

or who submits in such a notification any information which he knows to be false or misleading shall be subject to all of the sanctions, including criminal penalties, set forth in section 103(b) of the Act.

\* \* \* \* \*

9. Section 302.8 is amended by revising paragraphs (e)(1)(iv)(H) and (f)(4)(viii) to read as follows:

**§ 302.8 Continuous releases.**

\* \* \* \* \*

- (e) \* \* \*  
(1) \* \* \*  
(iv) \* \* \*

(H) A signed statement that the hazardous substance release(s) described is(are) continuous and stable in quantity and rate under the definitions in paragraph (b) of this section and that all reported information is accurate and current to the best knowledge of the person in charge.

- (f) \* \* \*  
(4) \* \* \*

(viii) A signed statement that the hazardous substance release(s) is(are) continuous and stable in quantity and rate under the definitions in paragraph (b) of this section and that all reported information is accurate and current to the best knowledge of the person in charge.

\* \* \* \* \*

[FR Doc. 02-16866 Filed 7-8-02; 8:45 am]

BILLING CODE 6560-50-P

**CORPORATION FOR NATIONAL AND COMMUNITY SERVICE**

**45 CFR Parts 2510, 2520, 2521, 2522, 2524, 2525, 2526, 2528, and 2550**

RIN 3045-AA32

**AmeriCorps Grant Regulations**

**AGENCY:** Corporation for National and Community Service.

**ACTION:** Final rule.

**SUMMARY:** The Corporation for National and Community Service (hereinafter the "Corporation") is amending several provisions relating to the AmeriCorps national service program, including requirements for AmeriCorps grants and rules on how AmeriCorps members may use the AmeriCorps education award. This final rule will eliminate several unnecessary and burdensome requirements in the AmeriCorps grants program, and conform the Corporation's regulations to changes in law.

**DATES:** The amendments are effective August 8, 2002.

**FOR FURTHER INFORMATION CONTACT:** Gary Kowalczyk, Coordinator of National Service Programs, Corporation for National and Community Service, (202) 606-5000, ext. 340. T.D.D. (202) 565-2799. This is not a toll-free number. This final rule may be requested in an alternative format for persons with visual impairments.

**SUPPLEMENTARY INFORMATION:**

**Background**

Pursuant to the National and Community Service Act of 1990, as amended (42 U.S.C. 12501 *et seq.*), the Corporation makes grants to support service performed by AmeriCorps members. In addition, the Corporation, through the National Service Trust, provides education awards and certain interest payments to AmeriCorps members who successfully complete a term of service in an approved national service position.

The Corporation published a proposed rule on March 26, 2002 (67 FR 13738) with the goal of eliminating several unnecessary and burdensome requirements in the AmeriCorps grants program, and conforming the Corporation's regulations to changes in law.

**Discussion of the Final Rule**

The Corporation received comments from nine individuals and organizations in response to the proposed rule. As a general matter, only one of the comments the Corporation received resulted in a change to the proposed rule. Consequently, other than § 2520.30, the final rule is identical to the proposed rule as published on March 26, 2002.

**Flexibility in Types of AmeriCorps Activities**

One commenter specifically approved of the Corporation's proposal to broaden the circumstances under which AmeriCorps members may engage in activities that provide an indirect benefit to their community. The Corporation may approve such activities with respect to disaster relief, homeland defense, and other compelling community needs.

**Eligibility of Religious Organizations for AmeriCorps Grants**

Two commenters specifically endorsed the Corporation's references to religious organizations in several lists of types of organizations eligible to apply for AmeriCorps grants. A basic purpose of these amendments is to clarify that religious organizations are eligible on the same basis as any other private nonprofit organization to apply for

AmeriCorps grants and operate AmeriCorps programs.

