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DEPARTMENT OF AGRICULTURE

National Institute of Food and Agriculture

7 CFR Part 3430

RIN 0524-AA58

Competitive and Noncompetitive Non-Formula Federal Assistance Programs—General Award Administrative Provisions and Specific Administrative Provisions

AGENCY: National Institute of Food and Agriculture, USDA.

ACTION: Final rule.

SUMMARY: The National Institute of Food and Agriculture (NIFA) is publishing as a final rule, a set of general and specific administrative requirements applicable to competitive and non-competitive non-formula programs. The purpose of this final rule is to implement sections of the Agriculture Act of 2014 making it necessary to modify the general administrative provisions as well as specific grant programs. The purpose of the final rule also is to adopt as final interim administrative provisions. Although this final rule becomes effective on the date of publication, NIFA is requesting comments for a 60-day period. See the **ADDRESSES** section for instructions for submitting comments.

DATES: This final rule becomes effective on February 8, 2016.

ADDRESSES: You may submit comments by any of the following methods:

1. Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
2. Email: policy@nifa.usda.gov. Include docket number NIFA-2016-001 in the subject line of the message.
3. Fax: 202-401-7752.
4. Mail: Paper, disk or CD-ROM submissions should be submitted to:

Policy and Oversight Division, National Institute of Food and Agriculture, U.S. Department of Agriculture, STOP 2201, 1400 Independence Avenue SW., Washington, DC 20250-2201.

5. *Hand Delivery/Courier:* Policy and Oversight Division, National Institute of Food and Agriculture, U.S. Department of Agriculture, Room 2304, Waterfront Centre, 800 9th Street SW., Washington, DC 20024.

Instructions: All comments received must include the agency name and reference to docket number NIFA-2016-001. All comments received will be posted to <http://www.regulations.gov>, including any personal information provided.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

I. Background and Summary

Authority

This rulemaking is authorized by section 1470 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA), as amended, 7 U.S.C. 3316.

Organization of 7 CFR Part 3430

A primary function of NIFA is the fair, effective, and efficient administration of Federal assistance programs implementing agricultural research, education, and extension programs. The awards made under the above authority are subject to the NIFA assistance regulations at 7 CFR part 3430, Competitive and Noncompetitive Non-formula Federal Assistance Programs—General Award Administrative Provisions. NIFA's development and publication of this regulation for its non-formula Federal assistance programs serve to enhance its accountability and to standardize procedures across the Federal assistance programs it administers while providing transparency to the public. NIFA published 7 CFR part 3430 with subparts A through F as a final rule on September 4, 2009 (74 FR 45736-45752). These regulations apply to all Federal assistance programs administered by NIFA except for the formula grant programs identified in 7 CFR 3430.1(f), the Small Business

Innovation Research programs with implementing regulations at 7 CFR part 3403, and the Veterinary Medicine Loan Repayment Program (VMLRP), with implementing regulations at 7 CFR part 3431.

NIFA organized the regulation as follows: Subparts A through E provide administrative provisions for all competitive and noncompetitive non-formula Federal assistance programs. Subparts F and thereafter apply to specific NIFA programs.

NIFA is, to the extent practical, using the following subpart template for each program authority: (1) Applicability of regulations, (2) purpose, (3) definitions (those in addition to or different from § 3430.2), (4) eligibility, (5) project types and priorities, (6) funding restrictions, (7) matching requirements, and (8) duration of grant. Subparts F and thereafter contain the above seven components in this order. Additional sections may be added for a specific program if there are additional requirements or a need for additional rules for the program (e.g., additional reporting requirements).

Through this rulemaking, NIFA is making minor additions to Subparts A—General Information, B—Pre-award: Solicitation and Application, and E—Post-Award and Closeout of the administrative provisions in order to meet the new matching requirements and the application process for Non-Land-Grant College of Agriculture designation identified in the Agriculture Act of 2014 (Pub. L. 113-79 or the 2014 Farm Bill). In addition, sections of the 2014 Farm Bill make it necessary to modify administrative provisions for specific grant programs located in Subparts F, G, H, J and O. The rulemaking also will serve to finalize the administrative provisions located in Subpart I and to add a new Subpart L. Further details of these program-specific subparts are as follows.

Subpart F of 7 CFR Part 3430

Subpart F contains the administrative provisions for the Specialty Crop Research Initiative (SCRI). The purpose of SCRI is to address the critical needs of the specialty crop industry by developing and disseminating science-based tools to address needs of specific crops and their regions. Specialty crops are defined as fruits and vegetables, tree nuts, dried fruits, and horticulture and nursery crops (including floriculture).

Subpart G of 7 CFR Part 3430

Subpart G contains the administrative provisions for the Agriculture and Food Research Initiative (AFRI). The purpose of AFRI is to make competitive grants for fundamental and applied research, extension, and education to address food and agricultural sciences, as defined under section 1404 of the National Agriculture Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103).

Subpart H of 7 CFR Part 3430

Subpart H contains the administrative provisions for the Organic Agriculture Research and Extension Initiative (OREI) program. The OREI program is a competitive grant program that supports research and extension activities regarding organically grown and processed agricultural commodities in accordance with congressionally determined purposes. This program funds projects that will enhance the ability of producers and processors who have already adopted organic standards to grow and market high quality organic agricultural products. Priority concerns include biological, physical, and social sciences, including economics.

