

DEPARTMENT OF AGRICULTURE**Cooperative State Research,
Education, and Extension Service****7 CFR Part 3418**

RIN 0524-AA23

**Stakeholder Input Requirements for
Recipients of Agricultural Research,
Education, and Extension Formula
Funds**

AGENCY: Cooperative State Research, Education, and Extension Service, USDA.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Cooperative State Research, Education, and Extension Service (CSREES) proposes to add a new part 3418 to Title 7, Subtitle B, Chapter XXXIV of the Code of Federal Regulations, for the purpose of implementing section 102(c) of the Agricultural Research, Extension, and Education Reform Act of 1998 (AREERA) (7 U.S.C. 7612(c)) which requires 1862 land-grant institutions, 1890 land-grant institutions, and 1994 land-grant institutions that receive agricultural research, extension, or education formula funds to establish a process for stakeholder input on the uses of such funds. Failure to comply with these stakeholder input requirements may result in the withholding of a recipient institution's formula funds and redistribution of its share of formula funds to other eligible institutions.

DATES: Written comments are invited from interested individuals and organizations. To be considered in the formulation of the final rule, comments must be received on or before May 14, 1999.

ADDRESSES: Address all comments to CSREES-USDA; Office of Extramural Programs; Policy and Program Liaison Staff; Mail Stop 2299; 1400 Independence Avenue, S.W.; Washington, DC 20250-2299. Comments may be hand-delivered to CSREES-USDA; Office of Extramural Programs; Policy and Program Liaison Staff; Room 302 Aerospace Center; 901 D Street, SW; Washington, DC 20024. Comments may also be mailed electronically to oep@reeusda.gov.

FOR FURTHER INFORMATION CONTACT: Louise Ebaugh; Director, Office of Extramural Programs; Cooperative State Research, Education, and Extension Service; U.S. Department of Agriculture; Washington, DC 20250; at 202-720-9181, 202-401-7752 (fax) or via electronic mail at oep@reeusda.gov.

SUPPLEMENTARY INFORMATION:**Background and Purpose**

The Cooperative State Research, Education, and Extension Service (CSREES) proposes a rule to implement section 102(c) of the Agricultural Research, Extension, and Education Reform Act of 1998 (AREERA) (7 U.S.C. 7612(c)) which requires 1862, 1890, and 1994 institutions (specific land-grant colleges and universities as defined by section 2 of AREERA (7 U.S.C. 7601)) receiving agricultural research, extension, or education formula funds from CSREES to establish a process for receiving input from persons who conduct or use agricultural research, extension, or education on the uses of such funds. For purposes of this rule, these persons are referred to as stakeholders. Section 102(c)(2) of AREERA required the Secretary of Agriculture to promulgate regulations specifying what those land-grant institutions had to do to meet this stakeholder input requirement, and what consequences would befall any institution that did not meet such a requirement.

Section 102(c) on its face only applies to land-grant colleges and universities established pursuant to the First Morrill Act, as amended (7 U.S.C. 301, *et seq.*) (1862 institutions), the Second Morrill Act, as amended (7 U.S.C. 321, *et seq.*) (1890 institutions), and the Equity in Educational Land-Grant Status Act of 1994, as amended (7 U.S.C. 301 note) (1994 institutions). CSREES has determined that the formula funds specified in section 102(c) are: agricultural research funds provided to the 1862 institutions and agricultural experiment stations under the Hatch Act of 1887, as amended (7 U.S.C. 361a, *et seq.*); extension funds provided to 1862 institutions under sections 3(b) and 3(c) of the Smith-Lever Act, as amended (7 U.S.C. 343(b) and (c)), and section 208(c) of the District of Columbia Public Postsecondary Education Reorganization Act, Pub. L. 93-471, as amended; agricultural research and extension funds provided to 1890 institutions under sections 1444 and 1445, respectively, of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA), as amended (7 U.S.C. 3221 and 3222); education formula funds provided to 1994 institutions under section 534(a) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note); research funds provided for forestry schools under the McIntire-Stennis Act of 1962, as amended (16 U.S.C. 582a, *et seq.*); and animal health and disease research

funds provided to veterinary schools and agricultural experiment stations under section 1433 of NARETPA, as amended (7 U.S.C. 3195).