**Elimination of "Six Month Rule"**

Five commenters wrote in support of eliminating the "six month rule." The final rule, thus, eliminates a requirement under which grantees could not select any prospective AmeriCorps member who is or was previously employed by a prospective project sponsor within six months of the member's enrollment in the program. The commenters agreed that there are more effective and efficient ways to ensure that grantees are complying with rules against displacement, without imposing a blanket "six month rule." By continuing to require grantees to show how a proposed project will address unmet needs and by enforcing existing rules against displacement, the Corporation can ensure that any former employees enrolled as AmeriCorps members will perform service that goes well beyond—in both degree and kind—their former job duties.

**Use of Education Award for Educational Courses Offered by Title IV Institutions of Higher Education**

Three commenters supported the Corporation's expansion of the use of the education award to allow AmeriCorps members to use their education award to pay any current educational expenses at institutions of higher education that have entered into program participation agreements with the U.S. Department of Education under Title IV of the Higher Education Act (HEA).

**Refunds to the National Service Trust**

The Corporation received no comments relating to the proposed rule on refunds to the National Service Trust.

**Declaration Sufficient Documentation of Member's Attainment of High School Diploma**

Three commenters specifically supported the Corporation's proposal to allow self-declaration as sufficient documentation of a member's attainment of a high school diploma or its equivalent. The final rule provides that an individual's written declaration under penalty of law is sufficient to establish this element of eligibility without additional documentation.

One commenter suggested that the Corporation replace the current regulations relating to documentation of citizenship, nationality, and lawful permanent resident alien status by authorizing grantees to use the I-9 to document eligibility for AmeriCorps.

The I-9—the Immigration and Naturalization Service’s Employment Eligibility Verification Form—is not, however, an appropriate basis for determining eligibility for AmeriCorps. To be eligible to serve in AmeriCorps, an individual must be a United States citizen, a United States National, or a lawful permanent resident of the United States. The categories of eligibility on the I-9 are far more numerous than the categories of eligibility for AmeriCorps. Simply having authorization to work in the United States is not sufficient to show eligibility for AmeriCorps, and using the I-9 to establish eligibility could result in ineligible individuals enrolling in AmeriCorps.

#### **Clarification of Statutory List of Prohibited Activities**

One commenter suggested changes to part 2520.30, specifically with respect to the regulation as it relates to religious organizations. This commenter suggested that the Corporation modify subsection (g) in the proposed rule by adding to it the standard from subsection (h)(5), such that the end of that section would read “...unless Corporation assistance is not used to support those religious activities.” The commenter believed that this addition would allow religious organizations, and their employees and representatives actually performing public service, to “legally and practically participate in Corporation programs.” In addition, this commenter opined that the terms “activities associated with the AmeriCorps program or the Corporation” and “any form of religious proselytization” should be clarified.

Addressing the two latter comments first, the Corporation is amending the proposed rule to clarify that it applies to activities “supported by the AmeriCorps program or the Corporation.” In addition, the Corporation has added a subsection to make clear that AmeriCorps members may voluntarily take part in any of the prohibited activities on their own time.

With respect to clarifying the phrase “any form of religious proselytization,” the Corporation notes that the phrase uses the same words as section 132 of the National and Community Service Act. We believe that using the precise statutory language is appropriate here. Furthermore, we note that an individual may engage in such activities on his or her own time.

With respect to the commenter’s first suggestion, the Corporation believes that the proposed rule already applies the standard that the commenter seeks to reinforce by adding the proposed language. The first sentence of part

2520.30 is essentially a definition of what we consider to be using Corporation assistance. To the extent that an individual participates in activities outside the parameters of that definition, those activities would not be considered to be funded using Corporation assistance and, consequently, would not be prohibited. Nonetheless, the Corporation believes that the changes it is making to the proposed rule, as described above, further reinforce the distinction between activities funded using Corporation assistance and those not.

#### **Elimination of Obsolete References to Palau**

The Corporation received no comments regarding eliminating references to Palau, which became independent on October 1, 1994 and is no longer eligible as a U.S. Territory for AmeriCorps grants.

#### **Eligibility of Territories for Administrative Funds**

The Corporation received no comments regarding its inclusion of the territories as entities eligible to apply for grants under this section, in order to comply with the NCSA.