Subpart I of 7 CFR Part 3430

Subpart I contains the administrative provisions for the Integrated Research, Education, and Extension Competitive Grants (406) Program. The 406 program provides funding for integrated, multifunctional agricultural research, extension, and education activities.

Subpart J of 7 CFR Part 3430

Subpart J contains the administrative provisions for the Beginning Farmer and Rancher Development Program (BFRDP). BFRDP is a beginning farmer and rancher development program that provides local and regional training, education, outreach, mentoring and technical assistance initiatives for individuals who have not operated a farm or ranch, or have operated a farm or ranch for less than ten years. Grants are awarded on a competitive basis in accordance with legislatively determined focus areas.

Subpart L of 7 CFR Part 3430

Administrative provisions for the Capacity Building Grants for Non-Land Grant Colleges of Agriculture Program (NLGCA) are being added to Subpart L. NLGCA is a competitive program to assist the NLGCA Institutions in maintaining and expanding the capacity to conduct education, research, and outreach activities relating to agriculture, renewable resources, and other similar disciplines.

Subpart O of 7 CFR Part 3430

The administrative provisions for the Sun Grant Program are in Subpart O. The purpose of the Sun Grant Program is to provide a consortium of universities with a grant to support a North-Central, Southeastern, South-Central, Western, and Northeastern Sun Grant Center and a Western Insular Pacific Subcenter for the purpose of enhancing national energy security through the development, distribution, and implementation of biobased energy technologies; promoting diversification in, and the environmental sustainability of, agricultural production in the United States through biobased energy and product technologies; promoting economic diversification in rural areas of the United States through biobased energy and product technologies; and enhancing the efficiency of bioenergy and biomass research and development programs through improved coordination and collaboration among the Department of Agriculture, other appropriate Federal agencies (as determined by the Secretary), and Land Grant Institutions.

Definitions of Merit Review and Scientific Peer Review

Section 7301 of the 2014 Farm Bill amended section 103(a)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(a)(2)) by adding relevance as part of merit review and extended the review to include agricultural research grants. Given the 7 CFR part 3430 definitions of merit review and scientific peer review already include relevance and encompass research, modifications to the administrative provisions for these 2014 Farm Bill items are not planned; however, input is welcomed.

II. Response to Comments and Revisions Included in the Final Rule*Subparts A, B, and E*

Matching—Currently, 7 CFR 3430.52, identifies that “the required percentage of matching, type of matching (e.g., cash and/or in-kind contributions), sources of match (e.g., non-Federal), and whether NIFA has any authority to waive the match will be specified in the subpart applicable to the specific Federal assistance program, as well as in the RFA.” This section will be modified to include the matching requirement of Section 7128 of the 2014 Farm Bill and the related exclusions and waivers, as appropriate.

Non-Land-Grant Designation—Since the non-land-grant designation affects an institution’s eligibility for some NIFA

funding, the plan is to modify § 3430.16, eligibility requirements, to identify the process to request NIFA’s consideration (e.g., where, when, how) for non-land-grant designation, notification of NIFA’s decision, timing, and termination of a non-land-grant declaration.

Merit Review—The 2014 Farm Bill also addresses merit review. Specifically, it adds “relevance” of research projects as part of their merit review, includes “research,” and increases the involvement of the Advisory Board. Given the definitions of merit review and scientific peer review already include relevance and encompass research, modifications to 7 CFR part 3430 for these 2014 Farm Bill items are not planned, but rather, will be addressed in the preamble instead of the final rule.

Subpart F

Section 7306 of the 2014 Farm Bill introduced changes to the Specialty Crop Research Initiative that require administrative revisions to the regulation governing the program.

Subpart G

Section 7404 of the 2014 Farm Bill amended the priority areas for the AFRI program making it necessary to modify the program’s administrative provisions.

Subpart H

As a result of the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill), NIFA published an interim final rule on September 9, 2010 (75 FR 54759). In response to the interim final rule, OREI received one comment from a professional organization, the Organic Farming Research Foundation (OFRF), who objected to the purpose and definition of Subpart H—OREI (7 U.S.C. 5925b) and recommended that the purpose and definitions be expanded to include education components. We note, that in regards to OFRF’s recommendation to modify the “purpose” and “definition” to include education components, Section 7211 of the 2014 Farm Bill has generated the necessary change to accommodate the OFRF comment recommendation and NIFA will be making changes consistent with the comment and the 2014 Farm Bill. Additionally, through this final rule, NIFA will finalize the Subpart H portion of the interim final rule published on September 9, 2010 and will make the changes necessitated by the 2014 Farm Bill.

Subpart I

On September 9, 2010 (75 FR 54759) NIFA published an interim rule where NIFA proposed adding three subparts

including Subpart I with a 60-day comment period. Subpart I included the standard elements of a subpart including applicability, purpose, definitions, eligibility, project types and priorities, funding restrictions, and matching requirements for the 406 program. No comments were received for Subpart I. Through this final rule, NIFA adopts Subpart I portion of the interim final rule published on September 9, 2010, as final without change.

