are provided with a broader knowledge of the kind of information that may be used to justify the need for a self-help housing program.

6. In § 1933.407, a new method of computing Technical Assistance (TA) cost and net savings to families is provided. This new method provides for combining land and construction cost in this computation.

7. In § 1933.408, a statement concerning the applicability of the Office of Management and Budget (OMB) Circular No. A-102 is included.

8. In § 1933.409, initial staffing of the grantee has been changed to clarify the hiring of employees as necessary and to require that the grantee establishes an adequate accounting system within a specified time limit; also an Evaluation Report of Self-Help Technical Assistance will be provided on a quarterly basis and TA records will be retained for a period of 3 years.

9. In § 1933.410, a review and an appeal process has been added. Also, clarification as to when a prospective self-help family will be determined eligible for financial assistance has been added.

10. In § 1933.416, language has been added to provide the applicant with the right for National Office review if the grant proposal is disapproved.

11. In § 1933.418, a method of evaluating the performance of grantees is explained and referenced to Exhibit E of the regulation.

12. In § 1933.419, the review process for terminating the TA grantee operation is established.

13. In Exhibit A, the format has been revised and modified to include clarification for the disposal of personal property of the grantee organization.

14. In Exhibit E, a step-by-step breakdown of the process for evaluating the performance of the grantee is included.

Accordingly, 7 CFR Chapter XVIII is amended as follows:

1. Subpart I of 7 CFR Part 1822 is removed.

2. 7 CFR Part 1933 is amended by adding a new Subpart I, consisting of §§ 1933.401-1933.50. This new Subpart I, which is revised, transferred and redesignated from Subpart I of 7 CFR Part 1822, reads as follows:

Subpart I—Self-Help Technical Assistance Grants

AUTHORITY: 42 U.S.C. 1480; delegation of authority by the Secretary of Agriculture, 7 CFR 2.23; delegation of authority by the Assistant Secretary for Rural Development, 7 CFR 2.70.

Subpart I—Self-Help Technical Assistance Grants

§ 1933.401 Purpose.

This Subpart sets forth the policies and procedures and delegates authority for providing Technical Assistance (TA) funds to eligible applicants to finance programs of technical and supervisory assistance for self-help housing as authorized under Section 523 of the Housing Act of 1949. This financial assistance may pay part or all of the cost of developing, administering, or coordinating programs of technical and supervisory assistance to aid needy families in carrying out mutual self-help housing efforts in rural areas.

§ 1933.402 Authority.

The State Director is authorized to approve or disapprove TA grants in accordance with this Subpart. For a grant in excess of $200,000 or when the amount of the grant plus any unexpended funds from a previous grant will exceed $300,000, prior written consent of the National Office is required. In such cases, the docket along with the State Director's recommendations will be submitted to the National Office for review.

§ 1933.403 Definitions.

As used in this regulation:

(a) *Agreement.* The contract between Farmers Home Administration (FmHA) and the applicant which sets forth the terms and conditions under which TA funds will be made available.

(b) *Agreement period (or grant period).* The period of time for which an agreement is in force.

(c) *Applicant or grantee.* An organization which applies for or receives TA funds under an agreement. "Grantee" also means a borrower under Exhibit F of this Subpart.

(d) *Date of completion.* The date when all work under a grant is completed or the date in the TA grant agreement, or any supplement or amendment to it, when Federal assistance ends.

(e) *Disallowed costs.* Those charges to a grant which FmHA determines cannot be authorized.

(f) *Grant closeout.* The process by which the grant operation is concluded at the expiration of the grant period or following a decision to terminate the grant.

(g) *Mutual self-help.* The construction method by which participating families, organized in groups usually of 6 to 10 families, utilize their own labor to reduce the total construction cost of their homes. Participating families complete construction work on their homes by exchanging actual labor with one another. The mutual self-help method will be used only for new construction unless an exception is obtained from the National Office in accordance with § 1933.409(a).

(h) *Organization.* (1) A State or political subdivision or public nonprofit corporation (including Indian Tribes or tribal corporations) authorized to receive and administer TA funds; or

(2) A private nonprofit corporation that is owned and controlled by private persons or interests and is organized and operated for purposes other than making gains or profits for the corporation and is legally precluded from distributing any gains or profits to its members.

(i) *Participating family.* Individuals and/or their families who agree to build homes by the mutual self-help method. Generally, participants are families with low incomes, including those who qualify for and receive interest credits. Some families having incomes above the interest credit level may also participate provided they are unable to pay for a home built by the contract method. Families in this category may include large families who have continually high medical expenses or high debt repayment provided they are otherwise eligible. Participating families must have the ability to furnish their share of the required labor input regardless of the age or sex of the head of household. The participating families may obtain the necessary home financing from FmHA or from other sources. A participating family must have financing arrangements completed before the start of construction and have sufficient time and show a desire to work with other families in building their own homes. Each family should contribute at least 700 hours of labor in building each other's homes for the mutual self-help method to be carried out. The available time of a participating family must coincide with the other group members so that the mutual concept of the project can be met.

(j) *Rural areas.* Open country or rural places as defined in § 1822.3(c) of this Chapter (FmHA Instruction 444.1).

(k) *Sponsor.* An existing entity that is willing and able to assist an applicant without charge, in applying for a grant and in carrying out its responsibilities under the agreement. Examples of sponsors are local rural electric cooperatives, institutions of higher education, and community action agencies.

(l) *Termination of a grant.* The cancellation of Federal assistance, in whole or in part, under a grant at any time before the date of completion.

(m) *Technical assistance.* The organizing and supervising of groups of families in the building of their own homes including such functions as: (1) Recruiting families who are interested in sharing labor in the construction of each other's homes and assisting such families in obtaining housing loans.

(2) Assisting at meetings of the families at which the self-help program and subjects related to home ownership, such as loan payments, taxes, insurance, maintenance and upkeep of the property are explained and discussed;

(3) Helping families in planning and development activities that lead to the acquisition and development of suitable building sites;

(4) Assisting families in selecting house plans for homes which will meet their needs and which they can afford;

(5) Assisting families in obtaining cost estimates for construction materials and any subcontracting that will be required;

(6) Providing assistance in the preparation of loan applications;

(7) Providing technical supervision and training for families while they construct their homes.

(8) Providing financial supervision to individual families with Section 502 Rural Housing (RH) loans which will minimize the time and effort required by FmHA to countersign checks. The grantee's secretary-bookkeeper should:

(i) Total invoices and itemized statements for payment of materials purchased by individual families from suppliers and subcontractors.

(ii) Maintain a record of deposits and withdrawals on Form FmHA 402-2, "Statement of Deposits and Withdrawals," or similar form provided by the grantee to account for all Section 502 RH funds for each loan.

(iii) Prepare checks accompanied by corresponding invoices and itemized statements for FmHA countersignature. Checks should be submitted for countersignature usually not more frequently than 30 day intervals.

(iv) Prepare checks for FmHA countersignature made payable to the grantee for reimbursement of funds when the grantee has advanced funds, available from sources other than TA funds, for payment of individual borrower bills for materials and subcontractors. Itemized invoices must be presented to FmHA when checks are to be countersigned.

(9) Assisting families in solving other housing problems.

(n) *Equivalent units.* Equivalent units represents the "theoretical number of units" arrived at by adding the percentage of completion figure for each family in the self-help program (pre-construction and actual construction) together at any given date during program operations. The sum of the percentage of completion figures for all participant families represents the total number of "equivalent" or "theoretical" units completed in the program at that date.

§ 1933.404 Eligibility.

(a) *Eligibility of applicant.* To be eligible to receive a grant, the applicant must:

(1) Be an organization as defined in § 1933.403(h).

(2) Have the financial, legal, administrative, and actual capacity to assume and carry out the responsibilities imposed by the agreement. To meet this requirement of actual capacity it must either:

(i) Have necessary background and experience with proven ability to perform responsibly in the field of mutual self-help or other business management or administrative ventures which indicate an ability to perform responsibly in the field of mutual self-help; or

(ii) Be sponsored by an organization which has such background experience and ability and which agrees in writing that it will provide, without charge, the help the applicant will need to carry out its responsibilities.

(3) Legally obligate itself to administer TA funds, provide an adequate accounting of the expenditure of such funds, and comply with the agreement and FmHA regulations.

(4) If the organization is a private nonprofit corporation, it should also:

(i) Be a corporation organized for the primary purpose of assisting low- and moderate-income families to obtain adequate housing.

(ii) Have local representation among its membership.

(iii) Adopt, if it is being newly organized, Articles of Incorporation and Bylaws that generally conform to Exhibits D and E of Subpart D of Part 1822 (Exhibits D and E of FmHA Instruction 444.5) which are available in FmHA offices, with changes appropriate to include the purposes and powers of an eligible applicant under this Subpart. The Office of the General Counsel (OGC) should be requested by FmHA to review and adopt the exhibits for use in the respective States.

(iv) Have a Board of Directors which will consist of not less than five but generally not more than nine members. Only those board members with annual incomes below the Federal Poverty guidelines as established by the Community Services Administration shall be entitled to receive payments or reimbursement for attending board meetings.

(v) If it is engaged in or plans to become engaged in other activities that will affect the operation of the TA grant, be able to provide sufficient evidence and documentation that:

(A) it will have sufficient funds to assure continued operation for at least the period of the grant agreement or

(B) if the other funding is terminated, proper adjustments can be made in the operation so that the TA grant is not adversely affected.

(b) *Authorized representative of applicant.* FmHA will deal only with authorized representatives of the applicant. The authorized representatives must be members of the applicant-organization and have no pecuniary interest in the award of any engineering, architectural, or construction contracts, purchase of the necessary equipment, or purchase or development of the land.

§ 1933.405 Purposes.

TA funds may be used only for the following purposes:

(a) Hiring personnel as authorized in the agreement.

(b) Payment of necessary and reasonable office expenses such as office rental, office utilities, and office equipment rental. The State Director may, however, authorize the purchase of office equipment on a case-by-case basis when he determines it is more economical to purchase such equipment during the grant period.

(c) Purchase of office supplies such as paper, pens, and pencils.

(d) Payment of necessary reasonable administrative costs including but not limited to items such as workmen's compensation, liability insurance, audit reports, travel and training, and employer's share of social security and health benefits.

(e) Purchase and maintenance of power or specialty tools such as a power saw, electric drill, and sabre saw which are needed but are not readily available to participating families on a rental basis at reasonable cost. The participating families, however, are expected to provide their own basic hand tools such as hammers and handsaws.

(f) Payment of reasonable fees for necessary training of grantee personnel. This may include the cost of travel and per diem to attend State or Regional training sessions when authorized on an individual case basis by the FmHA State Director.

(g) Payment for technical and consultant services not readily available without cost to the participating families.

(1) Generally, however, training and consulting will be limited to obtaining outside expertise to help the grantee's employees with local problems they are encountering in administering the TA proposal.

(2) Ordinarily, FmHA will furnish needed guidance for the development of a TA application. The State Director may, however, with the prior approval of the National Office, authorize the use of TA funds to enable an applicant to pay a qualified consulting organization or foundation, operating on a nonprofit basis, charges for necessary services for development of such an application, provided the State Director determines that:

(i) Either the applicant, even with the available FmHA guidance, cannot develop a sound TA application without the professional services; or the services would permit significant financial savings to the Government, either directly or by reducing the workload in processing applications; and

(ii) The charges are reasonable considering the amount of TA funds covered by the agreement and the cost of similar services in the same or similar rural areas.

(3) The applicant and consulting foundation must be informed that FmHA grant funds will be available only if the grant is made by FmHA.

§ 1933.406 Conditions for approving an agreement.

An agreement may be approved for an eligible applicant when the following conditions are present:

(a) A need clearly exists in the area for self-help housing. The applicant must provide information such as census materials, local planning studies, surveys, or other readily available information, indicating a need in the area for housing of the type and cost to be provided by the proposed self-help TA program for low income families that lack adequate housing or live in housing that is considered to be deteriorating, delapidated, overcrowded, and lacking some or all plumbing facilities. The applicant must also provide evidence that at least as many families as the number of homes to be built have been contacted and are interested in and appear to be eligible to participate in the self-help program. A list of such families consisting of names and addresses will be provided.

(b) Reasonable evidence is available that the applicant has or can hire qualified people to carry out its responsibilities. The Board of Directors will hire the TA Director with the written approval of the State Director. The State Director should authorize approval only after the candidate's qualifications are reviewed, if they show that the candidate is capable of carrying out these responsibilities.

(c) Funds for the proposed TA project are not available from other sources.

