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NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

2 CFR Part 1800

RIN 2700-AE77

[NASA Document No: NASA-24-060; NASA-2024-0010]

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

AGENCY: National Aeronautics and Space Administration.

ACTION: Direct final rule.

SUMMARY: This direct final rule amends NASA's regulations on Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, to align with the Office of Management and Budget's (OMB) April 2024 revisions to its guidance on grants and cooperative agreements, now titled "OMB Guidance for Federal Financial Assistance."

DATES: This direct final rule is effective October 1, 2024, without further action, unless adverse comment is received by October 17, 2024. If adverse comment is received, NASA will publish a timely withdrawal of the rule in the **Federal Register**.

ADDRESSES: Submit comments identified by RIN 2700-AE77, using the following methods:

- *Regulations.gov:* <https://www.regulations.gov>. Submit comments via the Federal eRulemaking portal by following the online instructions for submitting comments. Please note that NASA will post all comments on the internet without changes, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: Laila Ouhamou, Laila.ouhamou@nasa.gov, telephone 202-358-9742.

SUPPLEMENTARY INFORMATION:

I. Background

On April 22, 2024, OMB issued a final rule revising the Uniform Guidance for

Federal Financial Assistance (89 FR 30046). This was the result of a comprehensive process to revise and strengthen title 2 of the Code of Federal Regulations ("2024 Revisions") with multiple opportunities for the public to provide feedback. OMB then issued OMB Memo M-24-11, "Reducing Burden in the Administration of Federal Financial Assistance" which provided implementation guidance to agencies. This memo directs agencies to implement the 2024 Revisions quickly and consistently but no later than October 1, 2024, and encourages agencies to streamline communications with the public. Title 2 CFR part 1800, last amended on November 12, 2020 [85 FR 71815], adopts OMB's guidance in subparts A through F of 2 CFR part 200 as NASA's policies and procedures for uniform administrative requirements, cost principles, and audit requirement for Federal awards. NASA is updating 2 CFR part 1800 to maintain consistency with the OMB's revisions to title 2, make technical amendments to clarify the regulation where authorized by OMB's guidance, and implements OMB's 2024 Revisions.

The following changes are implemented by this final rule:

- 2 CFR 1800.2 is revised to clarify that NASA's regulations are adopted to align with the April 2024 version of title 2.
- 2 CFR 1800.3(c) is revised to clarify that NASA requires additional approvals for awards issued to both foreign organizations and foreign public entities and update the current title of the office coordinating approvals.
- 2 CFR 1800.5 is updated to reflect the current website of NASA's grant guidance materials.
- 2 CFR 1800.10 is updated to remove unused acronyms.
- 2 CFR 1800.11 is removed to avoid duplicating definitions already defined in 2 CFR part 200.
- 2 CFR 1800.209 through 1800.211 are revised to improve clarity and remove duplicative language.
- 2 CFR 1800.339 is removed to avoid duplication.
- 2 CFR 1800.400 is removed to avoid duplication.

II. Direct Final Rule and Significant Adverse Comments

NASA has determined this rulemaking meets the criteria for a direct final rule because it makes non-

substantive changes to NASA's regulations on Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to align with OMB's recent amendments to its guidance on grants and cooperative agreements, and also falls under exemptions found in 5 U.S.C. 553(a)(2), which provides that general notices of proposed rule making are not required to the extent a matter relates to an agency's management of grants. No opposition to the changes and no significant adverse comments are expected given that OMB has already received and analyzed public comments related to 2 CFR. However, if NASA receives significant adverse comments, it will withdraw this direct final rule by publishing a document in the **Federal Register**. A significant adverse comment is one that explains:

(1) Why the direct final rule is inappropriate, including challenges to the rule's underlying premise or approach; or

(2) why the direct final rule will be ineffective or unacceptable without a change. In determining whether a comment necessitates withdrawal of this direct final rule, NASA will consider whether it warrants a substantive response in a notice and comment process.

III. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

IV. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires an agency to prepare an initial regulatory flexibility analysis to be published at the time the proposed rule is published. This

requirement does not apply if the agency “certifies that the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities” (5 U.S.C. 603). This rule aligns NASA’s regulations on uniform administrative requirements, cost principles, and audit requirement for Federal awards with OMB’s recent amendments to its guidance on grants and cooperative agreements published on April 22, 2024, at 89 FR 30046, which will become effective on October 1, 2024, and does not have a significant economic impact on a substantial number of small entities.

V. Paperwork Reduction Act

The rule does not contain any information collection requirements that require the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

Erica Jones,
NASA FAR Supplement Manager.