Subpart J

Section 7409 of the 2014 Farm Bill introduced changes to the BFRDP to, for example, address new priorities and broaden the community of potential beneficiaries. These changes require administrative revisions to the regulation. These regulations apply to all recipients of Federal funds under the BFRDP. The proposed changes are intended to provide clear, transparent, and consistent guidance to stakeholders and potential applicants and recipients. For instance, the 2014 Farm Bill added emphasis for projects serving military veterans who wish to begin a career in agriculture, updated the focus areas that funded programs and services will address, and expanded the class of entities with experience in new agricultural producer training and outreach to which NIFA will give priority.

Subpart L

Section 7138 of the 2008 Farm Bill established the NLGCA program. Administrative provisions have not yet been established for the program. NIFA will establish administrative provisions in Subpart L for the program following the subpart template which, at a minimum, is to include: (1) Applicability of regulations, (2) purpose, (3) definitions (those in addition to or different from § 3430.2), (4) eligibility, (5) project types and priorities, (6) funding restrictions (including indirect costs), and (7) matching requirements.

Subpart O

Section 7516 of the 2014 Farm Bill introduced changes to the Sun Grant Program that require administrative revisions to the regulation governing the program.

III. Administrative Requirements for the Rulemaking

This rule concerns matters relating to ‘grants, benefits, or contracts,’ 5 U.S.C. 553(a)(2), and is therefore exempt from the requirement of prior notice and comment.

Executive Order 12866

This action has been determined to be not significant for purposes of Executive Order 12866.

Regulatory Flexibility Act of 1980

This final rule has been reviewed in accordance with the Regulatory Flexibility Act of 1980, as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, (5 U.S.C. 601–612). The Department certifies that this final regulation will not have a significant economic impact on a substantial number of small entities. This final regulation will affect institutions of higher education receiving Federal funds under this program. The U.S. Small Business Administration Size Standards define institutions as “small entities” if they are for-profit or nonprofit institutions with total annual revenue below \$5,000,000 or if they are institutions controlled by governmental entities with populations below 50,000. The rule does not involve regulatory and informational requirements regarding businesses, organizations, and governmental jurisdictions subject to regulation.

Paperwork Reduction Act (PRA)

The Department certifies that this final rule has been assessed in accordance with the requirements of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* (PRA). The Department concludes that this final rule does not impose any new information requirements or increase the burden hours. In addition to the SF–424 form families (*i.e.*, Research and Related and Mandatory) and the SF–425 Federal Financial Report (FFR) No. 0348–0061, NIFA has three currently approved OMB information collections associated with this rulemaking: OMB Information Collection No. 0524–0042, NIFA REEport; No. 0524–0041, NIFA Application Review Process; and No. 0524–0026, Organizational Information.

Catalog of Federal Domestic Assistance

This final regulation applies to the following Federal financial assistance programs administered by NIFA including CFDA No. 10.309, Specialty Crop Research Initiative; CFDA No. 10.307, Organic Agriculture Research and Extension Initiative; CFDA No. 10.303, Integrated Research, Education, and Extension Competitive Grants Program; CFDA No. 10.310, Agriculture and Food Research Initiative (AFRI); CFDA No. 10.311, Beginning Farmer and Rancher Development Program; CFDA No. 10.326, Capacity Building for Non-Land Grant Colleges of Agriculture;

and CFDA No. 10.320, Sun Grant Program.

Unfunded Mandates Reform Act of 1995 and Executive Order 13132

The Department has reviewed this final rule in accordance with the requirements of Executive Order No. 13132 and the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1501 *et seq.*, and has found no potential or substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. As there is no Federal mandate contained herein that could result in increased expenditures by State, local, or tribal governments, or by the private sector, the Department has not prepared a budgetary impact statement.

Clarity of This Regulation

Executive Order 12866 and the President’s Memorandum of June 1, 1998, require each agency to write all rules in plain language. The Department invites comments on how to make this final rule easier to understand.

List of Subjects in 7 CFR Part 3430

Administrative practice and procedure, Agricultural research, Education, Extension, Federal assistance.

Accordingly, the Department of Agriculture, National Institute of Food and Agriculture, adopts the interim rule amending 7 CFR part 3430 which was published at 75 FR 54759 on September 9, 2010, as a final rule with the following changes:

PART 3430—COMPETITIVE AND NONCOMPETITIVE NON-FORMULA FEDERAL ASSISTANCE PROGRAMS—GENERAL AWARD ADMINISTRATIVE PROVISIONS

- 1. The authority citation for part 3430 continues to read as follows:

Authority: 7 U.S.C. 3316; Pub. L. 106–107 (31 U.S.C. 6101 note).

Subpart A—General

- 2. In § 3430.2, add a definition in alphabetical order for “Certification of Non-Land-Grant College of Agriculture status” to read as follows:

§ 3430.2 Definitions.

* * * * *

Certification of Non-Land-Grant College of Agriculture status means an institution that followed NIFA’s Process for Non-Land Grant College of Agriculture (NLGCA) Designation and

received a certification of NLGCA designation from NIFA (see § 3430.16(c)).