(d) The applicant must have at least the first self-help group organized and each individuals' RH 502 loan approved before the grant is closed. The group should be ready to begin construction, generally, within 30 days after grant closing.

(e) Sites are available for the initial group and are or can reasonably be expected to be available for subsequent groups. An RH site loan to the applicant under sections 523 or 524 may be considered for approval simultaneously with or before approval of the agreement if necessary to obtain adequate sites.

§ 1933.407 Limitations.

The size of the TA grant will depend on the experience and capability of the applicant. In any case, the application will fully justify the number of homes proposed.

(a) *Maximum amount.* An initial TA grant will not exceed $200,000 without prior approval of the National Office.

(b) *Average TA cost.* An agreement should be developed on the basis of reasonable cost per house. A new organization may have higher costs because of difficulties encountered during the early stages of operation. During the first year of operation the TA cost should not exceed 18% of the combined land and construction cost of the homes built by the contract method. For grantees operating ongoing programs of self-help housing the TA cost should not exceed 15% of the combined land and construction cost of the homes built by the contract method. In any case, a TA cost resulting in a net savings per house of less than $500.00 will not be acceptable. Net savings will be computed in accordance with the following example:

Cost of contractor built house, including land	$23,500
Cost of self-help house, including land	-18,000
Gross saving	5,500
Gross saving	5,500
Per unit TA cost	-3,000
Net savings	2,500

(c) *Agreement period.* An agreement will cover a period not to exceed 2 years from the date the TA grant is closed.

(d) *Advances.* Funds may be advanced initially under an agreement to cover TA needs for the balance of the month in which the grant is closed and the next month. Each additional advance will be made for a 1-month period in accordance with § 1933.416(d) (4) and (5).

(e) *Prohibited use of funds.* An applicant may use TA funds only for the purposes stated in § 1933.405. Among the purposes for which TA funds will not be used are the following:

(1) Hiring personnel specifically for the purpose of performing any of the construction work for participating families in the self-help projects.

(2) Buying real estate or building materials or other property of any kind for participating families.

(3) Paying any debts, expenses, or costs which should be the responsibility of the participating families in the self-help projects, other than those listed in § 1933.405.

(f) *Obligations incurred before execution of the agreement.* An applicant should not obligate itself for any debts before executing the agreement. If, nevertheless, the applicant incurs debts for technical and consultant services of the type listed in § 1933.405(g) and the requirements of that paragraph are met, funds may be used to pay these debts.

§ 1933.408 Office of Management and Budget (OMB) Circular No. A-102.

Uniform administrative requirements for grants-in-aid to State and local governments are provided in OMB Circular No. A-102. Should a State or local governmental body express an interest in applying for a TA grant, the matter will be referred to the National Office for processing to assure compliance with OMB Circular No. A-102.

§ 1933.409 Other considerations.

(a) *Type of construction.* An application will be based only on the need to build new houses by the mutual self-help method, unless prior approval for repair work is obtained from the National Office. Some forms of manufactured housing may be used such as precut or panelized exterior walls which will reduce construction time for the families. However, each family should contribute at least 700 hours of labor for the mutual self-help method to be carried out. The family labor contribution must result in a significant cost saving. Grantees may, after they begin working in an area, find that a need exists for a mutual self-help project to enable homeowners to make repairs to their homes. These repairs may be either minor or extensive. With prior approval of the National Office, an applicant may organize a mutual self-help project for purposes other than new construction, provided all the following additional conditions are met:

(1) The self-help group must be composed entirely of individuals and families needing to repair their homes. The repair work on all homes should be reasonably comparable in the amount of labor exchange that is required. The estimated number of hours of labor and a description of the work to be done must be provided.

(2) Participating families must have the time and ability to complete the type of work required in the project.

(3) Participating families must assure the applicant that they will follow through to the conclusion of the project.

(b) *Staffing of applicant*—(1) *Initial staff.* The initial staff for a new organization may consist of the TA Director, the Secretary bookkeeper, a group worker, and a construction supervisor. Positions should be filled only as necessary to assure that construction of the homes for at least the first group of families can start within 30 days of closing the agreement. The employees initially hired should be able to serve double functions until such time as the volume work warrants hiring additional staff. For example, the TA Director may also perform the work of a group worker and provide limited bookkeeping and secretarial services until the volume of work justifies hiring additional staff.

(2) *Typical staff.* (i) One director.

(ii) One to two coordinator-trainers who will work with participating families during the planning and development stages and will provide any necessary and appropriate assistance throughout construction.

(iii) One secretary-bookkeeper who should be hired when the volume of work justifies the position.

(iv) One to three construction supervisors who will provide guidance and instructions to participating families during the construction of their homes. Each construction supervisor should work work groups of 6 to 10 self-help families. A construction supervisor must be available when families can work on their houses and may be hired initially on an hourly basis.

(v) Other staff positions to be paid for with grant funds may be added only if the State Director determines they are necessary for the success of the TA grant and justified from an economic standpoint.

(c) *Area to be served.* An application for TA funds must specify the area to be served under the proposed agreement. Generally, the area will not include more than the area of a single county. In any event, it will be restricted to the area served by one FmHA county office, unless specific authority for an exception is given by the national office before approval of the grant.

(d) *Authorizing resolution.* A resolution will be adopted by the applicant's governing body authorizing the appropriate officers to apply to FmHA for a specified amount of TA funds and to execute Exhibit A, "Self-Help Technical Assistance Grant Agreement," and Form FmHA .400-4, "Nondiscrimination Agreement." The applicant's board of directors and officers should fully understand the "Self-Help Technical Assistance Grant Agreement" and the "Nondiscrimination Agreement" to be aware of their responsibilities. A certified copy of the authorizing resolution will be included in the agreement docket before the agreement is approved.

(e) *Nondiscrimination.* The applicant will be bound by the nondis- crimination and equal employment opportunity convenants contained in the "Self-Help Technical Assistance Agreement" and will execute Form FmHA 400-4 which will become a part of the agreement docket. The applicant will also comply with the affirmative fair housing marketing requirements contained in FmHA Instruction 1901-E.

(f) *Compliance with local codes and regulations.* Applicants must be sure that the planning and development of self-help housing will conform with any applicable laws, ordinances, codes, and regulations governing such matters as construction, heating, plumbing, electrical installation, fire prevention, health, sanitation, and zoning, as well as minimum property standards as adopted by FmHA.

(g) *Reports.* Applicants receiving TA funds will be required to submit to the county office:

(1) "Request for Advance or Reimbursement" on Form SF-270 by the 15th of each month. The county office will transfer the necessary information from Form SF-270 to Form FmHA 440-57 and prepare Form 440-57 according to the FMI.

(2) An audit of the grantee's accounts at the end of the grant period or at least every two years of operation in accordance with the handbook, "Instruction to Independent Certified Public Accountants and Licensed Public Accountants Performing Audits of Farmers Home Administation Borrower and Grantees." A copy of the handbook may be obtained from any FmHA office.

(3) Form SF-269, "Financial Status Report," at the end of the grant period. The report may be on either a cash or accrual basis consistent with the financial accounting system adopted by the grantee and will be con- sistent throughout the grant period. The report will be submitted to the county supervisor within 90 days after the end of the grant period or the completion or termination of the program.

(4) An evaluation report of self-help technical assistance (TA) grants as provided in Exhibit E will be submitted on or before January 15, April 15, July 15, and October 15 of each year. If the report is due within 30 days after grant closing, it will not be required. The information provided on Exhibit E, however, may be required by the State Director more frequently and additional requirements may be imposed as needed if a grantee has a history of poor performance, is not financially stable, or its management system is such that it does not provide the minimum information required to be reported in Exhibit E. If additional reports and requirements are required, the State director will notify the county supervisor of the decision. The county supervisor will notify the TA grantee in writing as to:

(A) Why the additional standards are being imposed:

(B) What corrective action is needed.

The county supervisor will forward several copies of the notification to the State director. The State director will forward a copy of the notification to the national office and any other agencies known to be funding the grantee at the time the grantee is notified. The national office will notify the Office of Operations and Finance (USDA) and the Office of Management and Budget (OMB), Financial Management Branch, Budget Review Division, Washington, D.C. 20503.

(h) *Use and accountability for TA funds.* All TA funds will be placed in a depository institution of the grantee's choice. The use of minority depository institutions is encouraged. Checks must be signed by at least two authorized officials of the applicant who have been properly bonded in accordance with paragraph (i) of this section. No expenditures will be made for items or amounts not authorized under the agreement. When necessary to assure proper use, the State director, at any time during the grant period, may require TA funds to be deposited in a supervised bank account in accordance with Part 1803 of this Chapter (FmHA Instruction 402.1).

(i) *Bonding.* If the applicant does not have fidelity bond coverage, it will provide such bond coverage for its officers and employees entrusted with the receipt, custody, or disbursement of its funds, and the custody of any other negotiable or readily salable personal property. The amount of the bond will be at least equal to the maximum amount of such funds and property that the applicant will have in its possession or control at any time, including funds in bank accounts, except that State or local units of government will not be required to provide fidelity bonds over and above those normally required for their operations. If not prohibited by State law, the United States will be named co-obligee on the bond. Form FmHA 440-24, "Position Fidelity Schedule Bond," may be used if permitted by State law.

(j) *Records.* If the applicant is a private nonprofit organization, it must submit to FmHA, by the end of the first month after TA grant closing, certification that it has established an accounting system which, in the opinion of a certified public accountant or licensed independent public accountant, licensed on or before December 31, 1970, is adequate to meet the purposes of the agreement. The accounting certification shall state that the applicant has established an adequate accounting system with appropriate internal controls to safeguard assets, check the accuracy and reliability of its accounting data, promote operating efficiency, and encourage compliance with prescribed management policies and any additional fiscal responsibilities and accounting requirements established by FmHA. If this requirement cannot be met by the time specified, the applicant must show that such an accounting system is in the process of development, with a definite completion date. Establishment of such certified adequate system must, in any event, be completed before the third monthly advance is made. If a certified adequate accounting system is not provided for by the time the third monthly advance is to be made, the grant may be terminated in accordance with § 1933.419(b).

(k) *Retention of records.* The grantee's financial records supporting documents, statistical records, and all other records pertinent to the grant agreement shall be retained for a period of 3 years.

(l) *Site option (SO) loans.* A TA grantee may obtain a site option loan for the purchase of land options in accordance with Exhibit F of this subpart.

§ 1933.410 Processing preapplications and applications and competing grant dockets.

(a) *Form AD-621, "Preapplication for Federal Assistance."* Form AD-621 will be submitted by each applicant in an original and two copies to the county supervisor. It will be used to establish communication between the applicant and FmHA, determine the applicant's eligibility, determine how well the project can compete with similar applications from other organizations and eliminate any proposals which have little or no chance for Federal funding before applicants incur significant expenditures for preparing an application. The following information will be attached to and become a part of the preapplication, as Part IV, Program Narrative Statement:

(1) Complete information about the applicant's previous experience and capacity to carry out the objective of the agreement.

(2) If the applicant is already formed, a copy of, or an accurate reference to, the specific provisions of State law under which the applicant is organized; a certified copy of the applicant's articles of incorporation and bylaws or other evidence of corporate existence; certificate of incorporation for other than public bodies; evidence of good standing from the State when the corporation has been in existence 1 year or more; the names and addresses of the applicant's members, directors, and officers; and if another organization is a member of the applicant-organization, its name, address, and principal business. If the applicant is not already formed, copies of the proposed organizational documents as outlined in § 1933.404(a)(4)(iii).

(3) A current dated and signed financial statement showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt owed by the applicant. If the applicant is a new organization being sponsored by another organization, the same type of financial statement also should be provided by the applicant's sponsor.

(4) A narrative statement which includes information about the amount of the grant request, area to be served, the need for self-help housing in the area, and the number of self-help units that can be built in the agreement period.

(5) A list of other activities the applicant is engaged in and expects to continue and a statement as to any other funding and whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the agreement.

(b) *Preapplication review.* The county supervisor will review Form AD-621 and other information submitted with it. The preapplication and the county supervisor's comments, recommendations, and any additional information will be forwarded to the State director for advice about further processing. The State director will review the preapplication and related information to determine whether it meets the eligibility requirements.

(1) The State director will review the applicant's articles of incorporation and bylaws and, if they conform to approved model forms for the State as provided in § 1933.404(a)(4)(iii), the State director need not obtain a preliminary opinion regarding the legality of the organization of the applicant from OGC. In all other cases, the State director will, and, in any case, may, submit the preapplication with any comments or questions to OGC for a preliminary opinion as to whether the applicant is or will be a legal organization of the type required by these regulations and for advice on any other aspects of the preapplication.

