

Multi-tier Action Environmental Compliance Agreement

Overview

In accordance with § 1970.55, CEs for Multi-tier Actions, primary recipients must agree in writing to certain conditions prior to obligation of financial assistance by the Agency to the primary recipient (see 1970.55(a)(1-4)).

Once this agreement has been signed by the primary recipient, the Agency may move forward with obligation of the initial aggregated funds to the approved eligible primary recipient (primary loan). At that point, the primary recipient may then re-loan the funds (secondary loan) to the individual borrowers (ultimate recipients).

Environmental Compliance Agreement Stipulations

As a multi-tier program primary recipient I hereby agree to comply with the following provisions:

(1) **Policy and Procedures** - Maintain a copy of the 7 CFR 1970 Environmental Policies and Procedures Rule and Staff Instruction (electronic or hard copy) and a copy of this agreement in a central location which can be accessed by staff at all times. Identify one individual for each ultimate recipient that serves as point of contact for all Environmental Compliance Agreement Reviews by the primary recipient. This individual will have had training in National Environmental Policy Act Compliance in order to accomplish the goals of this agreement;

(2) **Screening Proposals** - Conduct a screening of all re-loans to ultimate recipients to ensure that they qualify as activities which fall within the descriptions as stated in § 1970.53 or § 1970.54 as a categorical exclusion (Attachment 1). Determine if extraordinary circumstances (as described in § 1970.52) are present for all proposals;

(3) **Historic Properties and Listed Species/Critical Habitat** - If unable to receive concurrence from the State Historic Preservation Officer or the FWS/National Marine Fisheries Service under Section 106 of the National Historic Preservation Act or Section 7 of the Endangered Species Act, respectively, the primary recipient will contact the Agency for further assistance;

(4) **File Documentation** - Document and maintain all environmental review documentation and the primary recipient's conclusions regarding the applicability of a categorical exclusion in accordance with 7 CFR 1970 in its official environmental file for Agency verification. Provide additional information as needed to comply with the Agency's environmental compliance and audit processes;

(5) **Agency Review Required** - Refer all proposals that do not meet listed categorical exclusions in § 1970.53 or § 1970.54, and proposals that may have extraordinary circumstances (as described in § 1970.52), including Section 7 of the ESA and Section 106 of the NHPA compliance to the Agency for further review; and,

(6) **Terms of Agreement** - Failure to meet the requirements of this agreement may result in penalties that may include written warnings, withdrawal of Agency financial assistance or authorization, suspension from participation in Agency programs, or other appropriate action.

*I (primary recipient) will comply with each of the above conditions on each proposal prior to issuance of funds to borrowers, and will document the recipient file with our findings. I will fully cooperate with and assist USDA Rural Development in the preparation of any necessary environmental reviews for borrower proposals.*

\_\_\_\_\_  
Signature of Primary recipient

\_\_\_\_\_  
Date