Subpart B—Pre-Award: Solicitation and Application

■ 3. In § 3430.16, add paragraph (d) to read as follows:

§ 3430.16 Eligibility requirements.

(d) Certification of NLGCA status. NIFA will make publically available (e.g., Federal Register) the process through which institutions may apply for designation as a NLGCA. The public notice will, at a minimum, include NLGCA criteria, instructions on how to request designation, information about how NIFA will respond to requests, and termination of NLGCA status.

Subpart E—Post-Award and Closeout

■ 4. In § 3430.52, add paragraphs (a)(1) and (2) to read as follows:

§ 3430.52 Cost sharing and matching.

(a) (1) A recipient of a NIFA competitive grant programs that are awarded under a covered law provided in section 3371 of under the National Agricultural Research, Extension, and Teaching Policy Act of 1977 must provide funds, in-kind contributions, or a combination of both, from sources other than funds provided through such grant in an amount that is at least equal to the amount awarded by NIFA unless an exception applies. NIFA will determine program applicability of this match and include in the RFA for those programs: The match requirement, exceptions, waivers, and any other information necessary to determine applicability of the match requirement. In accordance with section 1492 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3371), as added by section 7128 of the Agricultural Act of 2014 (Pub. L. 113–79), for grants awarded after October 1, 2014, the recipient of an award must provide funds, in-kind contributions, or a combination of both, from sources other than funds provided through such grant in an amount that is at least equal to the amount awarded by NIFA unless one of the exemptions described herein is applicable.

(2) The matching funds requirement does not apply to grants awarded: (i) To a research agency of the United States Department of Agriculture (USDA); or (ii) To an entity eligible to receive funds under a capacity and

infrastructure program (as defined in section 251(f)(1)(C) of the Department of Agriculture Reorganization Act of 1994, 7 U.S.C. 6971(f)(1)(C)), including a partner of such an entity. Entities eligible to receive funds under a capacity and infrastructure program and exempt from the matching funds requirement include:

(A) 1862 Land-grant Institutions, including State Agricultural Experiment Stations receiving funding under the Hatch Act of 1887;

(B) 1890 Land-grant Institutions;

(C) 1994 Land-grant Institutions;

(D) Entities eligible to receive funds under the of Continuing Animal Health and Disease, Food Security, and Stewardship Research, Education, and Extension Program Funds—Capacity and Infrastructure Program (CIP);

(E) Hispanic-Serving Agricultural Colleges and Universities (HSACU);

(F) Insular Area Schools Eligible to Receive Funds from the Distance Education/Resident Instruction Grant Programs;

(G) Entities eligible to receive funds under the of McIntire-Stennis Cooperative Forestry Program Funds;

(H) Non-Land Grant Colleges of Agriculture (NLGCA)—(for exemption from the new matching requirement, these applications must include NLGCA certification, see instructions for requesting certifications at http://www.nifa.usda.gov/form/form.html, and for attaching the certification in Part IV, B. of this RFA);

(I) Entities eligible to receive funds under a program established under section 1417(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(b)), including:

(1) 1890 Institution Teaching, Research, and Extension Capacity Building Grants Program;

(2) Higher Education Challenge Grants Program;

(3) Higher Education Multicultural Scholars Program; and

(4) Food and Agricultural Sciences National Needs Graduate and Postgraduate Fellowship Grants Program.

(J) Individual public or private, nonprofit Alaska Native-Serving and Native Hawaiian-Serving Institutions of higher education (see 20 U.S.C. 1059d).

■ 5. Revise § 3430.54 to read as follows:

§ 3430.54 Indirect costs.

Indirect cost rates for grants and cooperative agreements shall be determined in accordance with 2 CFR part 200, unless superseded by another

authority. Any restriction on indirect costs is to be identified in the request for applications as appropriate. Use of indirect costs as in-kind matching contributions is subject to § 3430.52(b).

Subpart F—Specialty Crop Research Initiative

■ 6. In § 3430.201, revise paragraphs (a)(1) and (3) and add paragraph (c) to read as follows:

§ 3430.201 Purpose.

(a) (1) Research in plant breeding, genetics, genomics, and other methods to improve crop characteristics, such as—

(3) Efforts to improve production efficiency, handling and processing, productivity, and profitability over the long term (including specialty crop policy and marketing).

(c) In addition to SCRI grants, NIFA will make competitive research and extension grants under the Emergency Citrus Disease Research and Extension program (see § 3430.209).

■ 7. In § 3430.202, designate the existing paragraph as paragraph (a) and add paragraph (b) to read as follows:

§ 3430.202 Definitions

(b) The following definitions apply to § 3430.209:

Citrus means edible fruit of the family Rutaceae, including any hybrid of such fruits and products of such hybrids that are produced for commercial purposes in the United States.

Citrus producer means any person that is engaged in the domestic production and commercial sale of citrus in the United States.

■ 8. In § 3430.204:

■ a. Designate the existing paragraph as paragraph (a);

■ b. Remove the second sentence of newly designated paragraph (a); and

■ c. Add paragraph (b).

The addition reads as follows:

§ 3430.204 Project types and priorities.

(b) In awarding grants under § 3430.208, priority will be given to grants that address the research and extension priorities established pursuant to section 1408A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123a).