#### **Definition of Institution of Higher Education**

The Corporation received no comments regarding the proposal to amend the regulations to conform with the statutory amendments to the National and Community Service Act of 1990, as amended.

#### **Other**

One commenter suggested that the Corporation allow members to serve for 3 years in AmeriCorps (presumably AmeriCorps\*State and \*National) rather than 2 years. Another commenter suggested that the Corporation allow agencies to host more than two cycles of grant funding; reduce the minimum number of FTE for a program to be eligible; make the education award and living allowance non-taxable income; remove the tax burden for student loan interest payments; and allow the education award to be transferable to family members. All of these suggestions were outside the scope of the proposed rule, and several were outside the Corporation’s statutory authority. Consequently, the Corporation is not responding to these comments at this time.

#### **Executive Order 12866**

The Corporation has determined that this regulatory action is not a “significant” rule within the meaning of

Executive Order 12866 because it is not likely to result in: (1) An annual effect on the economy of \$100 million or more, or an adverse and material effect on a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal government or communities; (2) the creation of a serious inconsistency or interference with an action taken or planned by another agency; (3) a material alteration in the budgetary impacts of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) the raising of novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in Executive Order 12866.

#### **Regulatory Flexibility Act**

The Corporation has determined that this regulatory action will not result in (1) an annual effect on the economy of \$100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, the Corporation has not performed the initial regulatory flexibility analysis that is required under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) for major rules that are expected to have such results.

#### **Other Impact Analyses**

Because the changes do not authorize any information collection activity outside the scope of existing regulations, this regulatory action is not subject to review and approval under the Paperwork Reduction Act of 1995 (44 U.S.C. 3500 *et seq.*). If the Corporation proposes to modify any of the forms used in connection with determining eligibility of individuals for payments from the National Service Trust, the Corporation will comply with clearance procedures as provided under the Paperwork Reduction Act.

For purposes of Title II of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531–1538, as well as Executive Order 12875, this regulatory action does not contain any federal mandate that may result in increased expenditures in either Federal, State, local, or tribal governments in the aggregate, or impose an annual burden

exceeding \$100 million on the private sector.

#### List of Subjects

##### 45 CFR Part 2510

Grant programs—social programs, Volunteers.

##### 45 CFR Part 2520

Grant programs—social programs, Volunteers.

##### 45 CFR Part 2521

Grant programs—social programs, Volunteers.

##### 45 CFR Part 2522

Grant programs—social programs, Reporting and recordkeeping requirements, Volunteers.

##### 45 CFR Part 2524

Grant programs—social programs, Technical assistance, Volunteers.

##### 45 CFR Part 2525

Grant programs—social programs, Student aid, Volunteers.

##### 45 CFR Part 2526

Education, Grant programs—social programs, Student aid, Volunteers.

##### 45 CFR Part 2528

Education, Grant programs—social programs, Student aid, Volunteers.

##### 45 CFR Part 2550

Administrative practice and procedure, Grant programs—social programs.

For the reasons stated in the preamble, the Corporation for National and Community Service amends chapter XXV, title 45 of the Code of Federal Regulations as follows:

#### PART 2510—OVERALL PURPOSES AND DEFINITIONS

1. The authority citation for part 2510 continues to read as follows:

**Authority:** 42 U.S.C. 12501 *et seq.*

2. Amend § 2510.20 by revising the definition of “Institution of higher education,” and by adding the definition “Subtitle C program” in alphabetical order to read as follows:

##### § 2510.20 Definitions.

\* \* \* \* \*

*Institution of higher education.* The term *institution of higher education* has the same meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

\* \* \* \* \*

*Subtitle C program.* The term *subtitle C program* means an AmeriCorps

program authorized and funded under subtitle C of the National and Community Service Act of 1990, as amended. (NCSA) (42 U.S.C. 12501 *et seq.*) It does not include demonstration programs, or other AmeriCorps programs, funded under subtitle H of the NCSA.