(2) The State director, if unable to determine eligibility or qualifications with the advice of the OGC, may submit the preapplication to the National Office for review. The preapplication will contain any memoranda from OGC setting forth the results of its review. The State director will identify in the transmittal memorandum to the national office the specific problem and will recommend possible solutions. Any information about the applicant which would be helpful to the national office in reaching a decision should be included.

(c) *Form AD-622, "Notice of Preapplication Review Action."* The State director will authorize the county supervisor to prepare and execute Form AD-622 informing applicants about the results of the review.

(1) If, after review of the preapplication, the applicant is not eligible or, if the applicant is eligible and no funds are available, the applicant will be promptly notified on Form AD-622. The notification will inform the applicant that a review of the decision by the national office may be requested if the applicant believes the decision has not been made in a proper manner based on the information submitted. The applicant may request the review by writing to the Administrator of the Farmers Home Administration, U.S. Department of Agriculture, Washington, D.C. 20250.

(2) Upon receipt of a request for a review the Administrator will obtain a comprehensive report on the matter from the State office. He will consider this information together with any additional information that may be provided by the applicant; and

(i) If the Administrator determines that the applicant is eligible, he will inform the applicant by letter that its request will be approved or may be approved subject to certain conditions. The Administrator will advise the State director of the action to be taken.

(ii) If the Administrator determines that the applicant is not eligible, he will inform the applicant by letter of his decision giving the reasons. The Administrator will also send the State director a copy of the letter.

(iii) If no decision is reached within 45 days of the receipt of a request for review by the Administrator, the applicant will be informed that its request is being considered and given a specific date by which a decision will be made.

(3) If the State director determines that the applicant is eligible and could carry out the agreement, and if funds have not been allocated to a State to cover the request, the State director will contact the national office as to the availability of funds. If funds are available, the applicant will then be requested to submit an application and other necessary docket items.

(d) *Form AD-625, "Application for Federal Assistance (Short Form)."* The applicant will submit Form AD-625 in an original and two copies to the county supervisor. The applicant also should provide a detailed proposal of its goals including information about:

(1) Evidence of the need for self-help housing in the area, including the following:

(i) Housing conditions of low- and moderate-income families in the area.

(ii) Reasons why families cannot obtain adequate housing without self-help assistance.

(iii) Names and addresses of families who have been personally contacted by the applicant and are interested in participating in a self-help housing project. Community organizations including minority organizations may be used as a source of names of people interested in self-help housing.

(iv) Evidence that the first group of prospective participating self-help families will likely qualify for financial assistance from FmHA or other sources. In addition, such information as the income and size of other interested families who appear to be eligible should be submitted.

(v) Cost comparison of adequate but modest contractor built housing in the area with housing built by the self-help method. This cost comparison should include plans and specifications for the houses to be built, detailed cost estimates for building by the self-help method, and bids from at least two contractors building in the area.

(2) The services the applicant will provide that are not presently available to families that are eligible to participate in the proposed TA grant program.

(3) Proposed staff needed, including qualifications, experience, proposed hiring schedule, and availability of any prospective employees.

(4) Name, address, and official position of applicant's representative or

representatives authorized to act for the applicant and work with the county supervisor.

(5) Budget information including a detailed budget for the agreement period based upon the needs outlined in the proposal.

(6) Personnel procedures and practices that will be established. Exhibit B of this subpart contains guidelines that may be used. Exhibit C of this subpart contains sample forms that applicants can use in maintaining their personnel records. Any forms to be used will be submitted with the application.

(7) A proposed monthly activities schedule showing the proposed dates for starting and completing the recruitment, loan processing and construction phases for each group of participant families.

(8) Evidence of the availability of building sites for at least the first group of participant families. As proof of availability an option to purchase or other documentation that acceptable building sites can be purchased must be provided.

§ 1933.411 [Reserved]

§ 1933.412 Planning and performing development work.

The development work will be planned and completed in accordance with Subparts A and D of part 1804 (FmHA Instruction 424.1 and 424.5) of this chapter.

§ 1933.413 [Reserved]

§ 1933.414 Docket preparation.

(a) *Assembly.* When the application and all items required for the complete docket have been received, they will be thoroughly examined by the County Supervisor to insure that they have been properly and accurately prepared and include the required dates and signatures. The agreement docket items will be assembled in the following order and distributed as indicated:

Form No.	Name of form or document	Total number of copies	Signed by applicant	No. for agreement docket	Copy for applicant
AD-621	Preapplication for Federal assistance.	3	1	[1]1-O, 1C	[1]1-C
AD-622	Notice of preapplication review action.	2		[1]1-C	[1]1-O
AD-625	Application for Federal assistance (Short Form) (with attachments).	3	1	[1]1-O, 1C	[1]1-C
FmHA 440-1	Request for obligation of funds.	4	2	[1]3-O, 2C	[1]1-C
FmHA 400-4	Nondiscrimination agreement.	2	1	[1]1-O	[1]1-C
	Certified copy of authorizing resolution.	1	1	[1]1-O	
	Self-help technical assistance grant agreement (exhibit A).	2	1	[1]1-O	[1]1-C
	Any personnel forms to be used.	2		[1]1-O	[1]1-C

[1] O=Original; C=Copy.

(b) *Review.* (1) The county supervisor will review the docket, comment on the need for self-help housing in the area, the applicant's capacity to carry out the agreement, and evaluate and verify the applicant's financial statement. These comments and the docket will be submitted to the State director for review.

(2) The State director will review the docket and determine that either it is complete or it is incomplete and require any additional information necessary to complete the docket.

§ 1933.415 [Reserved]

§ 1933.416 Approval and closing.

(a) *Responsibilities of approval official.* The approval official will review the docket to determine compliance with established policies and all pertinent regulations and, specifically, determine that the:

(1) Applicant is eligible.

(2) Funds are requested for authorized purposes.

(3) Proposal is sound.

(4) Preapproval requirements have been met.

(b) *Approval of grant.* To approve the grant, the approval official will:

(1) Execute and distribute Form FmHA 440-1, in accordance with instructions contained in the forms manual insert (FMI).

(2) Prepare and distribute Form FmHA 071-1, "Project Information Card," in accordance with FmHA Instruction 2015-C.

(c) *Disapproval of grant.* If a grant is disapproved after the docket has been developed, the approval official will state the reason on the original Form FmHA 440-1, or in a memorandum to the county supervisor. The county supervisor will notify the applicant in writing of the disapproval and the reasons for disapproval. The notification will inform the applicant that a review of the decision by the national office may be requested if the applicant believes the decision has not been made in the proper manner. Such a review will be conducted as outlined in § 1933.410(c)(2). The docket will then be handled in accordance with FmHA Instruction 2033-A.

(d) *Actions subsequent to approval of a grant.*—(1) *Change in amount of grant.* If it becomes necessary for the amount of TA funds provided for in the agreement to be increased or decreased before closing, the county supervisor will request that all distributed docket forms be returned to the county office. The grant docket will be revised accordingly and reprocessed. If, however, funds were obligated by the Finance Office in a previous fiscal year and additional funds are needed, the distributed docket forms will not be reprocessed. A grant for the additional amount needed will be processed and the amount of the grant agreement will be the total of the two.

(2) *Cancellation of an approved grant.* An approved grant may be canceled before closing, if the applicant is determined to no longer be eligible, the proposal is no longer feasible, or the applicant requests cancellation. Cancellation will be accomplished as follows:

(i) The county supervisor will prepare Form FmHA 440-10, "Cancellation of Loan or Grant Check and/or Obligation," in an original and two copies, or three copies if the TA check has been received in the county office from the disbursing office. The form will be revised by changing the word "loan" to "grant" wherever the word appears. Form FmHA 440-10 will be sent to the State director with the reasons for the requesting cancellation.

(ii) If the State director approves the request for cancellation, he will forward the original of the form to the Finance Office. After making appropriate record changes, a copy of Form FmHA 440-10 will be returned to the county office. If the TA check is received in the county office, the county supervisor will return it to the U.S. Treasury, Regional Disbursing Office, Kansas City, Kans., with a copy of Form FmHA 440-10.

(iii) The county supervisor will notify the applicant and all other interested parties, of the cancellation and the right to appeal as provided in § 1933.419(b)(3).

(3) *Requesting initial TA check.* (i) The initial TA check may cover the applicant's needs for the first calendar month. If the initial check is for a partial month, it will cover the needs for the partial month and the next whole month. For example, if it is delivered on February 10, it will cover the appli-

cant's needs for the balance of February and the month of March.

(ii) The initial advance of TA grant funds may not be requested simultaneously with the request for obligation of TA grant funds on Form FmHA 440-1. The initial TA grant check must be requested on Form FmHA 440-57, "Acknowledgment of Obligated Funds/Check Request," in accordance with the FMI after Form FmHA 440-57 has been received from the Finance Office indicating that funds have been obligated.

(4) *Requesting additional TA checks.* Additional advances may be made each month provided:

(i) A satisfactory monthly report on Form SF-270, and the information required quarterly in Exhibit E of this subpart has been received.

(ii) The Exhibit E quarterly reports verify that the applicant has fully complied with the agreement. The reports will be reviewed carefully to ascertain that all TA funds are used only for authorized purposes as outlined in § 1933.405.

(iii) Additional TA checks will not be requested until all previous expenditures of TA funds have been determined to be for authorized purposes. Reimbursements for unauthorized expenditures may be accepted from the applicant or subsequent advances reduced by the amount of the unauthorized expenditures. Reimbursements will be sent to the Finance Office as returned grant funds.

(A) If the county supervisor questions the applicant's compliance with the terms of the agreement, the county supervisor will immediately request a written explanation from the grantee. If the explanation provided by the grantee is satisfactory to the county supervisor, no further action need be taken. If the explanation provided by the grantee is not satisfactory, the county supervisor will immediately request the advice of the State director.

(B) If the State director determines that the applicant has failed to comply with the terms of the agreement, the State director will notify the grantee in writing of the reasons for the determination and, with the advice of OGC, determine appropriate corrective action to be taken.

(5) *Receiving additional TA checks.* If the applicant's reports are satisfactory, the county supervisor and the applicant will determine the amount of funds necessary for the next month. An advance of TA grant funds will then be requested on Form FmHA 440-57 in accordance with the FMI. Form FmHA 440-57 requesting the check should be forwarded to the Finance Office in sufficient time to allow check delivery to be made on the first day of the following month. To show the timing of additional advances, if an applicant's initial advance covered part of February and all of March, the additional advance should cover the month of April. The additional advance check would be delivered on April 1. The next advance would be delivered on May 1. The applicant will normally receive operating funds for each month on the first day of the month unless otherwise agreed.

(e) *Grant closing.* A grant will be considered closed on the date the agreement is executed by the applicant and the Government and the initial advance check is delivered to the applicant. The agreement should be executed and the check delivered on the same date. County supervisors and assistant county supervisors are authorized to execute the "Self-Help Technical Assistance Grant Agreement" on behalf of the Government. The applicant will execute the agreement as authorized in its authorizing resolution.

(f) *Extending and revising grant agreements*—(1) *Extending period and revising grant agreement.* The State director may extend the period of an agreement for as long as 1 year on determining that the extension is justified and that the applicant is likely to complete the goals outlined in the initial proposal during that period. This will be done by the State director authorizing the county supervisor to execute on the behalf of the Government an "Amendment to Self-Help Technical Assistance Grant Agreement" in the form of Exhibit D. In paragraph 2, line 2, the word "none" will be inserted in the blank space to indicate that no additional funds are being made available. Any revisions will be in writing and attached to Exhibit D. The county supervisor and the applicant's authorized officials will execute the form at the same time.

(2) *Additional funding during the grant agreement period.* If an applicant needs additional funds to achieve the goals set out in the initial application and the increase is justified:

(i) The State director will require and review a copy of the new proposed budget and a complete justification for the request.

(ii) After determining that funds are available and the total grant is within his approval authority, the State director may approve or disapprove the request in accordance with this subpart. If a increase in grant funds is not approved, the grantee will be notified of the disapproval and his right to appeal as provided in § 1933.410(c)(1) of this subpart. If approved, such additional funding will be coded as a subsequent loan on Form FmHA 440-1. Any appeal will be handled in accordance with § 1933.410(c)(2). If funds have not been allocated to a State or are not available on a national basis to cover a request, or if the grant is not within the State director's approval authority, the State director will contact the national office as to the availability of funds and approval authority.