■ 9. Revise the heading for § 3430.207 to read as follows:

§ 3430.207 Duration of awards.

* * * * *

■ 10. Add § 3430.208 to read as follows:

§ 3430.208 Review of applications.

In addition to the scientific peer review (see § 3430.33), NIFA will regularly conduct a panel of specialty crop industry representatives to review and rank applications for merit, relevance and impact.

■ 11. Add § 3430.209 to read as follows:

§ 3430.209 Emergency Citrus Disease Research and Extension Program.

The purpose of this program is to award competitive grants to:

(a) Conduct scientific research and extension activities, technical assistance, and development activities to combat citrus diseases and pests, both domestic and invasive, which pose imminent harm to the United States citrus production and threaten the future viability of the citrus industry, including huanglongbing and the Asian Citrus Psyllid; and

(b) Provide support for the dissemination and commercialization of relevant information, techniques, and technologies discovered pursuant to research and extension activities funded through—

(1) The emergency citrus disease research and extension program; or

(2) Other research and extension projects intended to solve problems caused by citrus production diseases and invasive pests.

Subpart G—Agriculture and Food Research Initiative

■ 12. In § 3430.309:

■ a. In paragraph (b)(7), remove “and” from the end;

■ b. In paragraph (b)(8), remove the period from the end and add a semicolon in its place;

■ c. Add paragraphs (b)(9) and (10);

■ d. In paragraph (d) introductory text, remove “Renewable energy” and add in its place “Bioenergy”;

■ e. Redesignate paragraphs (d)(4), (5), and (6) as paragraphs (d)(5), (6), and (7), respectively, and add new paragraph (d)(4);

■ f. In paragraph (f) introductory text, add “economics,” after “trade”;

■ g. Redesignate paragraphs (f)(5) and (6) as paragraphs (f)(6) and (7), respectively, and add new paragraph (f)(5).

The additions read as follows:

§ 3430.309 Priority areas.

* * * * *

(b) * * *

(9) The research and development of surveillance methods, vaccines,

vaccination delivery systems, or diagnostic tests for pests and diseases, including—

(i) Epizootic diseases in domestic livestock (including deer, elk, bison, and other animals of the family Cervidae); and

(ii) Zoonotic diseases (including bovine brucellosis and bovine tuberculosis) in domestic livestock or wildlife reservoirs that present a potential concern to public health; and

(10) The identification of animal drug needs and the generation and dissemination of data for safe and effective therapeutic applications of animal drugs for minor species and minor uses of such drugs in major species.

* * * * *

(d) * * *

(4) The effectiveness of conservation practices and technologies designed to address nutrient losses and improve water quality;

* * * * *

(f) * * *

(5) The economic costs, benefits, and viability of producers adopting conservation practices and technologies designed to improve water quality;

* * * * *

Subpart H—Organic Agriculture Research and Extension Initiative

■ 13. In § 3430.401, revise paragraphs (a), (b)(1), (b)(2), and (b)(6) to read as follows:

§ 3430.401 Purpose.

(a) The purpose of this program is to make competitive grants, in consultation with the Advisory Board, to support research, education and extension activities regarding organically grown and processed agricultural commodities.

(b) * * *

(1) Facilitating the development and improvement of organic agriculture production, breeding, and processing methods;

(2) Evaluating the potential economic benefits of organic agricultural production and methods to producers, processors, and rural communities;

* * * * *

(6) Conducting advanced on-farm research and development that emphasizes observation of, experimentation with, and innovation for working organic farms, including research relating to production, marketing, food safety, socioeconomic conditions, and farm business management;

* * * * *

§ 3430.402 [Removed and Reserved]

■ 14. Remove and reserve § 3430.402.

Subpart J—Beginning Farmer and Rancher Development Program

■ 15. In § 3430.603, revise paragraph (c) to read as follows:

§ 3430.603 Eligibility.

* * * * *

(c) A community-based or nongovernmental organization;

* * * * *

■ 16. In § 3430.604, revise paragraphs (a)(1) through (14) to read as follows:

§ 3430.604 Project types and priorities.

(a) * * *

(1) Basic livestock, forest management, and crop farming practices;

(2) Innovative farm, ranch, and private, nonindustrial forest land transfer strategies;

(3) Entrepreneurship and business training;

(4) Financial and risk management training (including the acquisition and management of agricultural credit);

(5) Natural resource management and planning;

(6) Diversification and marketing strategies;

(7) Curriculum development;

(8) Mentoring, apprenticeships, and internships;

(9) Resources and referral;

(10) Farm financial benchmarking;

(11) Assisting beginning farmers or ranchers in acquiring land from retiring farmers and ranchers;

(12) Agricultural rehabilitation and vocational training for veterans;

(13) Farm safety and awareness; and

(14) Other similar subject areas of use to beginning farmers or ranchers.

* * * * *

§ 3430.605 [Amended]

■ 17. In § 3430.605, in paragraph (b), revise the reference “§ 3430.5460” to read “§ 3430.54.”

■ 18. In § 3430.608, revise paragraph (b) to read as follows:

§ 3430.608 Review criteria.