List of Subjects in 2 CFR Part 1800

Grant programs, Grants administration.

For reasons set forth in the preamble, NASA is amending 2 CFR part 1800 as follows:

PART 1800—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

- 1. The authority citation for part 1800 continues to read as follows:

Authority: 51 U.S.C. 20113 (e), Pub. L. 97–258, 96 Stat. 1003 (31 U.S.C. 6301 *et seq.*), and 2 CFR part 200.

- 2. Revise § 1800.2 to read as follows:

§ 1800.2 Purpose.

This part adopts the Office of Management and Budget (OMB) guidance in subparts A through F and applicable appendices of 2 CFR part 200 (as revised in April 2024), as supplemented by this part, as the NASA policies and procedures for uniform administrative requirements, cost principles, and audit requirements for Federal awards. It thereby gives regulatory effect for NASA to the OMB guidance as supplemented by this part.

- 3. Revise § 1800.3 to read as follows:

§ 1800.3 Applicability.

(a) This part establishes policies and procedures for grants and cooperative agreements awarded by NASA to non-Federal entities, for-profit organization, foreign organizations, and foreign public

entities as allowed by 2 CFR 200.101. For supplemental guidance, NASA has adopted section numbers that correspond to those in the OMB guidance in 2 CFR part 200.

(1) Non-Federal entities must follow the policies and procedures appearing in subparts A through F and applicable appendices of 2 CFR part 200 and as supplemented by this part.

(2) Foreign organizations and foreign public entities must follow the policies and procedures appearing in subparts A through E and applicable appendices of 2 CFR part 200 and as supplemented by this part.

(3) U.S. and foreign for-profit organizations must follow the policies and procedures appearing in subparts A through D and applicable appendices of 2 CFR part 200 and as supplemented by this part. The Federal Acquisition Regulation (FAR) at 48 CFR parts 30 and 31, takes precedence over the cost principles in 2 CFR part 200, subpart E for Federal awards to U.S. and foreign for-profit organizations.

(b) Throughout this part, the term “award” refers to both “grant” and “cooperative agreement” unless otherwise indicated.

(c)(1) In general, research with foreign organizations and foreign public entities will not be conducted through grants or cooperative agreements, but instead will be accomplished on a no-exchange-of-funds basis. In these cases, NASA enters into agreements undertaking projects of international scientific collaboration. NASA’s policy on performing research with foreign organizations and foreign public entities on a no-exchange-of-funds basis is set forth at NASA FAR Supplement (NFS) 1835.016–70 and 1835.016–72. In rare instances, NASA may enter into an international agreement under which funds will be transferred to a foreign recipient.

(2) Grants or cooperative agreements awarded to foreign organizations and foreign public entities are made on an exceptional basis only. Awards require the prior approval of the Headquarters Office of International and Interagency Relations and the Headquarters Office of the General Counsel. Requests to issue awards to foreign organizations are to be coordinated through the Office of Procurement, Procurement and Grants Policy Division.

- 4. Revise § 1800.5 to read as follows:

§ 1800.5 Publication.

The official site for accessing the NASA grant and cooperative agreement policies, including notices, internal guidance, certifications, and other source information is on the internet at

<https://www.nasa.gov/general/grants-policy-and-compliance-team/>.

§ 1800.6 [Removed]

- 5. Remove § 1800.6.
- 6. Revise § 1800.10 to read as follows:

§ 1800.10 Acronyms.

The following acronyms supplement the acronyms set forth at 2 CFR 200.0:

NASA National Aeronautics and Space Administration
NFS NASA FAR Supplement

§ 1800.11 [Removed]

- 7. Remove § 1800.11.

§ 1800.209 [Removed]

- 8. Remove § 1800.209.
- 9. Revise § 1800.210 to read as follows:

§ 1800.210 Pre-award costs.

As authorized by 2 CFR 200.308, Revision of budget and program plans, NASA waives the approval requirement for pre-award costs of 90 days or less. For more information on NASA’s pre-award cost policy, see NASA’s policy documents at <https://www.nasa.gov/general/grants-policy-and-compliance-team/>.

- 10. Revise § 1800.211 to read as follows:

§ 1800.211 Information contained in a Federal award.

NASA waives the requirement for the inclusion of indirect cost rates on any notice of Federal award for for-profit organizations.

§ 1800.305 [Removed]

- 11. Remove § 1800.305.

§ 1800.339 [Removed]

- 12. Remove § 1800.339.

§ 1800.400 [Removed]

- 13. Remove § 1800.400.

[FR Doc. 2024–21005 Filed 9–16–24; 8:45 am]

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