

rule with “a significant economic impact on a substantial number of small entities,” an analysis must be prepared describing the rule’s impact on small entities and identifying any significant alternatives to the rule that would minimize the economic impact on small entities. USDA certifies that this proposed rule would not have a significant economic impact on a substantial number of small entities.

Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. chapter 25) requires agencies to prepare several analyses before proposing any rule that may result in annual expenditures of \$100 million or more in any one year by State, local, and Indian tribal governments or the private sector. USDA certifies that this proposed rule will not result in expenditures of this magnitude.

Paperwork Reduction Act of 1995

This proposed rule will not impose additional reporting or record keeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35).

List of Subjects

7 CFR Part 3015

Accounting, Grant programs, Intergovernmental relations, Reporting and recordkeeping requirements.

7 CFR Parts 3019 and 3020

Accounting, Colleges and universities, Grant programs, Hospitals, Intergovernmental relations, Nonprofit organizations, Reporting and recordkeeping requirements.

Edward R. McPherson,
Chief Financial Officer.

Ann M. Veneman,
Secretary of Agriculture.

For the reasons stated in the preamble, USDA proposes to amend parts 3015, 3019 and 3020 of 7 CFR chapter XXX as follows:

PART 3015—[REMOVED AND RESERVED]

1. Remove and reserve part 3015.

PART 3019—UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, OTHER NONPROFIT, AND FOR-PROFIT ORGANIZATIONS

2. The authority citation for part 3019 is revised to read as follows:

Authority: 5 U.S.C. 301, Pub. L. 101–576, 7 CFR 2.2, 7 CFR 2.28.

3. The heading for part 3019 is revised to read as set forth above.

4. Amend subpart A of 7 CFR part 3019 as follows:

Subpart A—General

- a. Revise § 3019.1 to read as follows:

§ 3019.1 Purpose.

This part establishes uniform administrative requirements for Federal grants and agreements awarded to institutions of higher education, hospitals, other non-profit organizations, and for-profit organizations. USDA awarding agencies shall not impose additional or inconsistent requirements, except as provided in §§ 3019.4 and 3019.14 or unless specifically required by Federal statute or executive order. Non-profit and for-profit organizations that implement Federal programs for the States are also subject to State requirements.

- b. Revise § 3019.2 (cc) to read as follows:

§ 3019.2 Definitions.

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(cc) *Recipient* means an organization receiving financial assistance directly from Federal awarding agencies to carry out a project or program. The term includes public and private institutions of higher education, public and private hospitals, and other quasi-public and private non-profit organizations and for-profit organizations such as, but not limited to, community action agencies, research institutes, educational associations, health centers, commercial organizations, and foreign or international organizations (such as agencies of the United Nations) which are recipients, subrecipients, or contractors or subcontractors of recipients or subrecipients. The term does not include procurement contracts or other agreements, that are otherwise subject to the Federal Acquisition Regulation (FAR) or the Agriculture Acquisition Regulation (AgAR).

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- c. Revise § 3019.5 to read as follows:

§ 3019.5 Subawards.

Unless sections of this part specifically exclude subrecipients from coverage, the provisions of this part shall be applied to subrecipients performing work under awards if such subrecipients are institutions of higher education, hospitals, other non-profit organizations or for-profit organizations such as, but not limited to, community

action agencies, research institutes, educational associations, health centers, commercial organizations, and foreign or international organizations (such as agencies of the United Nations). State and local government subrecipients are subject to the provisions of regulations implementing the common rule, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” codified by USDA at 7 CFR part 3016.

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- d. Revise § 3019.26(a) to read as follows:

§ 3019.26 Non-Federal audits.

(a) Non-Federal recipients and subrecipients that receive funds from a Federal awarding agency shall be subject to the audit requirements codified at 7 CFR part 3052, “Audits of States, Local Governments, and Non-Profit Organizations.”

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5. Add part 3020 as follows:

PART 3020—GENERAL PROGRAM ADMINISTRATION REGULATIONS

Subpart A—General

Sec.

- 3020.1 Purpose.
- 3020.2 Applicability.
- 3020.3 Conflicting policies and deviations.
- 3020.4 Other regulations applicable to USDA agreements.

Subpart B—Basic Requirements

- 3020.10 Authority clause.
- 3020.11 Identification and use of USDA agreements.
- 3020.12 Program reporting requirements.
- 3020.13 Acknowledgment of support on publications and audiovisuals.
- 3020.14 Competing discretionary awards.
- 3020.15 Program regulations and announcements.
- 3020.16 Nondiscrimination requirement.
- 3020.17 Waiver of “single” State agency requirements.

Subpart C—Management of Agreements

- 3020.20 Use of consultants.
- 3020.21 Disposition of long-term financial interests in real property, personal property and equipment.

Subpart D—Management of Funds

- 3020.30 Management of indirect costs.
- 3020.31 Physical segregation and eligibility.
- 3020.32 Funds advanced to recipients.
- 3020.33 Source of bonds.
- 3020.34 Limits on total payments to the recipient.

Subpart E—Intergovernmental Review of Department of Agriculture Programs and Activities

- 3020.40 Purpose.
- 3020.41 State responsibilities.
- 3020.42 USDA awarding agency responsibilities.