* * * * *

(b) Partnership and collaboration. In making awards under this subpart, NIFA shall give priority to partnerships and collaborations that are led by or include nongovernmental, and community-based organizations, and school-based agricultural educational organizations with expertise in new agricultural producer training and outreach.

* * * * *

■ 19. In § 3430.609, revise paragraph (a) and in paragraphs (c) and (d), remove the phrase “and an award for an educational enhancement team project”.

The revision reads as follows:

§ 3430.609 Other considerations.

(a) *Set aside.* (1) Not less than 5 percent of the funds used to carry out this subsection for a fiscal year shall be used to support programs and services that address the needs of—

(i) Limited resource beginning farmers or ranchers (see 3430.602);

(ii) Socially disadvantaged farmers or ranchers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)) who are beginning farmers or ranchers; and

(iii) Farmworkers desiring to become farmers or ranchers.

(2) Each fiscal year, NIFA shall set aside not less than 5 percent of the funds to support the standard BFRDP projects under this subpart to support programs and services that address the needs of veteran farmers and ranchers (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e)). Recipients of these funds may coordinate with a recipient of an award under section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) in addressing the needs of veteran farmers and ranchers with disabilities.

* * * * *

■ 20. Add subpart L to read as follows:

Subpart L—Capacity Building Grants for Non-Land Grant Colleges of Agriculture Program

Sec.

3430.800 Applicability.

3430.801 Purpose.

3430.802 Definitions.

3430.803 Eligibility.

3430.804 Project types and priorities.

3430.805 Funding restrictions.

3430.806 Matching requirements.

3430.807 Duration of grant.

Authority: 7 U.S.C. 3316; Pub. L. 106–107 (31 U.S.C. 6101 note).

§ 3430.800 Applicability.

The regulations in this subpart apply to the program authorized under section 1473F of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA), as added by section 7138 of the Food, Conservation, and Energy Act of 2008, (7 U.S.C. 3319i).

§ 3430.801 Purpose.

The purpose of this program is to make competitive grants to Non Land Grant Colleges of Agriculture (NLGCA)

Institutions to assist the NLGCA Institutions in maintaining and expanding the capacity to conduct education, research, and outreach activities relating to agriculture, renewable resources, and other similar disciplines.

§ 3430.802 Definitions.

The definitions applicable to the program under this subpart include:

Capacity building means enhancing and strengthening the quality and depth of an institution’s research and academic programs as evidenced by its: faculty expertise, scientific and technical resources, research environment, curriculum, student experiential learning opportunities, scientific instrumentation, library resources, academic standing and racial, ethnic, or gender diversity of its faculty and student body, faculty and student recruitment and retention programs, and organizational structures and reward systems for attracting and retaining first-rate research and teaching faculty or students.

Citizen or national of the United States means:

(1) A citizen or native resident of a State; or,

(2) A person defined in the Immigration and Nationality Act, 8 U.S.C. 1101(a) (22), who, though not a citizen of the United States, owes permanent allegiance to the United States.

Eligible participant means an individual who is a citizen or national of the United States as defined in this section.

Food and agricultural sciences means basic, applied, and developmental research, extension, and teaching activities in food and fiber, agricultural, renewable energy and natural resources, forestry, and physical and social sciences, including activities relating to the following:

(1) Animal health, production, and well-being.

(2) Plant health and production.

(c) Animal and plant germ plasm collection and preservation.

(3) Aquaculture.

(4) Food safety.

(5) Soil, water, and related resource conservation and improvement.

(6) Forestry, horticulture, and range management.

(7) Nutritional sciences and promotion.

(8) Farm enhancement, including financial management, input efficiency, and profitability.

(9) Home economics (Family and Consumer Sciences).

(10) Rural human ecology.

(11) Youth development and agricultural education, including 4–H clubs.

(12) Expansion of domestic and international markets for agricultural commodities and products, including agricultural trade barrier identification and analysis.

(13) Information management and technology transfer related to agriculture.

(14) Biotechnology related to agriculture.

(15) The processing, distributing, marketing, and utilization of food and agricultural products. (7 U.S.C. Section 3103).

Joint project proposal means:

(1) An application for a project:

(i) Which will involve the applicant institution working in cooperation with one or more other entities not legally affiliated with the applicant institution, including other schools, colleges, universities, community colleges, junior colleges, units of State government, private sector organizations, or a consortium of institutions; and

(ii) Where the applicant institution and each cooperating entity will assume a significant role in the conduct of the proposed project.

(2) To demonstrate a substantial involvement with the project, the applicant institution/organization submitting a joint project proposal must retain at least 30 percent but not more than 70 percent of the awarded funds and no cooperating entity may receive less than 10 percent of awarded funds. Only the applicant institution must meet the definition of an eligible institution/organization as specified in this RFA; other entities participating in a joint project proposal are not required to meet the definition of an eligible institution/organization.

Large-scale, Comprehensive Initiative (LCI) project proposal means:

(1) An application for a project:

(i) Which will involve the applicant institution/organization working in cooperation with two or more other entities not legally affiliated with the applicant institution, including other schools, colleges, universities, community colleges, junior colleges, units of State government, private sector organizations, or a consortium of institutions; and

(ii) Where the applicant institution and each cooperating entity will assume a significant role in the conduct of the proposed project.