\* \* \* \* \*

#### PART 2520—GENERAL PROVISIONS: AMERICORPS SUBTITLE C PROGRAMS

1. Revise the heading of part 2520 to read as set forth above.

2. The authority citation for part 2520 continues to read as follows:

**Authority:** 42 U.S.C. 12501 *et seq.*

3. Revise § 252.10 to read as follows:

##### § 2520.10 What is the purpose of the AmeriCorps subtitle C program described in parts 2520 through 2524 of this chapter?

The purpose of the AmeriCorps subtitle C program is to provide financial assistance under subtitle C of the National and Community Service Act to support AmeriCorps programs that address educational, public safety, human, or environmental needs through national and community service, and to provide AmeriCorps education awards to participants in such programs.

4. Revise § 2520.20 to read as follows:

##### § 2520.20 What types of service activities are allowed for AmeriCorps subtitle C programs supported under parts 2520 through 2524 of this chapter?

(a) Except as provided in paragraph (b) of this section, the service must either provide a direct benefit to the community where it is performed, or involve the supervision of participants or volunteers whose service provides a direct benefit to the community where it is performed. Moreover, the approved AmeriCorps activities must result in a specific identifiable service or improvement that otherwise would not be provided and that does not duplicate the routine functions of workers or displace paid employees. Programs must develop service opportunities that are appropriate to the skill levels of participants and that provide a demonstrable, identifiable benefit that the community values.

(b) In certain circumstances, some activities may not provide a direct benefit to the communities in which the service is performed. Such activities may include, but are not limited to, clerical work and research. However, a participant may engage in such activities only if the performance of the activity is incidental to the program's

provision of service that does provide a direct benefit to the community in which the service is performed, or if the Corporation approves such activities in connection with disaster relief, homeland defense, or other compelling community needs.

5. Revise § 2520.30 to read as follows:

##### § 2520.30 What activities are prohibited in AmeriCorps subtitle C programs?

(a) While charging time to the AmeriCorps program, accumulating service or training hours, or otherwise performing activities supported by the AmeriCorps program or the Corporation, staff and members may not engage in the following activities:

(1) Attempting to influence legislation;

(2) Organizing or engaging in protests, petitions, boycotts, or strikes;

(3) Assisting, promoting, or deterring union organizing;

(4) Impairing existing contracts for services or collective bargaining agreements;

(5) Engaging in partisan political activities, or other activities designed to influence the outcome of an election to any public office;

(6) Participating in, or endorsing, events or activities that are likely to include advocacy for or against political parties, political platforms, political candidates, proposed legislation, or elected officials;

(7) Engaging in religious instruction, conducting worship services, providing instruction as part of a program that includes mandatory religious instruction or worship, constructing or operating facilities devoted to religious instruction or worship, maintaining facilities primarily or inherently devoted to religious instruction or worship, or engaging in any form of religious proselytization;

(8) Providing a direct benefit to—  
(i) A business organized for profit;  
(ii) A labor union;  
(iii) A partisan political organization;  
(iv) A nonprofit organization that fails

to comply with the restrictions contained in section 501(c)(3) of the Internal Revenue Code of 1986 except that nothing in this section shall be construed to prevent participants from engaging in advocacy activities undertaken at their own initiative; and

(v) An organization engaged in the religious activities described in paragraph (g) of this section, unless Corporation assistance is not used to support those religious activities; and

(9) Such other activities as the Corporation may prohibit.

(b) Individuals may exercise their rights as private citizens and may

participate in the activities listed above on their initiative, on non-AmeriCorps time, and using non-Corporation funds. Individuals should not wear the AmeriCorps logo while doing so.

**PART 2521—ELIGIBLE AMERICORPS SUBTITLE C PROGRAM APPLICANTS AND TYPES OF GRANTS AVAILABLE FOR AWARD**

- 1. Revise the heading of part 2521 to read as set forth above.
2. The authority citation for part 2521 continues to read as follows:

Authority: 42 U.S.C. 12501 et seq.

