7. *DEIS Preparation:* It is estimated that the DEIS will be available to the public on or about May 1, 2002.

Luz D. Ortiz,

Army Federal Register Liaison Officer.

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BILLING CODE 3710–AJ–M

DEPARTMENT OF EDUCATION

Federal Pell Grant, Federal Perkins Loan, Federal Work-Study, Federal Supplemental Educational Opportunity Grant, Federal Family Education Loan, and William D. Ford Federal Direct Loan Programs

AGENCY: Student Financial Assistance, Department of Education.

ACTION: Notice of revision of the Federal need analysis methodology for the 2002–2003 award year.

SUMMARY: The Secretary of Education announces the annual updates to the tables that will be used in the statutory ''Federal Need Analysis Methodology'' to determine a student's expected family contribution (EFC) for award year 2002–2003 under Part F of Title IV of the Higher Education Act (HEA) of 1965, as amended (Title IV, HEA Programs). An EFC is the amount a student and his or her family may reasonably be expected to contribute toward the student's postsecondary educational costs for purposes of determining financial aid eligibility. The Title IV, HEA Programs include the Federal Pell Grant, campus-based (Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grant Programs), Federal Family Education Loan, and William D. Ford Federal Direct Loan Programs.

FOR FURTHER INFORMATION CONTACT: Ms. Edith Bell, Program Specialist, U.S. Department of Education, 400 Maryland Avenue, SW (Room 4621, ROB–3), Washington, DC 20202–5444. Telephone: (202) 708–5591. If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1–800–877–8339.

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SUPPLEMENTARY INFORMATION: Part F of Title IV of the HEA specifies the criteria, data elements, calculations, and tables used in the Federal Need Analysis Methodology EFC calculations.

Section 478 of Part F of the HEA requires the Secretary to adjust four of the tables—the Income Protection Allowance, the Adjusted Net Worth of a Business or Farm, the Education Savings and Asset Protection Allowance, and the Assessment Schedules and Rates—each award year to take into account inflation. The changes are based, in general, upon increases in the Consumer Price Index.

For the award year 2002–2003 the Secretary is charged with updating the income protection allowance, adjusted net worth of a business or farm, and the assessment schedules and rates to account for inflation that took place between December 2000 and December 2001. However, since the Secretary must publish these tables before December 2001, the increases in the tables must be based upon a percentage equal to the estimated percentage increase in the Consumer Price Index for all Urban Consumers for 2000. The Secretary estimates that the increase in the Consumer Price Index for all Urban Consumers for the period December 2000 through December 2001 will be 2.4 percent. The updated tables are in sections 1, 2, and 4 of this notice.

The Secretary must also revise, for each award year, the table on asset protection allowance as provided for in section 478(d) of the HEA. The Education Savings and Asset Protection Allowance table for the award year 2002–2003 has been updated in section 3 of this notice.

Section 477(b)(5) of Part F of the HEA also requires the Secretary to increase the amount specified for the Employment Expense Allowance to account for inflation based upon increases in the Bureau of Labor Statistics budget of the marginal costs for a two-earner compared to a one-earner family for meals away from home, apparel and upkeep, transportation, and housekeeping services. Therefore, the Secretary is increasing this allowance as described in section 5 of this notice.

The HEA provides for the following annual updates:

1. Income Protection Allowance

This allowance is the amount of living expenses associated with the maintenance of an individual or family that may be offset against the family's income. It varies by family size. The income protection allowance for the dependent student is $2,330. The income protection allowances for parents of dependent students and independent students with dependents other than a spouse for award year 2002–2003 are:

	Number in college				
	1	2	3	4	5
Family size					
2	13,210	10,950	.....	.....	.....
3	16,450	14,210	11,940	.....	.....
4	20,320	18,060	15,810	13,550	.....
5	23,980	21,720	19,470	17,210	14,960
6	28,050	25,790	23,540	21,280	19,030

For each additional family member add $3,170.
For each additional college student subtract $2,250.

