

§ 2550.110 What grants will be available from the Corporation to assist in establishing and operating a State Commission, Alternative Administrative Entity, or Transitional Entity?

(a) *Administrative Grants.* The Corporation may make administrative grants to States in an amount no less than \$250,000 and up to \$1 million for the purpose of establishing or operating a State Commission or AAE; these grants will be available to States which have Corporation-approved Transitional Entities only if those States commit to establishing a Corporation-approved State Commission or AAE prior to the expiration of the transitional period.

(b) *Limitation on Federal share.* Except as provided in paragraph (c) of this section, the amount of a grant that may be provided to a State under this subsection, together with other Federal funds available to establish or operate the State Commission or AAE, may not exceed 50 percent of the total cost to establish or operate the State Commission or AAE.

(c) *Alternative Match Schedule.* The Corporation may permit a State that demonstrates hardship or a new State Commission to meet alternative matching requirements for such a grant as follows:

<b>Grant amount</b>	<b>Match requirement</b>
(1) First \$100,000	No match requirement.
(2) Amounts above \$100,000 but less than \$250,000	\$1 of non-Federal funds for every \$2 provided by the Corporation in excess of \$100,000.
(3) Amounts greater than \$250,000	\$1 of non-Federal funds for every \$1 provided by the Corporation in excess of \$250,000.

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