- 3. Amend § 2521.10 by revising the section heading and paragraph (a) to read as follows:

**§ 2521.10 Who may apply to receive an AmeriCorps subtitle C grant?**

(a) States (including Territories), subdivisions of States, Indian tribes, public or private nonprofit organizations (including religious organizations and labor organizations), and institutions of higher education are eligible to apply for AmeriCorps subtitle C grants. However, the fifty States, the District of Columbia and Puerto Rico must first receive Corporation authorization for the use of a State Commission or alternative administrative or transitional entity pursuant to part 2550 of this chapter in order to be eligible.

\* \* \* \* \*

- 4. Amend § 2521.20 as follows:
a. By revising the section heading, paragraph (a)(2)(ii) and the first sentence of paragraph (b)(2)(ii);
b. Removing paragraph (c); and
c. Redesignating paragraphs (d) and (e) as paragraphs (c) and (d) respectively.

The revisions read as follows:

**§ 2521.20 What types of AmeriCorps subtitle C program grants are available for award?**

\* \* \* \* \*

- (a) \* \* \*
(2) \* \* \*

(ii) Subdivisions of States, Indian Tribes, public or private nonprofit organizations (including religious organizations and labor organizations), and institutions of higher education may apply either to a State or directly to the Corporation for planning grants.

\* \* \* \* \*

- (b) \* \* \*
(2) \* \* \*

(ii) Subdivisions of States, Indian Tribes, public or private nonprofit organizations (including religious organizations and labor organizations),

and institutions of higher education may apply either to a State or directly to the Corporation for operational grants. \* \* \*

\* \* \* \* \*

- 5. Amend § 2521.30 by revising the section heading, the introductory text, paragraph (b)(1), footnote 1 to paragraph (b)(1), and the first sentence of paragraph (b)(3) to read as follows:

**§ 2521.30 How will AmeriCorps subtitle C program grants be awarded?**

In any fiscal year, the Corporation will award AmeriCorps subtitle C program grants as follows:

\* \* \* \* \*

- (b) \* \* \*

(1) One percent of available funds will be distributed to the U.S. Territories<sup>1</sup> that have applications approved by the Corporation according to a population-based formula.<sup>2</sup>

\* \* \* \* \*

(3) The Corporation will use any funds available under this part remaining after the award of the grants described in paragraphs (a) and (b) (1) and (2) of this section to make direct competitive grants to subdivisions of States, Indian tribes, public or private nonprofit organizations (including religious organizations and labor organizations), institutions of higher education, and Federal agencies. \* \* \*

\* \* \* \* \*

**PART 2522—AMERICORPS PARTICIPANTS, PROGRAMS, AND APPLICANTS**

- 1. The authority citation for part 2522 continues to read as follows:

Authority: 42 U.S.C. 12501 et seq.

2. Amend § 2522.100 by revising the section heading and the first sentence of the introductory text, removing the period at the end of the penultimate sentence of paragraph (g)(1) and adding a semicolon in its place, and removing the last sentence of paragraph (g)(1) to read as follows:

**§ 2522.100 What are the minimum requirements that AmeriCorps subtitle C grantees must meet?**

Although a wide range of programs may be eligible to apply for and receive support from the Corporation, all AmeriCorps subtitle C programs must

<sup>1</sup> The United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

<sup>2</sup> The amount allotted as a grant to each such territory or possession is equal to the ratio of each such Territory's population to the population of all such territories multiplied by the amount of the one percent set-aside.

meet certain minimum program requirements. \* \* \*

\* \* \* \* \*

- 3. Amend § 2522.200 by redesignating paragraphs (b) through (d) as paragraphs (c) through (e) respectively, adding a new paragraph (b), and revising the heading of the newly designated paragraph (e) to read as follows:

**§ 2522.200 What are the eligibility requirements for an AmeriCorps participant?**

\* \* \* \* \*

(b) Written declaration regarding high school diploma sufficient for enrollment. For purposes of enrollment, if an individual provides a written declaration under penalty of law that he or she meets the requirements in paragraph (a) of this section relating to high school education, a program need not obtain additional documentation of that fact.