(2) To demonstrate a substantial involvement with the project, the applicant institution/organization submitting a LCI proposal must retain at least 30 percent but not more than 70

percent of the awarded funds and no cooperating entity may receive less than 10 percent of awarded funds. Only the applicant institution must meet the definition of an eligible institution as specified in this RFA; other entities participating in a joint project proposal are not required to meet the definition of an eligible institution. LCI Project Proposals must support a multi-partner approach to solving a major state or regional challenge in agricultural sciences education at the postsecondary level. LCI Project Proposals are characterized by multiple partners (each providing a specific expertise) organized and led by a strong applicant with documented project management ability to organize and carry out the initiative.

Non-land-grant college of agriculture (NLGCA) means a public college or university offering a baccalaureate or higher degree in the study of agriculture or forestry. The terms “NLGCA Institution” and “non-land-grant college of agriculture” do not include:

(1) Hispanic-serving agricultural colleges and universities; or

(2) Any institution designated under: a. the Act of July 2, 1862 (commonly known as the “First Morrill Act”; 7 U.S.C. 301 *et seq.*, or the ‘1862 Land Grants’);

(3) The Act of August 30, 1890 (commonly known as the “Second Morrill Act”) (7 U.S.C. 321 *et seq.*, or the ‘1890 Land Grants’);

(4) The Equity in Educational Land-Grant Status Act of 1994 (Public Law 103–382; 7 U.S.C. 301 note, or the ‘1994 or Tribal Colleges Land Grants’); or

(5) Public Law 87–788 (commonly known as the “McIntire-Stennis Cooperative Forestry Act”) (16 U.S.C. 582a *et seq.*).

Outcomes means specific, measurable project results and benefits that, when assessed and reported; indicate the project’s plan of operation has been achieved. Measurable outcomes include:

(1) Results are intended or unintended consequences of the project, (e.g., “. . . additional course materials now available online to reinforce student learning during non-classroom hours”);

(2) Products may be actual items or services acquired with funds, (e.g., “. . . mechanisms and content to transition existing course(s) or elements of course(s) for Web-based access” or “created new and innovative prevention and intervention initiatives”); and

(3) Impacts are a measure of the results by comparing what might have happened in the absence of the funded project, (e.g., “. . . an observed, overall increase in student learning based upon 8% higher average test scores of those

students who both attended class and used the supplemental, Web-based course materials”).

Regular project proposal means a proposal for a project:

(1) Where the applicant institution will be the sole entity involved in the execution of the project; or

(2) Which will involve the applicant institution and one or more other entities, but where the involvement of the other entity(ies) does not meet the requirements for a joint project proposal as defined in this section.

Sustainable Agriculture means an integrated system of plant and animal production practices having a site-specific application that will, over the long-term—

(1) Satisfy human food and fiber needs;

(2) Enhance environmental quality and the natural resource base upon which the agriculture economy depends;

(3) Make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls;

(4) Sustain the economic viability of farm operations; and

(5) Enhance the quality of life for farmers and society as a whole.

Teaching and education mean formal classroom instruction, laboratory instruction, and practicum experience in the food and agricultural sciences and matters relating thereto (such as faculty development, student recruitment and services, curriculum development, instructional materials and equipment, and innovative teaching methodologies) conducted by colleges and universities offering baccalaureate or higher degrees.

§ 3430.803 Eligibility.

(a) *Institution eligibility.* Applications may only be submitted by a NLGCA institution. For the purposes of this program, the individual branches of a State college or university that are separately accredited as degree-granting institutions are treated as separate institutions, and are therefore eligible to apply for NLGCA Program awards. Separate branches or campuses of a college or university that are not individually accredited as degree-granting institutions are not treated as separate institutions, and are therefore not eligible to submit an application. Accreditation must be conferred by an agency or association recognized by the Secretary of the U.S. Department of Education.

(b) *Teacher or student eligibility.* A teacher or student recipient receiving

Federal funds from this grants program must be an *eligible participant*. Where eligibility is claimed under 8 U.S.C. 1101(a)(22), documentary evidence from the Immigration and Naturalization Service as to such eligibility must be made available to NIFA upon request.

§ 3430.804 Project types and priorities.

(a) For each RFA, NIFA may develop and include the appropriate project types and focus areas based on the critical needs identified through stakeholder input and deemed appropriate by NIFA.

(b) The RFA will specify which of the following project types applicants may submit applications:

(1) Regular project proposal (the applicant executes the project without the requirement of sharing grant funds with other project partners);

(2) Conference/planning grant to facilitate strategic planning session(s);

(3) Joint project proposal (the applicant executes the project with assistance from at least one additional partner and must share grant funds with the additional partner(s)); and

(4) Large-scale (state or region) comprehensive initiatives (LCI) (Applicant + Two or more Partners).

§ 3430.805 Funding restrictions.

(a) Prohibition against construction. Grant funds awarded under this authority may not be used for the renovation or refurbishment of research, education, or extension space; the purchase or installation of fixed equipment in such space; or the planning, repair, rehabilitation, acquisition, or construction of buildings or facilities.

(b) Prohibition on tuition remission. Tuition remission, on-campus room and board, academic fees or other financial assistance (scholarships or fellowships) are not allowed.