The 1862, 1890, and 1994 institutions are not the sole institutions eligible to receive formula funds under all of these Acts. There is one agricultural experiment station that is not a college or university, and a handful of forestry or veterinary schools that are not land-grant institutions. However, given that the number of such institutions is de minimus, and the impracticality of trying to segregate stakeholder comments with respect to these few institutions, CSREES has determined to apply this proposed rule to any recipient of the aforementioned formula funds.

The proposed rule does not require recipient institutions to adopt any particular format for soliciting stakeholder input. It only requires that recipient institutions report annually to CSREES (1) the actions taken to encourage stakeholder input; and (2) a brief statement of the process used by a recipient institution to identify individuals or groups as stakeholders and to collect input from them.

Failure to comply with the requirements of this rule may result in the withholding of a recipient institution's formula funds and redistribution of its share of formula funds to other eligible institutions, as authorized by law.

In addition to the comments from the recipient institutions directly affected by this rule, CSREES encourages public comments from stakeholders. Interested parties also are invited to review the Guidelines for State Plans of Work to be published in the **Federal Register** for comment by mid April 1999, which will describe related land-grant processes involving stakeholders.

Classification

This rule has been reviewed under Executive Order 12866 and has been determined to be nonsignificant as it will not create a serious inconsistency or otherwise interfere with an action planned by another agency; will not materially alter the budgetary impact of entitlement, grants, user fees, or loan programs, or the rights and obligations of the recipients thereof; and will not raise novel legal or policy issues arising out of legal mandates, the President's priorities, or principles set forth in this executive order. This rule also will not have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment,

public health or safety, or State, local, or tribal governments or communities.

Regulatory Flexibility Act

The Department certifies that this rule will not have a significant impact on a substantial number of small entities as defined in the Regulatory Flexibility Act, Pub. L. No. 96-534 (5 U.S.C. 601 *et seq.*). Accordingly, a regulatory flexibility analysis is not required for this proposed rule.

Catalog of Federal Domestic Assistance

The programs affected by this rule are listed in the Catalog of Federal Domestic Assistance under No. 10.203, Payments to Agricultural Experiment Stations Under the Hatch Act, No. 10.205, Payments to 1890 Land-Grant Colleges and Tuskegee University, No. 10.202, Cooperative Forestry Research, No. 10.207, Animal Health and Disease Research, No. 10.500, Cooperative Extension Service, and No. 10.221, Tribal Colleges Education Equity Grants.

Paperwork Reduction Act

In accordance with the Office of Management and Budget (OMB) regulations (5 CFR part 1320) which implement the Paperwork Reduction Act of 1955 (44 U.S.C. chapter 35), the information collection and recordkeeping requirements that will be imposed in implementation of this proposed rule have been submitted to OMB for approval. These requirements would not become effective prior to OMB approval.

This new collection of information and recordkeeping requirement will enable CSREES to determine whether the recipient institutions have established and implemented stakeholder input processes. Many of the land-grant institutions already have functioning stakeholder input processes and use the results of these processes to develop long range plans, commonly referred to as plans of work, for their agricultural research, education, and extension activities. The proposed 7 CFR 3418 will require that by October 1, 1999, each recipient institution will have established and implemented a stakeholder input process on the uses of their agricultural research, education, and extension formula funds and that the institution submit an annual report on this process to CSREES. Failure to comply may result in the withholding of a recipient institution's formula funds and redistribution of its share of formula funds to other eligible institutions, as authorized by law.

Respondents: First-tier respondents will be the land-grant institutions of the States and tribes, or other specific

institutions as defined in the regulation, which will provide information to USDA on the process and actions used by recipient institutions to identify stakeholders and solicit their input. Second-tier respondents to the collection of information will be the stakeholders who conduct or use agricultural research, extension, or education within a State or tribe receiving formula funds.

This collection of information will be mandatory for first-tier respondents while it will be voluntary for the second-tier respondents.

Estimate of the Burden: The burden on the first-tier respondents is estimated at 9.19 hours per response.

