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percent if two or more States have mutually agreed to cooperate in projects.

(b) The State share of project costs:

(1) May be in the form of cash or inkind contributions, subject to the limitations described in §83.5 and the following conditions:

(i) The allowability and valuation of in-kind contributions shall be in accordance with the provisions of OMB Circular A-102 and the policies and standards as described in the Federal Aid Manual.

(ii) Volunteers proposed by the State to provide personal services to be claimed as in-kind contributions must possess qualifications appropriate to the service to be performed. The State must attest to such qualifications of all such volunteers based on the volunteers' training, experience or employment status, or upon an endorsement provided by a recognized institution, agency, or professional society.

(2) May not be derived from other Federal funds.

§83.11 Cooperation between States.

Whenever two or more States propose to cooperate in the revision of a conservation plan or in a conservation action which will result in a higher rate of Federal costsharing, such States shall describe in documentation the plan or action to be jointly undertaken. The proposed cooperation shall:

(a) Require each cooperating State to accept and carry out a substantial share of the described undertaking;

(b) Enhance the effectiveness of or reduce the total cost in accomplishing the project purpose;

(c) Be supported by a memorandum of understanding executed by the cooperating States.

§83.12 Project requirements.

Each project proposed for funding under the Act shall be substantial in character and design and shall be in conformance with the policies and standards contained in the Federal Aid Manual.

(a) A substantial project for plan development or plan maintenance is one which:

(1) Provides defined objectives related to completion or revision of the plan, with schedules for completion; (2) Utilizes accepted planning techniques and appropriate procedures;

(3) Provides for public involvement;

(4) Accomplishes its purpose at a reasonable cost;

(5) Provides assurance that, upon completion of the plan, the State intends to be guided by the conservation plan being developed or maintained.

(b) A substantial project for implementation of approved conservation plans is one which:

(1) Identifies specific conservation actions contained in the plan;

(2) Identifies the objectives to be accomplished related to the needs described in the plan;

(3) Utilizes accepted conservation and management principles, sound design, and appropriate procedures.

(c) A substantial project for actions in lieu of an approved conservation plan is one which:

(1) Identifies and describes a need within the purposes of the Act;

(2) Identifies the objectives to be accomplished based on the stated need;

(3) Utilizes accepted conservation and management principles, sound design, and appropriate procedures;

(4) Will yield benefits which are pertinent to the identified need at a level commensurate with project costs.

§83.13 Application of funds provided under the Act.

(a) Funds provided under this Act shall be applied only to activities or purposes approved by the regional director or contained in a conservation plan approved by the regional director. If otherwise applied, such funds must be replaced by the State to maintain eligibility.

(b) Real property acquired or constructed with Federal Aid funds must continue to serve the purpose for which acquired or constructed:

(1) When such property passes from management control of the designated State agency, either the control must be fully restored to the designated State agency or the real property must be replaced using non-Federal Aid funds. Replacement property must be of equal value at current market prices and with equal or commensurate nongame fish and wildlife benefits as the original property. The State may