The income protection allowances for independent students and independent students without dependents other than a spouse for award year 2002–2003 are:

Marital status	Number in college	Amount
Single	1	$5,300
Married	2	5,300
Married	1	8,470

2. Adjusted Net Worth (NW) of a Business or Farm

A portion of the full net value of a farm or business is excluded from the calculation of an expected contribution since—(1) the income produced from these assets is already assessed in another part of the formula; and (2) the

formula protects a portion of the value of the assets. The portion of these assets included in the contribution calculation is computed according to the following schedule. This schedule is used for parents of dependent students, independent students, independent student without dependents other than a spouse, and independent students with dependents other than a spouse.

If the Net Worth of a Business or Farm is—	Then the Adjusted Net Worth is—
Less than $1	$0
$1 to $95,000	$0 + 40% of NW
$95,001 to $285,000	$38,000 + 50% of NW over $95,000
$285,001 to $470,000	$133,000 + 60% of NW over $285,000
$470,001 or more	$244,000 + 100% of NW over $470,000

3. Education Savings and Asset Protection Allowance

This allowance protects a portion of net worth (assets less debts) from being considered available for postsecondary educational expenses. There are three asset protection allowance tables—one for parents of dependent students, one for independent students without dependents other than a spouse, and one for independent students with dependents other than a spouse.

DEPENDENT STUDENTS

If the age of the older parent is—	And there are—	
	Two parents	One parent
	Then the education savings and asset protection allowance is—	
25 or less	0	0
26	2,300	1,100
27	4,600	2,200
28	6,900	3,300
29	9,100	4,500
30	11,400	5,600
31	13,700	6,700
32	16,000	7,800
33	18,300	8,900
34	20,600	10,000
35	22,900	11,100
36	25,200	12,200
37	27,400	13,400
38	29,700	14,500
39	32,000	15,600
40	34,300	16,700
41	35,200	17,000
42	36,100	17,400
43	36,700	17,800
44	37,700	18,200
45	38,600	18,600
46	39,600	18,900
47	40,600	19,400
48	41,900	19,900
49	42,900	20,300
50	44,000	20,800
51	45,100	21,200
52	46,500	21,700
53	47,600	22,400
54	49,100	22,900
55	50,300	23,400
56	51,800	24,000
57	53,300	24,700
58	54,900	25,300
59	56,600	26,000
60	58,300	26,600

DEPENDENT STUDENTS—Continued

If the age of the older parent is—	And there are—	
	Two parents	One parent
61	60,000	27,400
62	62,000	28,100
63	63,800	28,900
64	66,000	29,700
65 and over	68,200	30,700

INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE

If the age of the student is—	And the student is—	
	Married	Single
	Then the education savings and asset protection allowance is—	
25 or less	0	0
26	2,300	1,100
27	4,600	2,200
28	6,900	3,300
29	9,100	4,500
30	11,400	5,600
31	13,700	6,700
32	16,000	7,800
33	18,300	8,900
34	20,600	10,000
35	22,900	11,100
36	25,200	12,200
37	27,400	13,400
38	29,700	14,500
39	32,000	15,600
40	34,300	16,700
41	35,200	17,000
42	36,100	17,400
43	36,700	17,800
44	37,700	18,200
45	38,600	18,600
46	39,600	18,900
47	40,600	19,400
48	41,900	19,900
49	42,900	20,300
50	44,000	20,800
51	45,100	21,200
52	46,500	21,700
53	47,600	22,400
54	49,100	22,900
55	50,300	23,400
56	51,800	24,000
57	53,300	24,700
58	54,900	25,300
59	56,600	26,000
60	58,300	26,600
61	60,000	27,400

INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE—Continued

If the age of the student is—	And the student is—	
	Married	Single
62	62,000	28,100
63	63,800	28,900
64	66,000	29,700
65 and over	68,200	30,700

INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE

If the age of the student is—	And the student is—	
	Married	Single
	Then the education savings and asset protection allowance is—	
25 or less	0	0
26	2,300	1,100
27	4,600	2,200
28	6,900	3,300
29	9,100	4,500
30	11,400	5,600
31	13,700	6,700
32	16,000	7,800
33	18,300	8,900
34	20,600	10,000
35	22,900	11,100
36	25,200	12,200
37	27,400	13,400
38	29,700	14,500
39	32,000	15,600
40	34,300	16,700
41	35,200	17,000
42	36,100	17,400
43	36,700	17,800
44	37,700	18,200
45	38,600	18,600
46	39,600	18,900
47	40,600	19,400
48	41,900	19,900
49	42,900	20,300
50	44,000	20,800
51	45,100	21,200
52	46,500	21,700
53	47,600	22,400
54	49,100	22,900
55	50,300	23,400
56	51,800	24,000
57	53,300	24,700
58	54,900	25,300
59	56,600	26,000
60	58,300	26,600

INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE—Continued

If the age of the student is—	And the student is—	
	Married	Single
61	60,000	27,400
62	62,000	28,100
63	63,800	28,900
64	66,000	29,700
65 and over	68,200	30,700

4. Assessment Schedules and Rates

Two schedules that are subject to updates, one for dependent students and one for independent students with dependents other than a spouse, are used to determine the expected contribution toward educational expenses from family financial resources. For dependent students, the expected parental contribution is derived from an assessment of the parents adjusted available income (AAI). For independent students with dependents other than a spouse, the expected contribution is derived from an assessment of the family's AAI. The AAI represents a measure of a family's financial strength, which considers both income and assets.

The parents' contribution for a dependent student is computed according to the following schedule:

If AAI is—	Then the Contribution is—
Less than −$3,409 ($3,409)	−$750
($3,409) to $11,800	22% of AAI
$11,801 to $14,800	$2,596 + 25% of AAI over $11,800
$14,801 to $17,800	$3,346 + 29% of AAI over $14,800
$17,801 to $20,800	$4,216 + 34% of AAI over $17,800
$20,801 to $23,900	$5,236 + 40% of AAI over $20,800
$23,901 or more	$6,476 + 47% of AAI over $23,900

The contribution for an independent student with dependents other than a spouse is computed according to the following schedule:

If AAI is—	Then the Contribution is—
Less than −$3,409 ($3,409)	−$750
($3,409) to $11,800	22% of AAI
$11,801 to $14,800	$2,596 + 25% of AAI over $11,800
$14,801 to $17,800	$3,346 + 29% of AAI over $14,800
$17,801 to $20,800	$4,216 + 34% of AAI over $17,800
$20,801 to $23,900	$5,236 + 40% of AAI over $20,800
$23,901 or more	$6,476 + 47% of AAI over $23,900

5. Employment Expense Allowance

This allowance for employment-related expenses, which is used for the parents of dependent students and for married independent students with dependents, recognizes additional expenses incurred by working spouses and single-parent households. The allowance is based upon the marginal differences in costs for a two wage-earner family compared to a one-wage earner family for meals away from home, apparel and upkeep, transportation, and housekeeping services.

The employment expense allowance for parents of dependent students, married independent students without dependents other than a spouse, and independent students with dependents other than a spouse is the lesser of $3,000 or 35 percent of earned income.

6. Allowance for State and Other Taxes

This allowance for State and other taxes protects a portion of the parents' and student's income from being considered available for postsecondary educational expenses. There are four tables for State and other taxes, one each for parents of dependent students, independent students with dependents other than a spouse, dependent students, and independent students without dependents other than a spouse.

PARENTS OF DEPENDENT STUDENTS

If parents' State or territory of residence is—	And parents' total income is—	
	Less than $15,000	$15,000 or more
	Then the percentage is—	
Wyoming, Tennessee, Nevada, Alaska, Texas	3	2
Louisiana, Florida, Washington, South Dakota	4	3
Alabama, Mississippi	5	4
North Dakota, Illinois, Connecticut, New Mexico, Missouri, West Virginia, Arizona, Indiana, Oklahoma, Arkansas	6	5
New Hampshire, Pennsylvania, Colorado, Georgia, Kansas, Kentucky, Idaho	7	6
North Carolina, Virginia, Delaware, South Carolina, Ohio, Utah, Nebraska, Montana, California, New Jersey, Iowa, Vermont, Hawaii	8	7
Massachusetts, Rhode Island, Michigan, Minnesota, Maine, Maryland	9	8