(iii) Checks will be ordered and handled in accordance with paragraphs (d) (3), (4), and (5) of this section.

(iv) The county supervisor or assistant county supervisor, and the applicant's authorized officials will execute on "Amendment to Self-Help Technical Assistance Grant Agreement" (see Exhibit D).

§ 1933.417 Subsequent grants.

A subsequent grant is a self-help TA grant made to an applicant that has previously received a TA grant and has achieved or nearly achieved the goals set up for the previous grant and is submitting a new proposal for TA funds. A new "Self-Help Technical Assistance Agreement", will be required for each subsequent grant which will be coded as an initial grant on Form FmHA 440-1.

(a) The State Director may approve subsequent grants in accordance with the authority of this Subpart provided the following conditions exist:

(1) The applicant has complied with the terms of the initial grant agreement and has made satisfactory progress toward achieving its goals.

(2) A continuing need clearly exists for self-help housing in the area to be served by the subsequent grant.

(3) The funding period of the subsequent grant will not begin until the end of the grantee's current funding period unless the proposal covers a different geographical area.

(4) The State Director has examined the new application and determined that the approval conditions can be met.

(5) Funds are available. If funds have not been allocated to a State, or are not available on a National basis, the State Director will contact the National Office as to the availability of funds.

(b) When the subsequent grant is approved, the State Director will prepare and distribute the forms in accordance with § 1933.416(b). When a subsequent grant is disapproved, the grantee will be notified of the disapproval and his right to appeal as provided in § 1933.410(c)(1) of this Subpart.

(c) The period of the subsequent grant may not be more than 2 years.

(d) Subsequent grant checks will be delivered in the same manner as for initial grants.

§ 1933.418 Management assistance.

The State Director will see that each TA grantee receives the management assistance necessary to achieve a successful program.

(a) *Training.* TA employees who will be locating and recruiting families will receive training in packaging RH loans for self-help housing when or shortly after they are hired so that they can work more effectively. The grantee's other employees also should receive training on FmHA policies, procedures, and requirements appropriate to their positions. The County Supervisor, other FmHA employees, or outside sources approved by FmHA should give this training.

(b) *Coordination of management assistance.* The County Supervisor should advise the TA Director of the necessity of working closely with and coordinating all activities with the County Office. Meetings should be scheduled between the director and the County Supervisor at least monthly. These meetings should coincide with the time Form SF-270 and the information requested in Exhibit E of this Subpart are submitted by the grantee in accordance with § 1933.409(g) (1) and (4). The County Supervisor will keep the grantee informed of any problems being encountered and will assist the grantee in solving these problems.

(c) *Evaluating grantees.* Each grantee will be required to prepare and submit a quarterly evaluation on or before January 15, April 15, July 15 and October 15 of each year (except as modified under § 1933.409(g)(4)) of its performance by the completion of a report in the form of Exhibit E, Attachment 2, of this Subpart. The evaluation will be submitted in duplicate to the County Supervisor who will review it and make sure that the information is correct and forward it to the State Director. The State Director should evaluate each grantee's performance quarterly by reviewing Exhibit E and any comments from the County Supervisor. A copy of every fourth Exhibit E is to be forwarded to the National Office, unless requested more frequently by the Administrator. The State Director may submit a problem or unusual case to the National Office at any time. A copy of the latest Exhibit E should accompany any request for assistance from the National Office. When analyzing the quarterly reports submitted, the State Director should consider if the TA cost is excessive and determine the problem causing the high costs. The net savings, in any case, should be equal to or greater than the $500 figure explained in § 1933.407(b). If the problems can be corrected, the grant should be continued and specific actions should be agreed to by the grantee to be taken within a specified period. If it is determined that the grantee cannot correct the problems, lower the TA cost to a reasonable level, increase net savings, or accomplish grant purposes, the grant should be terminated. The grantee should be promptly notified in writing of this determination and given the reasons for and the effective date of termination.

§ 1933.419 Grant closeout, suspension, and termination.

(a) *Grant purposes completed.* Promptly after the date of completion, grant closeout actions will be taken to allow the orderly discontinuance of grantee activity.

(1) The grantee will immediately refund to FmHA any balance of grant funds advanced that are not committed for the payment of authorized expenses.

(2) The grantee will send Form SF-269 to FmHA within 90 days after the date of completion of the grant. All other financial, performance, and other reports required as a condition of the grant also will be completed.

(3) The grantee will account for any property acquired with TA grant funds or otherwise received from FmHA.

(4) After the grant closeout, FmHA retains the right to recover any disallowed costs which are discovered as a result of the final audit.

(b) *Grant purposes not completed.*—(1) *Termination.* When the grantee has failed to comply with the terms of the agreement, the County Supervisor will promptly report the facts to the State Director. The State Director will consider termination of the grant. The State Director may also withhold further disbursement of grant funds and prohibit the grantee from incurring additional obligations of grant funds with written approval of the National Office. FmHA may allow all necessary and proper costs which grantee could not reasonably avoid.

(i) *Termination for cause.* The grant agreement may be terminated in whole, or in part, at any time before the date of completion, whenever FmHA determines that the grantee has failed to comply with the terms of the Agreement. The reasons for termination may include but are not limited to such problems as those listed in paragraph (e)(3)(i) of the "Terms of Agreement" section of the Grant Agreement (Exhibit A).

(ii) *Termination for convenience.* FmHA or the grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties will agree to the termination conditions including the effective date and, in the case of partial termination, the portion to be terminated.

(2) *Notification of termination.* The State Director will promptly notify the grantee in writing of the termination action including the specific reasons for the decision. The notification to the grantee will specify that:

(i) The funding will be terminated within 30 days unless the problems are satisfactorily resolved.

(ii) If the grantee believes the proposed termination is improper or believes the problems can be resolved, the grantee should immediately and, in any case, within 15 days of the date of this notification, contact the State Director in writing requesting a meeting for further consideration.

(3) *Appeal termination action.* When the grantee requests further consideration of the State Director's decision concerning termination action, the request will be handled as follows:

(i) The State Director will arrange for a meeting to be held within 15 days of the receipt of the grantee's request for a review. If the grantee is unable to meet with FmHA within the 15 day period, a meeting will be arranged at such other time and place as is mutually convenient for the grantee and FmHA. The meeting will be an informal proceeding at which the grantee will be given the opportunity to provide whatever additional information it believes should be considered in reaching a decision concerning the case. The grantee may have an attorney or any other person present at the meeting if desired.

(ii) Within 10 days of the meeting, the State Director will determine what action to take.

(A) If the State Director determines that the proposed termination is not necessary, he will inform the grantee by letter, and advise the County Supervisor of the action to be taken.

(B) If the State Director determines that the termination of the grant is appropriate, he will inform the grantee by letter giving the reasons for this decision. A copy of the letter will be sent to the County Supervisor. The letter must contain the following statement:

> If you wish to have the decision on the termination of your TA grant reviewed, you may write the Administrator of the Farmers Home Administration within 15 days of the date hereof explaining why you believe the grant should not be terminated. His address is: Administrator, Farmers Home Administration, United States Department of Agriculture, Washington, D.C. 20250.

Your correspondence must be accompanied by any supporting material and documentation that you desire to have the National Office consider.

(C) A copy of the request and supporting material must be sent to the State Director at the same time such party forwards the original to the National Office.

(4) *National Office review.* (i) Immediately upon receipt of any request from a grantee that the decision of the State Director be reconsidered, the National Office will make a preliminary decision concerning the continued funding of the grantee during the appeal period. Written notification of the decision will be given to the State Director and grantee.

(ii) The National Office will then obtain a comprehensive report on the matter from the State Office. This information will be considered together with any additional information that may be provided by the grantee. The request will be handled as provided in § 1933.410(c)(2).

§ 1933.420-1933.450 [Reserved]

EXHIBIT A—SELF-HELP TECHNICAL ASSISTANCE GRANT AGREEMENT

This grant agreement dated ————, 19—, is between ———————— a nonprofit corporation, herein called "Grantee," organized and operating under ———————— (authorizing State statute) and the United States of America acting through the Farmers Home Administration, Department of Agriculture, herein called "FmHA."

In consideration of financial assistance in the amount of $———— (herein called "Grant Funds") to be made available by FmHA to Grantee under section 523b(1)(A) of the Housing Act of 1949 to be used in (specify area to be served) ———————— for the purpose of providing a program of technical and supervisory assistance which will aid low-income families in carrying out mutual self-help housing efforts. Grantee will provide such a program in accordance with the terms of this Agreement and FmHA regulations.

Definitions:

(1) "Date of Completion" means the date when all work under a grant is completed or the date in the TA Grant Agreement, or any supplement or amendment thereto, on which Federal assistance ends.

(2) "Disallowed costs" are those charges to a grant which the FmHA determines cannot be authorized.

(3) "Grant Closeout" is the process by which the grant operation is concluded at the expiration of the grant period or following a decision to terminate the grant.

(4) "Termination" of a grant means the cancellation of Federal assistance, in whole or in part, under a grant at any time prior to the date of completion.

Terms of agreement:

(a) This grant Agreement shall terminate — years from this date unless extended or sooner terminated under paragraphs (e) and (f) below.

(b) Grantee shall carry out the self-help housing activity described in the application docket which is attached to and made a part of this Agreement. Grantee will be bound by the conditions set forth in the docket and the further conditions set forth in this Agreement. If any of the conditions in the docket are inconsistent with those in the Agreement, the latter will govern. A waiver of any condition must be in writing and must be signed by an authorized representative of FmHA.

(c) Grantee shall use grant funds only for the purposes and activities specified in FmHA regulations and in the application docket approved by FmHA including the approved budget. Any uses not provided for in the approved budget must be approved in writing by FmHA in advance.

(d) If the grantee is a private nonprofit corporation, expenses charged for travel or per diem will not exceed the rates paid FmHA employees for similar expenses. If the grantee is a public body, the rates will be those that are allowable under the customary practice in the government of which the grantee is a part; if none are customary, the FmHA rates will be the maximum allowed.

(e) Grant closeout and termination procedures will be as follows:

(1) Promptly after the date of completion or a decision to terminate a grant, grant closeout actions are to be taken to allow the orderly discontinuation of grantee activity.

(i) The grantee shall immediately refund to FmHA any uncommitted balance of grant funds.

(ii) The grantee will furnish to FmHA within 90 days after the date of completion of the grant a "Financial Status Report," Form SF-269. All financial, performance, and other reports required as a condition of the grant will also be completed.

(iii) The grantee shall account for any property acquired with technical assistance (TA) grant funds, or otherwise received from FmHA.

(iv) After the grant closeout, FmHA retains the right to recover any disallowed costs which may be discovered as a result of the audit.

(2) When there is reasonable evidence that the grantee has failed to comply with the terms of this Agreement, the State Director can, on reasonable notice, terminate the grant and withhold further payments pursuant to paragraph (3) below or prohibit the grantee from incurring additional obligations of grant funds. FmHA may allow all necessary and proper costs which the grantee could not reasonably avoid.

(3) Grant termination will be based on the following:

(i) *Termination for cause.* This grant may be terminated in whole, or in part, at any time before the date of completion, whenever FmHA determines that the grantee has failed to comply with the terms of the agreement. The reasons for termination may include, but are not limited to, such problems as:

(A) Actual TA costs exceeding the amount stipulated in the proposal.

(B) The number of homes being built is less than proposed construction or is not on schedule.

(C) The cost of housing not being appropriate for the self-help program.

(D) Failure of grantee to use grant funds only for authorized purposes.

(E) Failure of grantee to submit adequate and timely reports of its operation.

(F) Failure of grantee to require families to work together in groups by the mutual self-help method.

(G) Serious or repetitive violation of any of the provisions of any laws administered by FmHA or any regulation issued thereunder.

(H) Violation of any nondiscrimination or equal opportunity requirement administered by FmHA in connection with any FmHA programs.

(I) Failure to establish an accounting system acceptable to FmHA.

(ii) *Termination for convenience.* FmHA or the grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date and, in case of partial termination, the portion to be terminated.

(4) Procedure for termination of grant for cause.

(i) FmHA shall promptly notify the grantee in writing of the determination and the reasons for and the effective date of the whole or partial termination. The grantee may request that the State Director review the determination.

(ii) If the State Director for reasons described in paragraph (e)(3)(i) determines that the grant should not be continued in full, the grantee may request the Administrator of FmHA to review the State Director's decision. Such request should be sent to: Administrator, Farmers Home Administration, United States Department of Agriculture, Washington, D.C. 20250.