\* \* \* \* \*

(e) Secondary documentation of citizenship or immigration status. \* \* \*

\* \* \* \* \*

**PART 2524—AMERICORPS TECHNICAL ASSISTANCE AND OTHER SPECIAL GRANTS**

- 1. The authority citation for part 2524 continues to read as follows:

Authority: 42 U.S.C. 12501 et seq.

- 2. Amend § 2524.10 by revising paragraph (a) introductory text to read as follows:

**§ 2524.10 For what purposes will technical assistance and training funds be made available?**

(a) To the extent appropriate and necessary, the Corporation may make technical assistance available to States, Indian tribes, labor organizations, religious organizations, organizations operated by young adults, organizations serving economically disadvantaged individuals, and other entities eligible to apply for assistance under parts 2521 and 2522 of this chapter that desire—

\* \* \* \* \*

**PART 2525—NATIONAL SERVICE TRUST: PURPOSE AND DEFINITIONS**

- 1. The authority citation for part 2525 continues to read as follows:

Authority: 42 U.S.C. 12601–12604.

- 2. Amend § 2525.20 by revising the definition "Current educational expenses" and by adding the definitions "Educational expenses" and "Period of enrollment" in alphabetical order to read as follows:

**§ 2525.20 Definitions.**

\* \* \* \* \*

*Current educational expenses.* The term *current educational expenses* means the cost of attendance, or other costs attributable to an educational course offered by an institution of higher education that has in effect a program participation agreement under Title IV of the Higher Education Act, for a period of enrollment that begins after an individual enrolls in an approved national service position.

\* \* \* \* \*

*Educational expenses* at a Title IV institution of higher education. The term *educational expenses* means—

(1) Cost of attendance as determined by the institution; or

(2) Other costs at a title IV institution of higher education attributable to a non-title IV educational course as follows:

(i) Tuition and fees normally assessed a student for a course or program of study by the institution, including costs for rental or purchase of any books or supplies required of all students in the same course of study;

(ii) For a student engaged in a course of study by correspondence, only tuition and fees and, if required, books, and supplies;

(iii) For a student with a disability, an allowance (as determined by the institution) for those expenses related to the student's disability, including special services, personal assistance, transportation, equipment, and supplies that are reasonably incurred and not provided for by other assisting agencies; and

(iv) For a student engaged in a work experience under a cooperative education program or course, an allowance for reasonable costs associated with such employment (as determined by the institution).

\* \* \* \* \*

*Period of enrollment.* *Period of enrollment* means the period that the title IV institution has established for which institutional charges are generally assessed (i.e., length of the student's course, program, or academic year.)

\* \* \* \* \*

**PART 2526—ELIGIBILITY FOR AN EDUCATION AWARD**

1. The authority citation for part 2526 continues to read as follows:

**Authority:** 42 U.S.C. 12601–12604.

2. Amend § 2526.10 by redesignating paragraphs (c) and (d) as paragraphs (d) and (e) respectively, and adding a new paragraph (c) to read as follows:

**§ 2526.10 Who is eligible to receive an education award from the National Service Trust?**

\* \* \* \* \*

(c) *Written declaration regarding high school diploma sufficient for disbursement.* For purposes of disbursing an education award, if an individual provides a written declaration under penalty of law that he or she meets the requirements in paragraph (b) of this section relating to high school education, no additional documentation is needed.

\* \* \* \* \*

**PART 2528—USING AN EDUCATION AWARD**

1. The authority citation for part 2528 continues to read as follows:

**Authority:** 42 U.S.C. 12601–12604.

2. Amend § 2528.10 by revising paragraph (a)(2) to read as follows:

**§ 2528.10 For what purposes may an education award be used?**

(a) \* \* \*

(2) To pay all or part of the current educational expenses at an institution of higher education in accordance with §§ 2528.30 through 2528.50;

\* \* \* \* \*

3. Amend § 2528.30 by revising the section heading, paragraph (a) introductory text, and paragraphs (a)(2)(iii), (a)(2)(iv), and (a)(2)(v) to read as follows:

**§ 2528.30 What steps are necessary to use an education award to pay all or part of the current educational expenses at an institution of higher education?**

(a) *Required information.* Before disbursing an amount from an education award to pay all or part of the current educational expenses at an institution of higher education, the Corporation must receive—

\* \* \* \* \*

(2) \* \* \*

(iii) If an individual who has used an education award withdraws or otherwise fails to complete the period of enrollment for which the education award was provided, the institution of higher education will ensure an appropriate refund to the Corporation of the unused portion of the education award under its own published refund policy, or if it does not have one, provide a pro-rata refund to the Corporation of the unused portion of the education award;

(iv) Individuals using education awards to pay for the current educational expenses at that institution do not comprise more than 15 percent

of the institution's total student population;

(v) The amount requested will be used to pay all or part of the individual's cost of attendance or other educational expenses attributable to a course offered by the institution;

\* \* \* \* \*

4. Amend § 2528.50 by revising paragraph (a) to read as follows:

**§ 2528.50 What happens if an individual withdraws or fails to complete the period of enrollment in an institution of higher education for which the Corporation has disbursed all or part of that individual's education award?**

(a)(1) If an individual for whom the Corporation has disbursed education award funds withdraws or otherwise fails to complete a period of enrollment, an institution of higher education that receives a disbursement of education award funds from the Corporation must provide a refund to the Corporation in an amount determined under that institution's published refund requirements.

(2) If an institution for higher education does not have a published refund policy, the institution must provide a pro-rata refund to the Corporation of the unused portion of the education award.

\* \* \* \* \*

5. Amend § 2528.60 by revising paragraph (a)(2)(iii) to read as follows:

**§ 2528.60 What steps are necessary to use an education award to pay expenses incurred in participating in an approved school-to-work program?**

(a) \* \* \*

(2) \* \* \*

(iii) If an individual who has used an education award withdraws or otherwise fails to complete the period of enrollment for which the education award was provided, the school-to-work program will ensure an appropriate refund to the Corporation of the unused portion of the education award under its own published refund policy, or if it does not have one, provide a pro-rata refund to the Corporation of the unused portion of the education award.

\* \* \* \* \*

6. Amend § 2528.70 by revising paragraph (a) to read as follows:

**§ 2528.70 What happens if an individual withdraws or fails to complete the period of enrollment in an approved school-to-work program for which the Corporation has disbursed all or part of that individual's education award?**

(a)(1) If an individual for whom the Corporation has disbursed education award funds withdraws or otherwise

fails to complete a period of enrollment, an approved school-to-work program that receives a disbursement of education award funds from the Corporation must provide a refund to the Corporation determined under that program's published refund policy.

(2) If a school-to-work program does not have a published refund policy, the program must provide a pro-rata refund to the Corporation of the unused portion of the education award.

\* \* \* \* \*

**PART 2550—REQUIREMENTS AND GENERAL PROVISION FOR STATE COMMISSIONS, ALTERNATIVE ADMINISTRATIVE ENTITIES AND TRANSITIONAL ENTITIES**

1. The authority citation for part 2550 continues to read as follows:

**Authority:** 42 U.S.C. 12501 *et seq.*

2. Amend § 2550.10 by revising paragraph (c) to read as follows:

**§ 2550.10 What is the purpose of this part?**

\* \* \* \* \*

(c) The Corporation will distribute grants of between \$125,000 and \$750,000 to States to cover the Federal share of operating the State Commissions, AAAs, or Transitional Entities.

\* \* \* \* \*

3. Amend § 2550.20 by revising paragraph (k) to read as follows:

**§ 2550.20 Definitions.**

\* \* \* \* \*

(k) *State*. As used in this part, the term State refers to each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

\* \* \* \* \*

Dated: July 2, 2002.