PARENTS OF DEPENDENT STUDENTS—Continued

If parents' State or territory of residence is—	And parents' total income is—	
	Less than $15,000	$15,000 or more
District of Columbia, Wisconsin, Oregon	10	9
New York	11	10
Other	4	3

INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE

If student's State or territory of residence is—	And student's total income is—	
	Less than $15,000	$15,000 or more
	Then the percentage is—	
Wyoming, Tennessee, Nevada, Alaska, Texas	3	2
Louisiana, Florida, Washington, South Dakota	4	3
Alabama, Mississippi	5	4
North Dakota, Illinois, Connecticut, New Mexico, Missouri, West Virginia, Arizona, Indiana, Oklahoma, Arkansas	6	5
New Hampshire, Pennsylvania, Colorado, Georgia, Kansas, Kentucky, Idaho	7	6
North Carolina, Virginia, Delaware, South Carolina, Ohio, Utah, Nebraska, Montana, California, New Jersey, Iowa, Vermont, Hawaii	8	7
Massachusetts, Rhode Island, Michigan, Minnesota, Maine, Maryland	9	8
District of Columbia, Wisconsin, Oregon	10	9
New York	11	10
Other	4	3

DEPENDENT STUDENTS

If student's State or territory of residence is—	The percentage is—
Alaska, Texas, South Dakota, Wyoming, Washington, Tennessee, Nevada	0
Florida, New Hampshire	1
Connecticut, Louisiana, Illinois, North Dakota	2
Mississippi, Arizona, Alabama, Pennsylvania, New Jersey, Missouri	3
Nebraska, Indiana, Colorado, New Mexico, Oklahoma, Kansas, West Virginia, Rhode Island, Virginia, Georgia, Arkansas, Vermont, Michigan	4
Montana, Idaho, Utah, Kentucky, Massachusetts, California, North Carolina, South Carolina, Ohio, Iowa, Delaware, Maine, Wisconsin	5
Oregon, Maryland, Minnesota, Hawaii	6
District of Columbia, New York	7
Other	2

INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE

If student's State or territory of residence is—	The percentage is—
Alaska, Texas, South Dakota, Wyoming, Washington, Tennessee, Nevada	0
Florida, New Hampshire	1
Connecticut, Louisiana, Illinois, North Dakota	2
Mississippi, Arizona, Alabama, Pennsylvania, New Jersey, Missouri	3
Nebraska, Indiana, Colorado, New Mexico, Oklahoma, Kansas, West Virginia, Rhode Island, Virginia, Georgia, Arkansas, Vermont, Michigan	4
Montana, Idaho, Utah, Kentucky, Massachusetts, California, North Carolina, South Carolina, Ohio, Iowa, Delaware, Maine, Wisconsin	5
Oregon, Maryland, Minnesota, Hawaii	6
District of Columbia, New York	7
Other	2

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(Catalog of Federal Domestic Assistance Numbers: 84.007 Federal Supplemental Educational Opportunity Grant; 84.032 Federal Family Education Loan Program; 84.033 Federal Work-Study Program; 84.038 Federal Perkins Loan Program; 84.063 Federal Pell Grant Program; William D. Ford Federal Direct Loan Program, 84.268)

Dated: May 25, 2001.

Greg Woods,

Chief Operating Officer, Student Financial Assistance.

[FR Doc. 01–13636 Filed 5–30–01; 8:45am]

BILLING CODE 4000–01–P

DEPARTMENT OF EDUCATION

Arbitration Panel Decision Under the Randolph-Sheppard Act

AGENCY: Department of Education.

ACTION: Notice of arbitration panel decision under the Randolph-Sheppard Act.