(A) The request for review must be in writing and must be made within 15 days after the grantee receives notice of the action to which objection is being made, and must be accompanied by supporting material and documentation. A copy of the request and supporting material must be sent by the requesting party to the State Director at the same time such party forwards the original to the Administrator.

(B) The Administrator will act on the request as expeditiously as possible under all the circumstances, and will notify the requesting party and the State Director in writing of his decision and the reason therefore.

(f) Extension and/or revision of this grant agreement may be approved by FmHA provided in its opinion, the extension and/or revision is justified and there is a likelihood that the grantee can accomplish the goals set out and approved in the application docket during the period of the extension and/or revision.

(g) Grant funds may not be used to pay obligations incurred before the date of this Agreement except as authorized in applicable FmHA regulations. The grantee will not obligate grant funds after the grant termination or completion date.

(h) As requested and in the manner specified by FmHA, the grantee will make financial reports monthly and program progress reports quarterly (on 1/15, 4/15, 7/15 and 10/15 of each year), a financial status report at the end of the grant period, and permit on-site inspections of program progress by FmHA representatives. FmHA may require progress reports more frequently if it deems necessary. Grantee will maintain records and accounts, including property, personnel and financial records, to assure a proper accounting of all grant funds. These records will be made available to FmHA for audit purposes and will be retained by grantee for three years after the termination or completion of this grant.

(i) Title to personal property acquired with grant funds shall vest in the grantee, subject to the following: the grantee shall not sell, assign, lease, encumber, or otherwise dispose of such property or any interest therein without the written consent of FmHA during the grant period. At FmHA's option if the grant is completed, terminated, or canceled for any reason, the grantee may keep such personal property provided the State Director determines it is still needed to enable the grantee to continue a self-help housing program. The grantee may transfer all such personal property to another grantee approved by FmHA, convey the property back to the Government, or dispose of it in any reasonable manner approved by the State Director.

(j) Results of the program assisted by grant funds may be published by the grantee without prior review by FmHA, provided that such publications acknowledge the support provided by funds pursuant to the provisions of Title V of the Housing Act of 1949 and that five copies of each such publication are furnished to the local representative of FmHA.

(k) Grantee certifies that no person or organization has been employed or retained to solicit or secure this grant for a commission, percentage, brokerage, or contingent fee.

(l) No person in the United States shall, on the grounds of race, creed, color, sex, marital status, national origin, or mental or physical handicap, be excluded from participating in, be denied the proceeds of, or be subject to discrimination in connection with the use of grant funds. Grantee will comply with pertinent nondiscrimination regulations of FmHA.

(m) In all hiring or employment made possible by or resulting from this grant, grantee: (1) will not discriminate against any employee or applicant for employment because of race, creed, color, sex, marital status, national origin, age, or mental or physical handicap, and (2) will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, sex, marital status, national origin, or mental or physical handicap. This requirement shall apply to, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In the event grantee signs a contract which would be covered by any Executive Order, law, or regulation prohibiting discrimination, grantee shall include in the contract the "Equal Employment Clause" as specified by FmHa.

(n) Grantee shall not, without the prior written approval of FmHA, enter into any contract obligating the use of TA grant funds.

(o) It is understood and agreed by grantee that any assistance granted under this Agreement will be administered subject to the limitations of Title V of the Housing Act of 1949 as amended, 42 USC 1472 et. seq., and related regulations, and that rights granted to FmHA herein or elsewhere may be exercised by it in its sole discretion to carry out the purposes of the assistance, and protect FmHA's financial interest.

Agreed to this ——— day of ——— 19—.

Name of grantee

By ———————————

Signature

Title ———————————

United States of America

By ———————————

Signature

Title ———————————

Farmers Home Administration

EXHIBIT B.—PERSONNEL GUIDELINES

I *Personnel procedures:* The personnel procedures and practices outlined below constitute the basic guidelines which the grantee is encouraged to follow if it does not already have acceptable personnel procedures and practices in the selection and employment of staff members.

(A) *Employment policy.*—(1) *Standards for selection.* In selecting staff, each applicant will be reviewed and considered on the basis of sound character, individual skills, and qualifications for the job. Education qualifications, unless required by State or local law or regulations, will not be made a condition of employment or advancement if a candidate is otherwise qualified to perform the duties of the position.

(2) *Equal employment.* No person shall be excluded from employment or participation in any aspect of the program on the grounds of sex, religion, race, creed, color, marital status, national origin, or mental or physical handicap.

(3) *Persons ineligible for employment.* (a) Any person serving as a voting member of the Board of Directors, or other major policy-advisory body, may not be employed by the organization.

(b) No person may hold a position over which any member of his or her immediate family or household has authority or responsibility either as a member of the governing body or as an employee of the organization.

(B) *Hiring procedure.* (1) The Board of Directors will hire the Technical Assistance (TA) Director with the written approval of the FmHA State Director. The salary for the TA Director will be recommended by the Board of Directors within the FmHA approved salary range and approved by the FmHA State Director.

(2) All other staff will be hired by the TA Director.

(3) The appointment period for each employee will be consistent with the time each is needed.

(C) *Employment practices.*—(1) *Salary schedules.* (a) The salary range for all positions will be established by the Board of Directors within the following guidelines:

Position	Basic starting salary	Maximum salary
Director	$13,482	$16,255
Coordinator-trainer	8,925	11,046
Construction supervisor	11,046	13,482
Secretary-bookkeeper	7,102	8,925

(b) Beginning salaries for each position, other than Director, will be determined by the TA Director with approval of FmHA within the ranges given above and within budget limitations. If necessary because of high wage levels in the area, higher salaries may be authorized by the State Director to obtain qualified persons to fill these positions.

(c) Each staff member will be evaluated by the TA Director 12 months after employment and annually thereafter. This evaluation will be in writing. Step increases may be given annually to all employees with satisfactory evaluations. An employee whose position is changed will receive future annual increases 12 months after this change and annually thereafter subject to satisfactory evaluations.

(d) Step increases are each 5 percent of the basic starting salary for the first 5 years of employment by the grantee. Any increase after that will be on the basis of a schedule developed by the organization with the approval of FmHA.

(2) *Vacations.* (a) Each full-time employee will receive 12 working days (96 hours) of vacation per year with pay.

(b) After a minimum of 3 month's employment, earned vacation may be taken. Vacation will be taken with the prior approval of the TA Director.

(c) Vacation time is accrued at the rate of 1 day (8 hours) per month. Employees who start on or before the 15th of the month begin to accrue vacation time the same month; those who start after the 15th of the month begin to accrue vacation time the following month.

(d) Unused vacation time not to exceed 4 days may be carried over to the following year. Longer periods may be carried over, not to exceed 16 days, if permission is obtained from the TA Director.

(e) Upon resignation or discharge, all accumulated vacation time may be taken before separation.

(3) *Sick leave.* (a) Each employee will receive 12 days (96 hours) sick leave per year with pay.

(b) Sick leave will be accumulated at the rate of 1 day (8 hours) per month. Employees who start on or before the 15th of the month begin to accrue sick leave the same month; those who start after the 15th begin to accrue sick leave the following month.

(c) Unused sick leave is to be carried over to the following year. The maximum sick leave that may be accrued by an employee is 30 working days.

(d) Sick leave may be taken for personal illness, injury, and medical appointments. Usually no more than 5 consecutive days of sick leave may be taken unless a medical certificate is presented to the leave approval official.

(e) Upon resignation or discharge, all accumulated sick leave will be considered lost.

(4) *Holidays.* The following will be recognized as official paid holidays: New Year's Day, Washington's Birthday, Memorial Day, the Fourth of July, Labor Day, Columbus Day, Veteran's Day, Thanksgiving, and Christmas.

(5) *Work week.* For accounting purposes, a 40 hour work week is to be considered the minimum requirement for each full-time staff member. However, hours worked must be flexible to fit job need. Some night and weekend work is probable. Compensatory time can be taken as work permits, with permission of the TA Director.

(6) *Employee benefits.* The grantee will participate in and provide for Workmen's Compensation, Federal Insurance Contributions Act and Unemployment Compensation Insurance, if applicable, and up to 50 percent of the health benefits cost.

(7) *Discharge.* An employee is subject to discharge for good cause. The TA Director is responsible for discharging employees. The Board of Directors is responsible for discharging the Director, and will review his capability of continuing the management of the program upon the request of the FmHA State Director.

(D) *Personnel records.* Exhibit C contains sample forms that may be used by applicants in maintaining personnel records.

II *Official travel, mileage and per diem policies:* Prior written approval from the FmHA State Director must be obtained for reimbursement for travel outside of the State.

(A) *Reimbursement mileage.* (1) Mileage will be paid for travel from the office to the job (construction site, home interview location, group meetings, and so forth) and for any travel needed to expedite the job.

(2) Travel from the employee's residence to the office will not be paid. However, if a staff member lives closer to the job than to the office, the mileage incurred traveling to and from the job may be counted. Under certain circumstances, such as staff meetings, travel will be paid to the office. The validity of these claims will be determined by the TA Director.

(3) The TA Director, with prior written

approval of the FmHA State Director, must authorize all trips outside the area covered by the grant. When such travel has been authorized, mileage may be paid.

(B) *Mileage summary.* Employees should submit their travel claims to the office on a weekly basis no later than 10:00 a.m. each Friday.

(C) *Mileage rate.* The mileage rate for travel will be the rate paid for FmHA employees for similar travel except that, for a grantee that is a public body, the travel rates will be those allowable under the customary practice in the Government of which the grantee is a part.

(D) *Per diem.* With written approval of the TA Director, staff members whose official duties require overnight out-of-town travel are allowed no more than the rate paid FmHA employees for meals and lodging. Grant funds will not be used to pay for the cost of meals for employees or officials of the grantee except when in travel status. For a grantee that is a public body the per diem will be that allowable under the customary practice in the Government of which the grantee is a part.

(E) *Reimbursable expenses of board of directors.* (1) Members of the Board of Directors with incomes below the Federal poverty guidelines as determined by the Community Services Administration who have difficulty meeting expenses arising from their official duties and responsibilities may be reimbursed for transportation to and from meetings, or other official appointments and for lodging and meals when an official meeting or appointment requires overnight lodging.

(2) With the prior approval of the State Director, the Board may establish rates of reimbursement for eligible Board members not to exceed the amounts authorized in paragraphs II A, C and D of this Exhibit.

III *Code of Conduct:* The grantee will maintain a code or standards of conduct which will govern the performance of its officers, employees, or agents. Grantee's officers, employees, or agents will neither solicit nor accept gratuities, favors, or anything of monetary value from suppliers, contractors, or others doing business with the grantee. To the extent permissible by State or local law, rules, or regulations such standards will provide for penalties, sanctions, or other disciplinary actions to be taken for violations of such standards.

EXHIBIT C—[SAMPLE] PERSONNEL FORMS

Sample Forms. The following are suggested sample forms that organizations may use for maintaining personnel records.

Time and Attendance Report;
Employee Leave Record;
Travel Authorization;
Mileage Summary;
Out of Town Travel Expense Statement;
Telephone Calls Log for the Month of ——.

TIME AND ATTENDANCE REPORT

NAME: ____________________ WEEK ENDING: ____________________

COMPONENT	TOTAL HRS.	FRI.	SAT.	SUN.	MON.	TUES.	WED.	THURS.
SELF-HELP HOUSING								

Using the code letters shown below, insert daily hours and pertinent code letter for each dat. (Example: 8-W)

SUMMARY

Hours Worked ________
Holiday ________
Sick Leave Taken ________
Vacation Taken ________
Leave w/out Pay ________
Comp. Time Taken ________

TOTAL HOURS

Compensatory Time Earned: ________

W-WORKED
H-HOLIDAY
S-SICK LEAVE
V-VACATION
E-AUTHORIZED EMERGENCY LEAVE
LOP-LEAVE WITHOUT PAY
C-COMPENSATORY TIME TAKEN

I certify that the report information is correct:

Employee Date Supervisor Date

EMPLOYEE LEAVE RECORD

Name: ____________________ Date Employed: ____________________

Title: ____________________ Annual Salary: ____________________

Year 19

	SICK LEAVE				VACATION				COMPENSATORY TIME			
	Accured Per Mo.	Net - Accrual	Used	Net	Accrued Per Mo.	Net - Accrual	Used	Accured Per Mo.	Net - Accrual	Used	Net	
Previous Balance												
January												
February												
March												
April												
May												
June												
July												
August												
September												
October												
November												
December												
Barred Forward												

TRAVEL AUTHORIZATION

DATES: ______

PLACE: ______

PURPOSE: ______

I request authorization for the above proposed travel.

