

§ 115.303

system or, alternatively, whether the agency plans to use CB funds to purchase and install a data system; and

(5) A description of any other fair housing activities that the agency will undertake with its CB funds. All such activities must address matters affecting fair housing enforcement which are cognizable under the Fair Housing Act. Any activities which do not address the implementation of the agency's fair housing law or ordinance, and which are therefore not cognizable under the Fair Housing Act, will be disapproved.

§ 115.303 Eligible activities for capacity building funds.

The primary purposes of capacity building funding is to provide for complaint activities and to support activities that produce increased awareness of fair housing rights and remedies. All such activities must support the agency's administration of its fair housing law or ordinance and address matters affecting fair housing which are cognizable under the Fair Housing Act. HUD will periodically publish a list of eligible activities in the FEDERAL REGISTER.

§ 115.304 Agencies eligible for contributions funds.

(a) An agency that has received CB funds for three consecutive years is eligible for contributions funding. Contributions funding consists of three categories:

- (1) Complaint Processing (CP) funds;
- (2) Administrative Costs (AC) funds; and
- (3) Special Enforcement Efforts (SEE) funds (§115.305 sets forth the requirements for SEE funding).

(b) *CP funds.* (1) Agencies receiving CP funds will receive such support based solely on the number of complaints processed by the agency and accepted for payment by the Director of FHEO during a consecutive, specifically identified, 12-month period. Normally this period will be the previous year's funding cycle.

(2) Funding for agencies in their fourth year of participation in the FHAP will be based on the number of complaints acceptably processed by the agency during the agency's third year of participation in the FHAP.

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(c) *Administrative Cost (AC) funds.* (1) Agencies which acceptably process 100 or more cases will receive no less than 10 percent of the agency's annual FHAP payment amount for the preceding year, in addition to case processing funds, contingent on fiscal year appropriations. Agencies that acceptably process fewer than 100 cases will receive a flat rate contingent on fiscal year appropriations.

(2) Agencies will be required to provide HUD with a statement of how they intend to use the AC funds. HUD may require that some or all AC funding be directed to activities designed to create, modify, or improve local, regional, or national information systems concerning fair housing matters (including the purchase of state of the art computer systems and getting on line or internet access, etc.).

§ 115.305 Special enforcement effort (SEE) funds.

(a) SEE funds are funds that HUD will provide to an agency to enhance enforcement activities of the agency's fair housing law or ordinance. SEE funds will be a maximum of 20% of the agency's total FHAP cooperative agreement for the previous contract year, based on approval of eligible activity or activities, and based on the appropriation of funds. All agencies receiving contributions funds are eligible to receive SEE funds if they meet three of the six criteria set out in paragraphs (a)(1) through (6):

(1) The agency has taken action to enforce a subpoena or make use of its prompt judicial action authority within the past year.

(2) The agency has held at least one administrative hearing or has had at least one case on a court's docket for civil proceedings during the past year.

(3) At least ten percent of the agency's fair housing caseload resulted in written conciliation agreements providing monetary relief for the complainant as well as remedial action, monitoring, reporting and public interest relief provisions.

(4) The agency has had in the most recent three years, or is currently handling, at least one major fair housing