**Gary Kowalczyk,**

*Director of Planning and Program Integration.*

[FR Doc. 02-16957 Filed 7-8-02; 8:45 am]

**BILLING CODE 6050--SS-P**

**FEDERAL COMMUNICATIONS COMMISSION**

**47 CFR Parts 1, 21, 22, 24, 25, 27, 73, 74, 80, 90, 95, 100, and 101**

[DA 02-847]

**Competitive Bidding Procedures**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** This document makes conforming edits to service-specific competitive bidding rules and portions of the part 1 general competitive bidding rules in accordance with the authority delegated by the Commission. These conforming edits further the Wireless Telecommunication Bureau's ("Bureau") continuing efforts to streamline its procedures in accordance with the Commission's biennial regulatory review obligations. In addition to making these conforming edits, the Bureau also exercises its delegated authority to make certain ministerial conforming amendments, including edits to correct competitive bidding provisions that were inadvertently altered or deleted. The intended effect of this action is to eliminate approximately 66 pages of redundant or unnecessary rules from the Code of Federal Regulations.

**DATES:** Effective August 8, 2002.

**FOR FURTHER INFORMATION CONTACT:** Francis Gutierrez or Robert Krinsky of the Auctions and Industry Analysis Division at (202) 418-0660.

**SUPPLEMENTARY INFORMATION:** This is a summary of the *Competitive Bidding Order* adopted and released on April 11, 2002. After release of the order, the Bureau released three errata which made minor corrections to the order. The first two errata were incorporated into the version of the *Competitive Bidding Order* published in the FCC Record (17 FCC Rcd 6534 (WTB 2002)). The third erratum was released on June 14, 2002, DA 02-1414. All three errata have been incorporated in the text of the rules accompanying this **Federal Register** summary. The full text of these documents are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. These documents may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail [qualexint@aol.com](mailto:qualexint@aol.com).

**I. Introduction**

1. In the *Competitive Bidding Order*, the Wireless Telecommunications Bureau ("Bureau") makes conforming edits to service-specific competitive bidding rules and portions of the part 1 general competitive bidding rules in accordance with the authority delegated by the Commission in the *Part 1 Fifth*

*Report and Order*, 65 FR 52323 (August 29, 2000). These conforming edits further the Bureau's continuing efforts to streamline its procedures in accordance with the Commission's biennial regulatory review obligations set forth at section 11(a) of the Communications Act of 1934, as amended, and the recommendations contained in the *2000 Biennial Staff Report*. In addition to making these conforming edits, the Bureau also exercises its delegated authority to make certain ministerial conforming amendments, including edits to correct competitive bidding provisions that were inadvertently altered or deleted by the *Part 1 Third Report and Order*, 63 FR 2315 (January 15, 1998), and the *Competitive Bidding Sixth Report and Order*, 60 FR 37786 (July 21, 1995). The Bureau also removes service-specific provisions that are redundant with the Bureau's delegated authority to conduct auctions. The effect of today's action is to eliminate approximately 66 pages of redundant or unnecessary rules from the Code of Federal Regulations ("CFR").

**II. Background**

2. In the *Competitive Bidding Second Report and Order*, 59 FR 22980 (May 4, 1994), by amending part 1 of the Commission's rules to add a new subpart Q, the Commission established general competitive bidding rules that would apply to a variety of spectrum based services licensed by the Commission. In establishing these rules, the Commission intended that the general competitive bidding rules would apply to a particular service unless it adopted service-specific rules that varied from the part 1 general competitive bidding rules. Subsequently, the Commission adopted competitive bidding rules for a number of services. A consequence of the adoption of these service-specific competitive bidding rules was an unnecessary variation in procedures across services. Additionally, portions of the part 1 general competitive bidding rules were repeated almost verbatim in the service-specific competitive bidding rules. Accordingly, in 1997, based upon its experience with the competitive bidding process, the Commission initiated the part 1 proceeding to establish a uniform set of provisions for all services subject to competitive bidding, eliminate unnecessary rules, and provide for a more consistent and efficient licensing process.

3. In the *Part 1 Fifth Report and Order*, the most recent comprehensive Order in the part 1 proceeding, the Commission determined that it had