______ Signed

APPROVED: ______ DATE: ______

MILEAGE SUMMARY

FOR THE PERIOD ______ THRU ______

SUBMITTED BY: ______ DATE: ______

DATE	BEGIN MILEAGE	END MILEAGE	TOTAL MILES	PURPOSE OF TRIP

TOTAL MILES (motorcycle) ______ @ ____ PER MILE= $ ______

TOTAL MILES (privately owned or rented vehicle) ______ @ ____ PER MILE= $ ______

AMOUNT PAID FOR MILEAGE $ ______

PAID BY CHECK NO. ______ DATED: ______ (SIGNATURE)

AUTHORIZED BY: ______

OUT-OF-TOWN TRAVEL EXPENSE STATEMENT

NAME: ______ TITLE: ______

DEPARTURE ______ POINTS OF TRAVEL ______ ARRIVAL ______

DATE ____ HOUR ____ FROM ______ TO ______ DATE ____ HOUR ____

TRANSPORTATION BY COMMON CARRIER, IF NOT PREPAID BY OFFICE: $ ______

TRANSPORTATION BY EMPLOYEE'S MOTORCYCLE: ______ MILES @ ____ PER MILE $ ______

BEGIN MILEAGE ______ END MILEAGE ______

TRANSPORTATION BY ANY OTHER PRIVATELY OWNED VEHICLE ______ MILES @ ____ PER MILE $ ______

PER DIEM ALLOWANCE: ______ DAYS @ ______ PER DAY: $ ______
(Mileage rate for travel, meals and lodging will not exceed the rate paid for mHA employees for similar expenses.)

TOTAL EXPENSES CLAIMED: $ ______

TRAVEL ADVANCE GIVEN: YES ____ NO ____ AMOUNT: $ ______

AMOUNT DUE (EMPLOYEE): $ ______

AMOUNT DUE (AGENCY): $ ______

I certify that this statement, the amounts claimed and attachments are true, correct and complete to the best of my knowledge and belief, and that payment for the amount claimed has not been received.

______ REQUESTED BY ______ DATE ______ APPROVED BY ______ DATE

TELEPHONE CALLS LOG FOR THE MONTH OF ______

Date	No. called	City/State	Name of Party

Signed ______

Title ______

EXHIBIT D—AMENDMENT TO SELF-HELP TECHNICAL ASSISTANCE GRANT AGREEMENT

This Agreement dated ————, 19— between ———————— a nonprofit corporation, herein called "Grantee," organized and operating under ———— (authorizing State Statute) and the United States of America acting through the Farmers Home Administration, Department of Agriculture, herein called "FmHA," amends the "Self-Help Technical Assistance Grant Agreement" between the parties hereto dated ————, 19—, herein called "said Agreement."

Said Agreement is amended by providing additional financial assistance in the amount of ———— to be made available by FmHA to grantee pursuant to section 523 of Title V of the Housing Act of 1949 for the purpose of assisting in providing a program of technical and supervisory assistance which will aid low-income families in carrying out mutual self-help housing efforts; or

Said Agreement is amended by changing the completion date specified in covenant 1 from ———— to ———— and by making the following attachments hereto: (List and identify proposal and any other documents pertinent to the grant.)

Agreed to this —— day of ———— 19—.

Name of Grantee ————————

By ————————
Signature

Title ————————
United States of America

By ————————
Signature

Title ————————
Farmers Home Administration

Date ————————

EXHIBIT E—INSTRUCTIONS FOR COMPLETING THE EVALUATION REPORT OF SELF-HELP TECHNICAL ASSISTANCE GRANTS

I *General.* This Exhibit will be used by FmHA and the grantee in determining grantee performance.

II *Determining TA cost per unit.* A. To determine the TA cost per unit at any time during its progress, it is necessary to have a formula for arriving at that cost. Devising such a formula is complicated by the fact that a self-help program will have several groups in various stages of progress at any given time. The following formula has been devised to provide a tool to determine more accurately the technical assistance cost per unit.

FORMULA

Phase breakdown	Value of each phase	Cumulative
	(Percent)	(Percent)
Preconstruction:		
Phase I	10	10
Phase II	10	20
Phase III	10	30
Construction: Phase IV	70	31-100

B. Using the following *Description of Phase Breakdown* as a guide, the project staff selects the cumulative total percentage pertinent to the stage the self-help group is in and multiplies that percentage by the number of families (units) in the group. The result is the equivalent number of units completed. No credit may be given for Phase I, if the application is rejected. When this computation has been completed for each group that falls within Phases I-IV, the total number of equivalent units is divided into the total grant funds expended to that date. The result is the TA cost per unit at that stage of the program's progress.

C. The per unit TA cost will be computed on a cumulative quarterly basis. Each grantee will compute the per unit TA costs by following the guidelines established in Attachment I of this Exhibit.

D. The description of phase breakdown consists of pre-construction and construction phases described as follows:

Pre-construction: Phase I: Hold community meetings; conduct interviews; obtain house plans; prepare cost estimates; begin search for land; submit family applications to the Farmers Home Administration (FmHA); FmHA runs credit check; applications are either "viewed with favor" or "rejected."

Phase II: Organize association of FmHA approved families; association conducts weekly meetings at which required FmHA forms are discussed and completed; house plans and land sites are selected; outside speakers explain and discuss taxes, insurance, how to keep a checking account, how interest is computed, home maintenance and decorating, landscaping, etc.; completed loan dockets for each family are submitted to FmHA.

Phase III: Family loan dockets are reviewed and recommendations made as to the loan amounts requested; the FmHA County Supervisor reviews family loan dockets; preliminary title search of each proposed building site is begun; requests loan check from Finance Office; when check arrives, final title search is made, loan closed, checking accounts opened, and construction begun.

Construction: Phase IV: The percentage of construction completed is determined for each family in a self-help group. These percentages are then added together to give the number of equivalent units (EU) constructed for each group as shown in paragraph E, Step 2 of this Exhibit. When more than one group is under construction the number of EU's for each group will be added together to provide the total number of EU's constructed for the entire project.

The following table will be used in determining the percentage of construction completed for each family.

BREAKDOWN OF CONSTRUCTION DEVELOPMENT FOR DETERMINING PERCENTAGE CONSTRUCTION COMPLETED

	With basement	Without basement
	(Percent)	(Percent)
1. Excavation	1.4	(1)
2. Footing and foundations, walk, columns	4.9	2.8
3. Floor joist	1.4	1.4
4. Subfloor	.7	1.4
5. Wall framing (thru top plates)	4.9	4.9
6. Wall sheathing	2.8	2.8
7. Roof framing, ceiling joist, sheathing, and felt	5.6	6.3
8. Roofing	2.1	2.1
9. Felt, siding, exterior trim, porches, etc	4.2	4.2
10. Siding, primed	.7	.7
11. Windows and exterior doors	5.6	6.3
12. Plumbing, roughed in	2.8	3.5
13. Sewage disposal	1.4	1.4
14. Heating, roughed in	.7	.7
15. Electric, roughed in	1.4	1.4
16. Insulation, walls and ceiling	.7	.7
17. Dry wall or plaster	4.2	4.9
18. Basement and porch floors, steps	1.4	.7
19. Heating, finished	3.5	3.5
20. Flooring, including kitchen and bath	2.8	2.8
21. Interior carpentry, trim and doors	3.5	3.5
22. Cabinets and counter tops	2.8	2.8
23. Interior decoration	2.8	2.8
24. Exterior paint	1.4	1.4
25. Plumbing, complete fixtures, sink and water heater	2.8	3.5
26. Electric, complete fixtures	.7	.7
27. Finish hardware	.7	.7
28. Gutters and downspouts	.7	.7
29. Sanding and finishing floors	.7	.7
30. Grading, walks and landscaping	.7	.7
	70	70

[1] Include with footings and foundations.

E. The computation of equivalent units and TA costs will be computed as follows:

Attachment 1 of this Exhibit will be used for recording the following information and construction in the example which starts January 1 with estimates for that month based on the proposal.

Step 1

By reviewing the FmHA loan application records, one can determine the percentage of completion for each family in the preconstruction phase of the program. These are Phases I thru III. By totaling these percentages, one arrives at the number of "Equivalent Units" completed at that date during preconstruction. For example, if there are eight families in Group #2 and all have completed the 20% phase of preconstruction, then there would be 1.6 E.U.'s (equivalent units) in the pre-construction phase of the program as of March 31. Each phase must be completed before it is considered in the calculation.

Step 2

Refer to the records of construction progress for families in the construction phase IV. As of March 31 (assuming construction is on schedule) the director totals the percentage of completion figures for each family as in the following example:

	Equivalent units (percent)
Sandler	.45
Benjamin	.40
Vickerie	.40
Cochran	.38
Brown	.34
Mettger	.33
Thurber	.31
Richardson	.31
	2.92

Total production in the construction phase is therefore 2.92 E.U.'s as of March 31.

Step 3

Add the pre-construction and construction subtotals together:

	Equivalent units (*percent*)
Preconstruction	1.60
Construction	2.92
Total	4.52

This provides the total E.U.'s of production during the first two months of operation. Steps 1, 2, and 3 will be used to complete items 16, 17, and 18 of Attachment 1. (Evaluation Report of Self-Help Technical Assistance).

III *Preparation.* Attachment I (Evaluation Report of Self-Help Technical Assistance Grants) will be completed in an original and three copies. The Attachment will be signed by the TA Grantee. The original and two copies of the attachment will be submitted on a quarterly basis to FmHA on or before January 15, April 15, July 15 and October 15 of each year for the quarters ending March 31, June 30, September 30 and December 31 of each year. The County Supervisor will keep the original and forward two copies to the State Office. The State Office will forward the extra copy to the National Office. Information concerning TA grants closed within 30 days of the end of a quarter will be reported on the next quarterly report.

Evaluation Report of Self-Help Technical Assistance (TA) Grants

Evaluation for quarter Ending (1) (1), 19 (1)

1. a. Name of Grantee (2)

b. Address (3)

2. a. Date of Agreement (4) Initial / (5) Subsequent, Subsequent, Subsequent

d. Amount Advanced to date $ (9)

b. Amount of Grant $ (6) Initial / $ (7) Subsequent, Subsequent, Subsequent

e. Amount on hand $ (10)

c. Amount budgeted next month $ (8)

f. Amount of Grant used $ (11)

3. a. Number of houses planned (12)

b. Number of houses completed and occupied (13)

c. Number of Construction supervisors (14)

d. Number of TA employees (15)

4. a. EU Increase During Monthly Operations (16) First month / (17) Second month / (18) Third month

b. Cumulative Total number of Equivalent Units (19) First month / (20) Second month / (21) Third month

c. Monthly Grant Funds Spent (22) First Month / (23) Second Month / (24) Third Month / Quarterly total (25)

d. TA Cost Per Equivalent Unit (26) First Month / (27) Second Month / (28) Third Month / Quarterly total (29)

f. Cumulative TA Cost Per Equivalent Unit (30)

5. Average time needed to complete construction of a house. (31)

6. Current cost of similar houses including lot costs if built by contractor method. (Attach detailed cost for each model unless previously submitted) (32)

7. Average of self help borrower's cost per house including lot cost (loan plus borrower's financial contribution) (Attach detailed cost for each model unless previously submitted) (33)

8. Savings to the Self-Help borrower (6 - 7) (34)

9. Net savings after TA cost (8 - 4f) (35)

10. Average current cost of typical lots in item 6 improved or unimproved. (Circle one) (36)

11. Average self-help family's cost of lots in item 7 improved or unimproved. (Circle one). (37)

12. Is mutual self-help concept of family contribution of labor working on each other's homes being followed? (38) If not, attach explanation. Average number of hours contributed by each family (39)

13. Does Grantee have control of group in terms of equitable labor contributions, purchase of materials, and moving into house? (40) If not, explain.

14. Attach information concerning number of families contacted, number who have indicated a willingness to be a participating family, number of mutual self-help groups organized, progress on any construction started, and any problems relating to the operation of this grant.

I certify that the statements made above are true to the best of my knowledge and belief.

(41) DATE — (42) GRANTEE/REPRESENTATIVE

(43) TITLE

COUNTY OFFICE REVIEW

I have reviewed the above information which I have found to be substantially correct.