SUMMARY: Notice is hereby given that on March 17, 2000, an arbitration panel rendered a decision in the matter of *Idaho Commission for the Blind and Visually Impaired* v. *United States Postal Service (Docket No. R–S/99–7).* This panel was convened by the U.S. Department of Education pursuant to 20 U.S.C. 107d–1(b) upon receipt of a complaint filed by petitioner, the Idaho Commission for the Blind.

FOR FURTHER INFORMATION CONTACT: A copy of the full text of the arbitration panel decision may be obtained from George F. Arsnow, U.S. Department of Education, 400 Maryland Avenue, SW., room 3230, Mary E. Switzer Building, Washington, DC 20202–2738. Telephone: (202) 205–9317. If you use a telecommunications device for the deaf (TDD), you may call the TDD number at (202) 205–8298.

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SUPPLEMENTARY INFORMATION: Pursuant to the Randolph-Sheppard Act (20 U.S.C. 107d–2(c)) (the Act), the Secretary publishes in the **Federal Register** a synopsis of each arbitration panel decision affecting the administration of vending facilities on Federal and other property.

Background

In 1998, the Idaho Commission for the Blind and Visually Impaired, the State licensing agency (SLA), alleged that it made repeated requests for information to the United States Postal Service (USPS) concerning the construction of the new U.S. Postal Service Processing and Distribution Center located at 2201 South Cole Road in Boise, Idaho. Receiving no response to its inquiries or notice of a possible vending facility location as required by the Act, the SLA submitted a letter to the Postal Service District Manager requesting information about the Processing and Distribution Center.

On December 2, 1998, the Postal Service District Manager responded to the SLA's letter requesting information and apologized for the lack of notification. On March 17, 1999, the SLA submitted an application for a vending facility at the Processing and Distribution Center. USPS responded to the SLA's application on March 23, 1999, indicating that they would not agree to the terms of the SLA's application for the permit. On March 29, 1999, representatives from the SLA and USPS met to discuss the application.

USPS's position concerning the application was that the vendor selected for the location at the Processing and Distribution Center would be required to physically be present at the facility 40 hours per week (the ''on-site support'' provision), and the vendor would be precluded from operating any other vending facility location on the property (the ''exclusivity'' provision). USPS further indicated that these terms were non-negotiable and would be required to be included in the application and the resulting vending permit.

On March 30, 1999, the SLA contacted USPS about the pending negotiations on the vending permit and was informed that the on-site support and exclusivity provisions were new permit terms required of blind vendors, but not commercial vendors.

On April 16, 1999, the SLA requested in writing that USPS either approve or deny its application for a vending permit at the Processing and Distribution Center. The SLA did not receive a response from USPS and subsequently filed a request with the Secretary of the Department of Education (Department) to convene a Federal arbitration panel. The SLA alleged that the priority provisions of the Act and its implementing regulations had been violated. An arbitration pre-hearing on this matter was held on December 7, 1999, which resulted in a Stipulated Agreement concerning the issues and facts of the dispute. The parties agreed that the arbitration panel's written award on the stipulated issues would dispose of the dispute without the need for an arbitration hearing. The panel submitted a Final Award and Decision to the Department on March 17, 2000. On May 16, 2000, the Department received a copy, signed by all parties, of the Stipulated Agreement.

Arbitration Panel Decision

The stipulated issues addressed by the arbitration panel were:

1(A). Have limitations been placed on blind vendors as defined by the Randolph-Sheppard Act?

(B). If so, does the U.S. Postal Service have a legal requirement to submit those limitations to the U.S. Department of Education for the Secretary's determination that they are justified?

2. Is the Postal Service in violation of the Act and the U.S. Constitution by requiring on-site support and exclusivity provisions of Randolph-Sheppard vendors, but not of commercial vendors?

3. If the Postal Service did violate the Randolph-Sheppard Act on any of these issues, what is the authority of the arbitration panel to determine the appropriate remedy or remedies?

The arbitration panel ruled that the on-site support and exclusivity provisions required by USPS were limitations as provided in the Act and must be approved by the Secretary of Education and published in the **Federal Register** before they could be required as conditions of approval for the SLA's application. The panel further ruled that by requiring the on-site support and