

from the United States Treasury account is conditioned upon the submission of satisfactory information about the program and compliance with other procedures specified by HUD in HUD's forms and issuances concerning the C/MI System.

[62 FR 34145, June 24, 1997]

§ 572.235 Amendments.

Amendments to the approved program must be documented or approved by HUD in accordance with instructions provided by HUD.

Subpart D—Selection Process

§ 572.300 Notices of funding availability (NOFAs); grant applications.

When funds are made available for planning grants or implementation grants under this part, HUD will publish a NOFA in the FEDERAL REGISTER, in accordance with the requirements of part 4 of this title, and will select applications for funding on a competitive basis as provided in the applicable NOFA.

[62 FR 34145, June 24, 1997]

§ 572.315 Rating criteria for planning grants.

Any planning grants made by HUD under the HOPE 3 program will continue to be governed by the provisions in this section in effect immediately before October 16, 1996. When or before HUD announces the availability of funds for planning grants under this part, these provisions will be recodified.

[61 FR 48798, Sept. 16, 1996]

Subpart E—Other Federal Requirements

§ 572.400 Consolidated plan.

Applicants must provide a certification of consistency with the approved consolidated plan, in accordance with 24 CFR 91.510.

[60 FR 36018, July 12, 1995]

§ 572.405 Nondiscrimination and equal opportunity requirements.

In addition to the nondiscrimination and equal opportunity requirements

set forth in 24 CFR part 5, the following requirements apply to homeownership programs under this part:

(a) *Modification of fair housing and nondiscrimination requirements for Indian tribes and IHAs.* (1) The Indian Civil Rights Act (25 U.S.C. 1301 *et seq.*) applies to tribes when they exercise their powers of self-government. Thus, it is applicable in all cases when an IHA has been established by exercise of such powers. In the case of the IHA established pursuant to State law, the applicability of the Indian Civil Rights Act shall be determined on a case-by-case basis. Development subject to the Indian Civil Rights Act must be developed and operated in compliance with its provisions and all implementing HUD requirements, instead of title VI and the Fair Housing Act and their implementing regulations.

(2) In the case of Indian tribes and IHAs, compliance with the requirements of this section shall be to the maximum extent consistent, but not in derogation of, the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b)).

(b) *Affirmative fair housing marketing.* The recipient must adopt a strategy for informing and soliciting applications from people who are least likely to apply, because of race, color, religion, sex, disability, familial status, or national origin, for the program without special outreach, consistent with the affirmative fair housing marketing requirements. (See 24 CFR 92.351 for an example of an affirmative strategy.) Paragraph (b) of this section does not apply to Indian tribes and IHAs, as described in paragraph (a)(1) of this section.

(c) *Authority for collection of racial, ethnic, and gender data.* HUD requires submission of racial, ethnic, and gender data under this part under the authority of section 562 of the Housing and Community Development Act of 1987 and section 808(e)(6) of the Fair Housing Act.

(d) *Requirements applicable to religious organizations.* Where the applicant is, or proposes to contract with, a primarily religious organization, or a wholly secular organization established by a primarily religious organization, to provide, manage, or operate housing

under the program, the organization must undertake its responsibilities under the homeownership program in accordance with the following principles:

(1) It will not discriminate against any employee or applicant for employment under the program on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;

(2) It will not discriminate against any person applying for housing or other assistance under the program on the basis of religion and will not limit such assistance or give preference to persons on the basis of religion;

(3) It will provide no religious instruction or counseling, conduct no religious services or worship (which term does not include voluntary, non-denominational prayer before meetings), engage in no religious proselytizing, and exert no other religious influence in the provision of assistance under the homeownership program.

[58 FR 36526, July 7, 1993, as amended at 59 FR 33894, June 30, 1994; 61 FR 5209, Feb. 9, 1996]

§ 572.410 Environmental procedures and standards.

(a) *Planning grants.* HUD has determined that its approval of applications for planning grants under this part is categorically excluded from environmental review and compliance requirements of the National Environmental Policy Act of 1969 (NEPA) and that other Federal environmental laws and authorities listed in 24 CFR 50.4 are not applicable.

(b) *Implementation grants.* (1) Recipients of implementation grants must comply with the applicable environmental laws and authorities at 24 CFR 50.4 and must:

(i) Supply HUD with information necessary for it to perform any necessary environmental review of the property (or neighborhood);

(ii) Carry out mitigating measures required by HUD or select alternate eligible property; and

(iii) Not acquire or otherwise carry out program activities with respect to any eligible property until HUD approval for the property (or neighborhood) is received.

(2) Before any amounts under this part are used to acquire or rehabilitate an eligible property, HUD must determine whether the proposed activities trigger applicability thresholds for the applicable Federal environmental laws and authorities. These may apply when the property is:

(i) Located within designated coastal barriers;

(ii) Listed on, or eligible for listing on, the National Register of Historic Places; or is located within, or adjacent to, an historic district;

(iii) Located near hazardous operations handling fuels or chemicals of an explosive or flammable nature;

(iv) Contaminated by toxic chemicals or radioactive materials;

(v) Located within a runway clear zone at a civil airport or within a clear zone or accident potential zone at a military airfield; or

(vi) Located within a special flood hazard area or within a location requiring flood insurance protection.

(3) A recipient may choose to make the threshold reviews itself or with assistance from State or local governments or qualified persons or to refer the property to HUD for threshold review. Where the recipient makes the threshold review itself, it must submit the result to HUD.

(4) If a recipient chooses not to make the threshold reviews, it must submit information to HUD to permit HUD to make the review.

(5) If HUD determines on the basis of the recipient's threshold review or HUD's threshold review that one or more of the thresholds are exceeded, HUD will conduct an environmental review of that issue and, if appropriate, establish mitigating measures that the recipient must carry out for the property unless it decides to select an alternate property.

§ 572.415 Conflict of interest.

(a) *Conflict of interest.* In addition to the conflict of interest requirements in OMB Circular A-110¹ and 24 CFR part 85, no person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or

¹See § 572.425(b) concerning availability of OMB Circulars.