

### National Environmental Policy Act Certification

The Administrator of RUS has determined that this proposed rule will not significantly affect the quality of the human environment as defined by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). Therefore, this action does not require an environmental impact statement or assessment.

### Catalog of Federal Domestic Assistance

The program described by this proposed rule is listed in the Catalog of Federal Domestic Assistance Programs under number 10.763—Emergency Community Water Assistance Grants. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, DC, 20402–9325, telephone number (202) 512–1800. This program is subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

### Unfunded Mandates

This rule contains no Federal mandates (under the regulatory provision of title II of the Unfunded Mandates Reform Act of 1995) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of section 202 and 205 of the Unfunded Mandates Reform Act.

### Background

This action amends the existing regulation for the Emergency Community Water Assistance Grant Program to allow grants to be made before an emergency has actually occurred.

The ECWAG program was authorized by the Rural Development Act of 1972. The grants are made to public bodies, nonprofit corporations, and Indian tribes for the purpose of improving rural living standards and for other purposes that create safe and affordable drinking water in rural areas or towns with a population not exceeding 10,000 inhabitants.

These grants can be made to construct or improve drinking water facilities serving the most financially needy communities. This revision is undertaken specifically to respond to requirements of Section 6009 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107–171). (2002 Farm Bill)

Under the revised regulation, grants may be made for situations where an emergency is imminent, but has not yet

occurred. Applicants will be expected to furnish evidence that an emergency is expected to occur. The 2002 Farm Bill also increased the limit for the category of projects covering repairs and significant maintenance to \$150,000.

### List of Subjects in 7 CFR Part 1778

Community development, Community facilities, Grant programs—housing and community development, Loan program—housing and community development, Reporting and recordkeeping requirements, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

■ Therefore, the Rural Utilities Service revises 7 CFR part 1778 to read as follows:

### PART 1778—EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE GRANTS

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  - 1778.36 [Reserved]
  - 1778.37 Forms, Instructions and Bulletins.
  - 1778.38–1778.99 [Reserved]
  - 1778.100 OMB control number.

**Authority:** 5 U.S.C. 301; 7 U.S.C. 1989; 16 U.S.C. 1005.

#### § 1778.1 General.

(a) This part outlines policies and procedures for making Emergency Community Water Assistance Grants (ECWAG) authorized under Section 306A of the Consolidated Farm and Rural Development Act, (7 U.S.C. 1926(a)), as amended. Any processing or servicing activity conducted pursuant to this part involving authorized assistance to Agency employees, members of their families, known close relatives, or business or close personal associates, is subject to the provisions of subpart D of

part 1900 of this title. Applicants for this assistance are required to identify any known relationship or association with an Agency employee.

(b) Agency officials will maintain liaison with officials of other Federal, State, regional and local development agencies to coordinate related programs to achieve rural development objectives.

(c) Agency officials shall cooperate with appropriate State agencies in making grants that support State strategies for rural area development.

(d) Funds allocated for use in accordance with this part are also to be considered for use by Indian tribes within the State regardless of whether State development strategies include Indian reservations within the State's boundaries. Indians residing on such reservations must have an equal opportunity along with other rural residents to participate in the benefits of this program. This includes equal application of outreach activities of Field Offices.

(e) Federal statutes provide for extending the Agency financial programs without regard to race, color, religion, sex, national origin, marital status, age, or physical/mental handicap (provided the participant possesses the capacity to enter into legal contracts).

#### § 1778.2 [Reserved]

#### § 1778.3 Objective.

The objective of the ECWAG Program is to assist the residents of rural areas that have experienced a significant decline in quantity or quality of water, or in which such a decline is considered imminent, to obtain or maintain adequate quantities of water that meets the standards set by the Safe Drinking Water Act (42 U.S.C. 300f *et seq.*) (SDWA).

#### § 1778.4 Definitions.

**Acute shortage.** An acute shortage is a situation in which the system either cannot deliver water at all through its distribution system or can only deliver water on a sporadic basis.

**Emergency.** Occurrence of an incident such as, but not limited to, a drought; earthquake; flood; tornado; hurricane; disease outbreak; or chemical spill, leakage, or seepage.

**Rural areas.** Includes any area not in a city or town with a population in excess of 10,000 inhabitants, according to the latest decennial census of the United States, located in any of the fifty States, the Commonwealth of Puerto Rico, the Western Pacific Territories, Marshall Islands, Federated States of Micronesia, Republic of Palau, and the U.S. Virgin Islands.