Comments: (44)

(45) DATE — (46) COUNTY SUPERVISOR

STATE OFFICE REVIEW

Comments: (47)

(48) Date — (49) STATE OFFICE REPRESENTATIVE

Instruction for Preparation of the Evaluation Report of Self-Help Technical Assistance Grants

Attachment I will be used by all TA grantees obtaining self-help technical assistance grants. This attachment provides the grantee and FmHA a uniform method of reporting the performance progress of self-help projects. The TA Grantee will prepare an original and 3 copies of the attachment. The TA Grantee will sign the original and 2 copies and forward it to the local FmHA County Office. The TA Grantee will keep the unsigned copy for its records.

The evaluation report will be completed in accordance with the following:

1. Enter the date the quarter ends either March 31, June 30, September 30, or December 31 and the year.
2. Enter the full name of the TA grantee organization.
3. Enter the complete mailing address of the TA grantee organization.
4. Enter the date of the initial self-help technical assistance grant agreement.
5. Enter the date(s) of any subsequent self-help technical assistance grant agreement(s).
6. Enter the amount of the initial grant.
7. Enter the amount of each subsequent grant.
8. Enter the amount of the TA grant budgeted for the first month following the date entered in item 1.
9. Enter the cumulative amount of the TA grant advanced to the end of the quarter.
10. Enter the amount of TA grant funds advanced that are on hand at the end of the quarter.
11. Subtract item (2e) from (2d) to give the cumulative amount of grant used to the end of the quarter.
12. Enter the number of houses planned in the TA Grantee proposal(s).
13. Enter the number of houses completed and occupied at the end of the quarter.
14. Enter the total number of construction supervisor(s) paid with TA grant funds.
15. Enter the number of employees paid with the TA grant funds including those listed in item 14.
16. Insert the number of EU's completed the first month of the quarter using steps 1, 2, and 3 of this Exhibit.
17. Insert the number of EU's completed the second month of the quarter by using steps 1, 2, and 3 of this Exhibit.
18. Insert the number of EU's completed the third month of the quarter by using steps 1, 2, and 3 of this Exhibit.
19. Add item (16) to item (21) from the previous quarterly report. If the grant was closed within 30 days of the end of the previous quarter the total EU's fo those 30 days would be included in the first month of the present report.
20. Add item (17) to item (19) for the cumulative total number of EU's the second month of the reporting quarter.
21. Add item (18) to item (20) to obtain the cumulative total number of EU's for the third month of the quarter. This total is the cumulative total number of EU's for the quarter and the project.
22. Enter the grant funds spent the first month of the quarter. If the grant was closed within 30 days of the previous quarter any grant funds spent should be included in this figure.
23. Enter the grant funds spent the second month of the quarter.
24. Enter the grant funds spent the third month of the quarter.
25. Add items 22, 23 and 24 together to give the total grant funds spent during the quarter.
26. Divide item (22) by item (16) and enter the quotient which will provide the TA cost per EU for the first month of the quarter.
27. Divide item (23) by item (17) and enter the quotient which will provide the TA cost per EU for the second month of the quarter.
28. Divide item (24) by item (18) and enter the quotient which will provide the TA cost per EU for the third month of the quarter.
29. Divide item (25) by the sum totals of items (16), (17) and (18) to obtain the TA cost per EU for the quarter.
30. Divide item (11) by item (21) to obtain the cumulative TA cost per EU.
31. Insert the average elapsed time needed per house from excavation to final inspection by FmHA to complete construction of a house. If no self-help homes have been completed by this grantee, use other projects or your best estimate as a guide.
32. Insert the current cost of similar houses built by a contractor(s) including lot costs (attach detailed cost estimates for each model unless previously submitted.)
33. Insert the average cost including FmHA loan and borrower contribution of self-help borrower's house including lot costs for projects covered by the report.
34. Subtract item (33) from item (32) to obtain the self-help borrower savings per dwelling.
35. Subtract item (30) from item (34).
36. Insert the estimated current cost of lots where houses are built by the contractor method in item (32). In most cases this would be the cost of the lot as developed.
37. Insert the average current cost of lots where houses are built by the self-help method.
38. Answer (yes) or (no).
39. Insert average number of hours contributed for the quarter by each family. Obtain this information from Exhibit C of this Instruction.
40. Answer (yes) or (no).
41. Enter date of Exhibit.
42. Signature of grantee or his authorized representative.
43. Insert title of the grantee or his authorized representative.
44. County Supervisor should insert his comments concerning TA costs per EU, progress of construction, success of the project and any problems that the organization may have.
45. Insert date of County Supervisor's review.
46. Signature of County Supervisor.
47. State Office representative should insert his comments concerning but not limited to the comments listed in item 44.
48. Insert date of State Office review.
49. Signature of State Office representative.

EXHIBIT F—SITE OPTION LOAN TO TECHNICAL ASSISTANCE GRANTEES

I *Objectives.* The objective of a Site Option (SO) loan under section 523 (b)(1)(B) of Title V of the Housing Act of 1949 is to enable Technical Assistance (TA) grantees to establish revolving fund accounts to obtain options on land needed to make sites available to families that will build their own homes by the self-help method. An SO loan will be considered only when sites cannot be made available by other means including a regular Rural Housing Site (RHS) loan.

II *Eligibility requirements.* To be eligible for an SO loan, the applicant must be a TA grantee that is currently operating in a satisfactory manner under a TA grant agreement. If the SO loan applicant has applied for TA funds but is not already a TA grantee and it appears that the TA grant will be made, the SO loan may be approved but not closed until the TA grant is closed.

III *Loan purposes.* Loans may be made only as necessary to enable eligible applicants to establish revolving accounts with which to obtain options on land that will be needed as building sites by self-help families participating in the TA self-help housing program. Loans will not be made to pay the full purchase price of land but only for the minimum amounts necessary to obtain an option from the seller. The option should be for as long as necessary but in no case should the option be for less than 90 days.

IV *Limitations.* (A) If the amount of an SO loan will exceed $10,000, the prior consent of the National Office shall be obtained before approval.

(B) The amount of the SO loan should not exceed 15 percent of the purchase price of the land expected to be under option at any one time, unless a higher percent is authorized by the State Director when other land is not available or the particular area requires more down payment than elsewhere or similar circumstances exist.

(C) Form FmHA 440-34, "Option to Purchase Real Property," will be used without modification in all cases for obtaining options under this subpart.

(D) The limitations of § 1822.266 (b) (1) and (2) of this Chapter (FmHA Instruction 444.8 paragraph VI B (1) and (2)) concerning land purchase will apply to options purchased under this Subpart.

V *Rates and terms.*—(B) *Repayment period.* Each SO loan will be repaid in one installment which will include the entire principal balance and accrued interest. The maximum repayment period for each SO loan will be the applicant's remaining TA grant funding period.

(1) a shorter repayment period will be established if SO funds will not be needed for the entire TA grant funding period.

(2) If a regular RHS loan is to be processed, the SO loan should be scheduled for repayment when RHS loan funds will be available to purchase the land and repay the amount of SO funds advanced on the option, unless SO loan funds will still be needed to purchase other options. Under no circumstances, however, will the repayment period exceed the applicant's remaining TA grant funding period.

VI *Processing application.*—(A) *Form of application:* The application for assistance will be in the form of a letter to the Farmers Home Administration (FmHA) County Supervisor having jurisdiction over the area of the proposed site to be optioned. The letter will be signed by the applicant or its authorized representative and contain, as a minimum, the following information:

(1) A copy of the proposed option that shows a legal description of the land, option price, purchase price and terms of the option. If more than one site is to be purchased, a schedule of the proposed options should be included.

(2) Information to verify that a regular RHS loan cannot be processed in time to secure the option.

(3) Proposed method of repayment of the SO loan.

(4) Resolution from the applicant's governing body authorizing the application for an SO loan from FmHA.

(B) *Responsibility of the county supervisor.* Upon receipt of an SO loan application, the County Supervisor will:

(1) Determine whether the applicant is eligible. If the applicant is not eligible, or the loan cannot be made for other reasons, the application may be rejected by the County Supervisor with the concurrence of the District Director. The reasons for the rejection should be clearly stated and provided, in writing, to the applicant. The applicant will have the right to have the decision reviewed following the right procedure established in § 1933.419(b) of this Subpart and will receive notification in the manner provided in such section.

(2) Review and verify the accuracy of the information provided.

(3) Make an inspection and a memorandum appraisal of each proposed site "as is." The appraisal will include a narrative statement as to whether the site has been recently sold, verify that the seller is the owner of the property, and indicate whether the purchase price is acceptable based on the selling price of similar properties in the area.

(4) Indicate whether or not it appears that, considering the location and cost of development, adequate building sites can be provided at reasonable costs.

(5) If the option is for a tract of land on which 10 or more sites are proposed, the County Supervisor will request the Architect/Engineer in the State Office to review the proposal at this point and inspect the proposed site.

(6) If approval is recommended, prepare and have the applicant execute form FmHA 440-1, "Request for Obligation of Funds," for the amount needed. Copies of the form will be distributed as provided in the FMI.

(7) Forward the SO loan application and the applicant's TA application or TA docket to the State Director. The submission will include the appraisal report and the County Supervisor's comments and recommendations.

VII *Loan approval authority and State office actions.* The State director is authorized to approve SO loans developed in accordance with this Exhibit. The approval or disapproval of the loan will be handled in the same manner as provided in § 1822.272 of this Chapter (FmHA instruction 444.8, paragraph XII). A check may be requested at the time that Form FmHA 440-1 is submitted to the Finance Office.

VIII *Loan closing.*—(A) *General.* Loan closing instructions will be provided by the Office of the General Counsel (OGC) to assure that the Promissory Note is properly completed and executed. The County Supervisor may then close the loan.

(B) *Security for the loan.* The loan will be secured by a Promissory Note properly executed by the grantee using Form FmHA 440-16, "Promissory Note." A lien on the optioned real estate will not be taken.

(1) The "kind of loan" block on the note will read "SO loan."

(2) The note will be modified to show that the only installment on the loan will be the final installment.

(C) *Loan is closed.* The loan will be considered closed when the note is executed and the loan check delivered to the grantee.

IX *Establishment of SO loan revolving account.* (A) Supervised bank accounts will not be used for SO loans.

(B) Grantee will deposit SO loan funds in a depository institution of its choice. The use of minority institutions is encouraged. Such funds will remain separate from any other account of the grantee and shall be established as an SO revolving account.

(C) Checks drawn on the revolving account will be for the sole purpose of purchasing land options and must be signed by at least two authorized officials of the borrower-organization who have been properly bonded in accordance with § 1933.409 (h) and (i) of this Subpart.

(D) Grantees will not expend funds for any options until the site and the option form have been reviewed and approved by the County Supervisor.

(1) Site option funds will not be left unused in the revolving account in excess of 60 days.

(2) If the funds are not used for the intended purpose within the 60 days specified above, the unused portion will be refunded on the account.

(E) When funds become available for repayment of the SO loan, such funds will be deposited in the revolving account for the purchase of additional site options if needed. If such funds are not needed to purchase more options, they will be applied on the SO loan.

X *Source of funds.* SO loans will be funded from the self-help housing land development fund.

NOTE.—The Farmers Home Administration has determined that this document does not contain a major rule requiring preparation of an Economic Impact Statement under Executive Order 11821 and OMB Circular A-107.

Dated: December 28, 1977.

JAMES E. THORNTON,
Associate Administrator,
Farmers Home Administration.

[FR DOC. 78-1475 Filed 1-19-78; 8:45 am]

[8010-01]

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Release No. SAB-19]

PART 211—INTERPRETATIVE RELEASES RELATING TO ACCOUNTING MATTERS

Subpart B—Staff Accounting Bulletins

STAFF ACCOUNTING BULLETIN NO. 19

AGENCY: Securities and Exchange Commission.

ACTION: Publication of Staff Accounting Bulletin.

SUMMARY: This interpretation describes the disclosure believed appropriate by the Commission staff in the notes to financial statements concerning expected future costs of storing spent nuclear fuel and of decommissioning nuclear electric generating plants.

EFFECTIVE DATE: January 13, 1978.

FOR FURTHER INFORMATION CONTACT:

Lawrence J. Bloch, Office of the Chief Accountant, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, 202-755-1182.

SUPPLEMENTARY INFORMATION: The statements in Staff Accounting Bulletins are not rules or interpretations of the Commission nor are they published as bearing the Commission's official approval; they represent interpretations and practices followed by the Division of Corporation Finance and Office of the Chief Accountant in administering the disclosure requirements of the Federal securities laws.

GEORGE A. FITZSIMMONS,
Secretary.

JANUARY 13, 1978.