(c) Promotional items (e.g., T-shirts and other giveaways) and food functions (e.g., cookouts or other social or meal gatherings) are considered ‘entertainment’ expenses, and are, therefore, also not allowed under this grants program.

§ 3430.806 Matching requirements.

There are no matching requirements for grants under this subpart.

§ 3430.807 Duration of grant.

The term of a Federal assistance award made for a NLGCA project shall not exceed 5 years. No-cost extensions of time beyond the maximum award terms will not be considered or granted.

Subpart O—Sun Grant Program**§ 3430.1001 [Amended]**

■ 21. In § 3430.1001, in paragraph (d), remove the words “the Department of Energy” and add in their place “other appropriate Federal agencies (as determined by the Secretary)”.

§ 3430.1002 [Amended]

■ 22. In § 3430.1002, remove the definition for the term “gasification.”

§ 3430.1003 [Amended]

- 23. In § 3430.1003:
- a. In paragraph (a)(1), remove the words “at South Dakota State University”;
 - b. In paragraph (a)(2), remove the words “at University of Tennessee at Knoxville”;
 - c. In paragraph (a)(3), remove the words “at Oklahoma State University”;
 - d. In paragraph (a)(4), remove the words “at Cornell University”;
 - e. In paragraph (a)(5), remove the words “at Oregon State University”; and
 - f. In paragraph (a)(6), remove the words “at the University of Hawaii”.

§ 3430.1004 [Amended]

■ 24. In § 3430.1004, in paragraph (a)(1), remove the words “multistate research, extension, and education programs on technology development and multi-institutional and multistate integrated research, extension, and education programs on technology implementation” and add in their place the words “integrated, multistate research, extension, and education programs on technology development and technology implementation”.

§ 3430.1005 [Amended]

■ 25. In § 3430.1005, in paragraph (b), remove the words “each of the five Centers” and add in their place the words “the Centers”.

§ 3430.1007 [Amended]

- 26. In § 3430.1007:
- a. In the first sentence of paragraph (a), remove the words “gasification” and “the Department of Energy” and add in their place the words “bioproducts” and “other appropriate Federal agencies” respectively; and
 - b. Remove the second and third sentences of paragraph (a).
 - c. Remove and reserve paragraph (b).

Done at Washington, DC, this 21 day of January, 2016.

Sonny Ramaswamy,

Director, National Institute of Food and Agriculture.

[FR Doc. 2016-02213 Filed 2-5-16; 8:45 am]

BILLING CODE 3410-22-P

DEPARTMENT OF AGRICULTURE**Rural Housing Service****7 CFR Part 3555**

RIN 0575-AC18

Single Family Housing Guaranteed Loan Program

AGENCY: Rural Housing Service, USDA.

ACTION: Final rule.

SUMMARY: This final rule follows publication of the December 9, 2013, interim final rule and makes changes in response to public comment and further consideration of certain issues by the Rural Housing Service (RHS or Agency) to the Single Family Housing Guaranteed Loan Program (SFHGLP). The changes made by this final rule are designed to further improve and clarify Agency instructions while strengthening and enhancing the SFHGLP process by reducing regulations, improving customer service to achieve greater efficiency, flexibility and effectiveness. This rule will allow RHS to manage the program more effectively and reduce SFHGLP risk of loss.

DATES: This rule is effective on March 9, 2016.

FOR FURTHER INFORMATION CONTACT:

Lilian Lipton, Finance and Loan Analyst, Single Family Housing Guaranteed Loan Division, STOP 0784, Room 2250, USDA Rural Development, South Agriculture Building, 1400 Independence Avenue SW., Washington, DC 20250-0784, telephone: (202) 720-1452, email is lilian.lipton@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:**Executive Order 12866, Classification**

This final rule has been determined to be non-significant by the Office of Management and Budget (OMB) under Executive Order 12866.

Executive Order 12988, Civil Justice Reform

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. Except where specified, all State and local laws and regulations that are in direct conflict with this rule will be preempted. Federal funds carry Federal requirements. No person is required to apply for funding under this program, but if they do apply and are selected for funding, they must comply with the requirements applicable to the Federal program funds. This rule is not retroactive. It will not affect agreements entered into prior to the effective date of the rule. Before any judicial action

may be brought regarding the provisions of this rule, the administrative appeal provisions of 7 CFR part 11 must be exhausted.

Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effect of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, the Agency generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with “Federal mandates” that may result in expenditures to State, local, or tribal governments, in the aggregate, or to the private sector, of \$100 million, or more, in any one year. When such a statement is needed for a rule, section 205 of the UMRA generally requires the Agency to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule.

This final rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, “Environmental Program.” It is the determination of the Agency that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and, in accordance with the National Environmental Policy Act of 1969, Public Law 91-190, neither an Environmental Assessment nor an Environmental Impact Statement is required.

Executive Order 13132, Federalism

The policies contained in this rule do not have any substantial direct effect on States, on the relationship between the national government and States, or on the distribution of power and responsibilities among the various levels of government. Nor does this rule impose substantial direct compliance costs on State and local governments. Therefore, consultation with the States is not required.

Regulatory Flexibility Act

In compliance with the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) the undersigned has determined and