Estimated Number of Respondents: 116.

Estimated Annual Number of Responses: 311.

Estimated Total Annual Burden on Respondents: 2,859 hours.

Frequency of Responses: Annually.

Comments: Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to: CSREES-USDA; Office of Extramural Programs; Policy and Program Liaison Staff; Mail Stop 2299; 1400 Independence Avenue, S.W.; Washington, DC 20250-2299 by June 14, 1999 or to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20502. Reference should be made to the volume, page, and date of this **Federal Register** publication.

List of Subjects in 7 CFR 3418

Agricultural education, Agricultural extension, Agricultural research, Colleges and universities.

For reasons stated in the preamble, chapter XXXIV of Title 7 of the Code of Federal Regulations is amended by adding Part 3418 to read as follows:

PART 3418—STAKEHOLDER INPUT REQUIREMENTS FOR RECIPIENTS OF AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION FORMULA FUNDS

Sec.

- 3418.1 Definitions.
- 3418.2 Scope and Purpose.
- 3418.3 Applicability.
- 3418.4 Reporting Requirement.
- 3418.5 Failure to Report.
- 3418.6 Prohibition.

Authority: 5 U.S.C. 301; 7 U.S.C. 7612(c)(2).

§ 3418.1 Definitions.

As used in this part:

1862 institution means a college or university eligible to receive funds under the Act of July 2, 1862 (7 U.S.C. 301, *et seq.*).

1890 institution means a college or university eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321, *et seq.*), including Tuskegee University.

1994 institution means an institution as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note).

Formula funds means agricultural research funds provided to 1862 institutions and agricultural experiment stations under the Hatch Act of 1887 (7 U.S.C. 361a, *et seq.*); extension funds provided to 1862 institutions under sections 3(b) and 3(c) of the Smith-Lever Act (7 U.S.C. 343(b) and (c)) and section 208(c) of the District of Columbia Public Postsecondary Education Reorganization Act, Pub. L. 93-471; agricultural extension and research funds provided to 1890 institutions under sections 1444 and 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA) (7 U.S.C. 3221 and 3222); education formula funds provided to 1994 institutions under section 534(a) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note); research funds provided to forestry schools under the McIntire-Stennis Act of 1962 (16 U.S.C. 582a, *et seq.*); and animal health and disease research funds provided to veterinary schools and agricultural experiment stations under section 1433 of NARETPA (7 U.S.C. 3195).

Recipient institution means any 1862 institution, 1890 institution, 1994 institution, or any other institution that receives formula funds from the Department of Agriculture.

Stakeholder means any person who has the opportunity to use or conduct agricultural research, extension, or education activities of recipient institutions.

§ 3418.2 Scope and purpose.

Section 102(c) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7612(c)) requires land-grant institutions, as a condition of receipt of formula funds, to solicit and consider input and recommendations from stakeholders concerning the use of formula funds. This regulation implements this requirement consistently for all recipient institutions that receive formula funds.

§ 3418.3 Applicability.

To obtain formula funds after September 30, 1999, each recipient institution shall establish and implement a process for obtaining

stakeholder input on the uses of formula funds in accordance with this part.

§ 3418.4 Reporting requirement.

Each recipient institution shall report to the Department of Agriculture by October 1 of each fiscal year, the following information related to stakeholder input and recommendations: (1) actions taken to seek stakeholder input that encourages their participation and

(2) a brief statement of the process used by the recipient institution to identify individuals and groups who are stakeholders and to collect input from them.

§ 3418.5 Failure to report.

Formula funds may be withheld and redistributed if a recipient institution

fails to either comply with § 3418.3 or report under § 3418.4.

§ 3418.6 Prohibition.

A recipient institution shall not require input from stakeholders as a condition of receiving the benefits of, or participating in, the agricultural research, education, or extension programs of the recipient institution.

Done at Washington, DC, this 7th day of April 1999.

Eileen Kennedy,

*Deputy Under Secretary, Research,
Education, and Economics.*

[FR Doc. 99-9262 Filed 4-13-99; 8:45 am]

BILLING CODE 3410-22-P