STAFF ACCOUNTING BULLETIN NO. 19

The staff hereby adds Topic 10J regarding disclosure of estimated future costs related to storing spent nuclear fuel and to decommissioning nuclear electric generating plants.

TOPIC 10: MISCELLANEOUS DISCLOSURE

* * * * *

J. ESTIMATED FUTURE COSTS RELATED TO SPENT NUCLEAR FUEL AND NUCLEAR ELECTRIC GENERATING PLANTS

* * * * *

FACTS

Utility companies with nuclear electric generating plants have amortized nuclear fuel cost to expense on the basis of the quantity of heat produced for the generation of electric energy. In computing the periodic amortization of the nuclear fuel cost a net residual salvage value has been generally assumed that is predicated on the reprocessing of spent nuclear fuel to recover the unused uranium and plutonium. No facility is presently in operation or can be made operable to process spent nuclear fuel. Consequently, reprocessing cannot be presently accomplished, and it may be necessary to store spent nuclear fuel for an indefinite period.

In determining depreciation rates for nuclear generating plants the costs of dismantling or decontaminating a plant at the end of its useful life have generally not been considered. Such costs now appear to be substantial.

QUESTION

What disclosure should be made concerning the estimated future costs of storing spent nuclear fuel and decommissioning nuclear generating plants?

INTERPRETATIVE RESPONSE

With regard to both the storing of spent nuclear fuel and decommissioning of nuclear generating plants it appears that costs will be incurred. It may not be possible to reasonably estimate these costs when financial statements are prepared.

A note to the financial statements should describe the consideration given to the estimated future storage or disposal costs for spent fuel in amortizing the cost of nuclear fuel. If the amortization of nuclear fuel in prior years recognized a net residual salvage value, the note should disclose whether the residual salvage value was subsequently eliminated or is to be eliminated by a charge to current operations or otherwise.

Also disclose whether (1) estimated future storage or disposal costs and (2) residual salvage value recognized in prior years and now being written off are being recovered through a fuel adjustment clause or if it is expected that provision will be made for such costs in applications to regulatory commissions for rate increases.

A note should also disclose the estimated costs of dismantling or decontaminating nuclear generating plants and whether provision for these costs is being made in current operations and recognized in service rates. If such expected costs are not being currently provided for, disclose the reasons for omitting the costs and the potential impact on the financial statements.

[FR Doc. 78-1561 Filed 1-19-78; 8:45 am]

[4110-03]

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER B—FOOD FOR HUMAN CONSUMPTION

[Docket No. 77F-0077]

PART 172—FOOD ADDITIVES PERMITTED FOR DIRECT ADDITION TO FOOD FOR HUMAN CONSUMPTION

Emulsifiers

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The food additive regulations are amended to provide for the safe use of polysorbate 60, polysorbate 65, polysorbate 80, and sorbitan monostearate as emulsifiers in whipped edible oil topping rather than exclusively in whipped vegetable oil topping. The General Foods Corp. petitioned for the amendment.

DATES: Effective January 20, 1978; objections by February 21, 1978.

ADDRESS: Written objections to the Hearing Clerk (HFC-20), Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Md. 20857.

FOR FURTHER INFORMATION CONTACT:

John J. McAuliffe, Bureau of Foods (HFF-334), Food and Drug Administration, Department of Health, Education, and Welfare, 200 C Street SW., Washington, D.C. 20204, 202-472-5690.

SUPPLEMENTARY INFORMATION: A notice published in the FEDERAL REGISTER of May 6, 1977 (42 FR 23170), announced that a food additive petition (FAP 7A3280) had been filed by General Foods Corp., Technical Center, 250 North Street, White Plains, N.Y. 10625, proposing that § 172.836 *Polysorbate 60*, § 172.838 *Polysorbate 65*, § 172.840 *Polysorbate 80*, and § 172.842 *Sorbitan monostearate* (21 CFR 172.836, 172.838, 172.840, and 172.842, respectively) be amended to provide for the safe use of polysorbate 60, polysorbate 65, polysorbate 80, and sorbitan monostearate as emulsifiers in whipped edible oil topping rather than exclusively in whipped vegetable oil topping as currently permitted.

Having evaluated the data in the food additive petition and other relevant material, the Commissioner of Food and Drugs concludes that the regulations should be amended as set forth below.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786 (21 U.S.C. 348(c)(1))) and under authority delegated to the Commissioner (21 CFR 5.1), Part 172 is amended as follows:

1. In § 172.836 by revising paragraph (c)(1) to read as follows:

§ 172.836 Polysorbate 60.

* * * * *

(c) * * *

(1) As an emulsifier in whipped edible oil topping with or without one or a combination of the following:

(i) Sorbitan monostearate;

(ii) Polysorbate 65;

(iii) Polysorbate 80;

whereby the maximum amount of the additive or additives used does not exceed 0.4 percent of the weight of the finished whipped edible oil topping; except that a combination of the additive with sorbitan monostearate may be used in excess of 0.4 percent, provided that the amount of the additive does not exceed 0.77 percent and the amount of sorbitan monostearate does not exceed 0.27 percent of the weight of the finished whipped edible oil topping.

* * * * *

2. In § 172.838 by revising paragraph (c)(3) to read as follows:

§ 172.838 Polysorbate 65.

* * * * *

(c) * * *

(3) As an emulsifier in whipped edible oil topping with or without one or a combination of the following:

(i) Sorbitan monostearate;

(ii) Polysorbate 60;

(iii) Polysorbate 80;

whereby the maximum amount of the additive or additives used does not exceed 0.4 percent of the weight of the finished whipped edible oil topping.

* * * * *

3. In § 172.840 by revising paragraph (c)(9) to read as follows:

§ 172.840 Polysorbate 80.

* * * * *

(c) * * *

(9) As an emulsifier in whipped edible oil topping with or without one or a combination of the following:

(i) Sorbitan monostearate;

(ii) Polysorbate 60;

(iii) Polysorbate 65;

whereby the maximum amount of the additive or additives used does not exceed 0.4 percent of the weight of the finished whipped edible oil topping.

* * * * *

4. In § 172.842 by revising paragraph (c)(1) to read as follows:

§ 172.842 Sorbitan monostearate.

* * * * *

(c) * * *

(1) As an emulsifier in whipped edible oil topping with or without one or a combination of the following:

(i) Polysorbate 60;

(ii) Polysorbate 65;

(iii) Polysorbate 80;

whereby the maximum amount of the additive or additives used does not exceed 0.4 percent of the weight of the finished whipped edible oil topping; except that a combination of the additive with polysorbate 60 may be used in excess of 0.4 percent: *Provided*, That the amount of the additive does not exceed 0.27 percent and the amount of polysorbate 60 does not exceed 0.77 percent of the weight of the finished whipped edible oil topping.

* * * * *

Any person who will be adversely affected by the foregoing regulation may at any time on or before February 21, 1978, submit to the Hearing Clerk (HFC-20), Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Md. 20857, written objections thereto and may make a written request for a public hearing on the stated objections. Each objection shall be separately numbered and each numbered objection shall specify with particularity the provision of the regulation to which objection is made. Each numbered objection on which a hearing is requested shall specifically so state; failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held; failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Four copies of all documents shall be submitted and shall be identified with the Hearing Clerk docket number found in brackets in the heading of this regulation. Received objections may be seen in the above office between the hours of 9 a.m. and 4 p.m., Monday through Friday.

Effective date: This regulation shall become effective January 20, 1978.

(Sec. 409(c)(1), 72 Stat. 1786 (21 U.S.C. 348(c)(1)).)

Dated: January 11, 1978.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner for Compliance.

[FR Doc. 78-1437 Filed 1-19-78; 8:45 am]

[4110-03]

[Docket No. 75F-0096]

PART 173—SECONDARY DIRECT FOOD ADDITIVES PERMITTED IN FOOD FOR HUMAN CONSUMPTION

Defoaming Agents

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: This document amends the regulations for direct food additives to provide for the safe use of polyethylene glycol (400) dioleate as a component in defoaming agents limited to use in processing beet sugar and yeast. This action is in response to a food additive petition submitted by the C. P. Hall Co.

DATES: Effective January 20, 1978; objections by February 21, 1978.

ADDRESS: Written objections to the Hearing Clerk (HFC-20), Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Md. 20857.

FOR FURTHER INFORMATION CONTACT:

John J. McAuliffe, Bureau of Foods (HFF-334), Food and Drug Administration, Department of Health, Education, and Welfare, 200 C Street SW., Washington, D.C. 20204, 202-472-5690.

SUPPLEMENTARY INFORMATION: A notice published in the FEDERAL REGISTER of July 7, 1975 (40 FR 28502), announced that a food additive petition (FAP 5A3075) had been filed by the C. P. Hall Co., 7300 South Central Avenue, Chicago, Ill. 60638, proposing that § 173.340 (21 CFR 173.340), be amended to provide for the safe use of polyethylene glycol (400) dioleate as a component of defoaming agents used in processing beet sugar and yeast.

The Commissioner of Food and Drugs, having evaluated data in the petition and other relevant material, concludes that § 173.340 should be amended as set forth below.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786 (21 U.S.C. 348(c)(1))) and under authority delegated to the Commissioner (21 CFR 5.1), Part 173 is amended in § 173.340 in paragraph (a)(3) by alphabetically inserting a new item in the list of substances to read as follows:

§ 173.340 Defoaming agents.

* * * * *

(a) * * *
(3) * * *

Substances	Limitations
* * *	* * *
Polyethylene glycol (400)dioleate: Conforming with § 172.820(a)(2) of this chapter and providing the oleic acid used in the production of this substance complies with § 172.860 or § 172.862 of this chapter.	As an emulsifier not to exceed 10 percent by weight of defoamer formulation.

* * * * *

Any person who will be adversely affected by the foregoing regulation may at any time on or before February 21, 1978, submit to the Hearing Clerk (HFC-20), Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Md. 20857, written objections thereto and may make a written request for a public hearing on the stated objections. Each objection shall be separately numbered and each numbered objection shall specify with particularity the provision of the regulation to which objection is made. Each numbered objection on which a hearing is requested shall specifically so state; failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held; failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Four copies of all documents shall be submitted and shall be identified with the Hearing Clerk docket number found in brackets in the heading of this regulation. Received objections may be seen in the above office between the hours of 9 a.m. and 4 p.m., Monday through Friday.

Effective date: This regulation shall become effective January 20, 1978.

(Sec. 409(c)(1), 72 Stat. 1786 (21 U.S.C. 348(c)(1)).)

Dated: January 11, 1978.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner for Compliance.

[FR Doc. 78-1436 Filed 1-19-78; 8:45 am]

[4110-03]

[Docket No. 77F-0172]

PART 175—INDIRECT FOOD ADDITIVES: ADHESIVE COATINGS AND COMPONENTS

Resinous and Polymeric Coatings

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: This document amends the indirect food additive regulations in § 175.300 *Resinous and polymeric coatings* by providing for the safe use of tetrakis[methylene(3,5-di-*tert*-butyl-4-hydroxyhydrocinnamate)] methane in can-end cements. The Commissioner of Food and Drugs has concluded that such amendment is warranted after having evaluated data in a petition filed by W. R. Grace & Co., Dewey and Almy Chemical Division.

DATES: Effective January 20, 1978; objections by February 21, 1978.

ADDRESS: Objections to this regulation may be filed with the Hearing Clerk (HFC-20), Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Md. 20857.

FOR FURTHER INFORMATION CONTACT:

John J. McAuliffe, Bureau of Foods (HFF-334), Food and Drug Administration, Department of Health, Education, and Welfare, 200 C Street SW., Washington, D.C. 20204, 202-472-5690.

SUPPLEMENTARY INFORMATION: A notice published in the FEDERAL REGISTER of July 26, 1977 (42 FR 38017), announced that a food additive petition (FAP 7B3302) had been filed by W. R. Grace & Co., Dewey and Almy Chemical Division, Proposing that § 175.300 *Resinous and polymeric coatings* (21 CFR 175.300) be amended to provide for the safe use of tetrakis[methylene(3,5-di-*tert*-butyl-4-hydroxyhydrocinnamate)] methane as an antioxidant at levels not to exceed 0.05 percent by weight of the divinylbenzene cross-linked butyl rubber component of can-end cements.

The Commissioner, having evaluated data in the petition and other relevant material, concludes that § 175.300 should be amended as set forth below.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786 (21 U.S.C. 348(c)(1))), and under authority delegated to the Commissioner (21 CFR 5.1), Part 175 is amended in § 175.300 by alphabeti-