

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 260, 261, 262, 264, 265, 266, 270, 271, and 280

[FRL-2978-3]

Hazardous Waste Management System; Supplement to Preamble to Final Codification Rule

AGENCY: Environmental Protection Agency.

ACTION: Notice of policy and interpretation.

SUMMARY: In November 1984 Congress comprehensively amended the Resource Conservation and Recovery Act (RCRA) of 1976. The amendments include a new section 3004(u) requiring corrective action for releases of hazardous waste and constituents at hazardous waste management facilities seeking RCRA permits. On July 15, 1985 (50 FR 28702) the Environmental Protection Agency (EPA) published a final rule codifying statutory changes to its hazardous waste management program. In the preamble to this final codification rule, EPA announced that it needed to resolve legal and policy issues concerning the applicability of the new corrective action program to federal hazardous waste facilities. EPA today is supplementing that preamble by explaining the resolution of three issues of statutory interpretation concerning federal agency compliance. In a separate notice also published today EPA is announcing its intent to propose rules addressing three related issues.

FOR FURTHER INFORMATION CONTACT: RCRA Hotline, toll free, at (800) 424-9346 or at (202) 382-3000. Also, Denise Hawkins, Office of Solid Waste (WH-563), U.S. Environmental Protection Agency, 401 M Street SW., Washington, DC 20460, (202) 382-2210.

SUPPLEMENTARY INFORMATION: In November 1984 Congress amended RCRA by enacting the Hazardous and Solid Waste Amendments of 1984. The amendments include a new section 3004(u), 42 U.S.C. 6924(u), requiring any permit issued to a hazardous waste management facility after November 8, 1984 to require corrective action for all releases of hazardous waste or hazardous constituents from any solid

waste management unit at the facility regardless of when waste was placed in the unit.

On July 15, 1985 (50 FR 28702) EPA promulgated a final rule codifying statutory changes to its hazardous waste regulations. In the preamble to this rule, EPA presented its view on the meaning of "facility" in section 3004(u). EPA took the position that Congress intended "facility" to include the entire site under control of the owner or operator engaged in hazardous waste management (50 FR 28712). EPA added, however, that it had not resolved various legal and policy questions regarding the extent to which Congress intended this definition to apply to hazardous waste "facilities" owned or operated by federal agencies. EPA gave a commitment to make its best efforts to resolve these issues within 60 days.

Today EPA is supplementing the preamble to the codification rule by giving notice of its views on three issues of statutory interpretation concerning federal compliance with section 3004(u). In a separate notice published elsewhere in today's *Federal Register* EPA is also announcing that it intends to address three additional issues through rulemaking.

As a result of the promised review, EPA has concluded that section 3004(u) subjects federal facilities to corrective action requirements to the same extent as any facility owned or operated by private parties. Furthermore, EPA has determined that the statute requires federal agencies to operate under the same property-wide definition of "facility." These results are consistent with section 6001 of RCRA, 42 U.S.C. 6961, which generally requires each department, agency and instrumentality of the federal government to comply with RCRA requirements to the same extent as any other person.

The federal agencies, however, have raised several issues that merit special consideration. These issues involve the scope of federal ownership interests and the need to set priorities for the use of federal cleanup funds.

EPA is resolving the first of these issues as a matter of statutory interpretation. The federal agencies have pointed out that the United States could be considered the "owner" of a federal hazardous waste facility. Under EPA's interpretation of the definition of

"facility" for section 3004(u), contiguous tracts of federal lands owned by the United States but administered by different federal agencies could be considered a single "facility" for corrective action purposes. A permit for a hazardous waste unit located anywhere on this collective federal "facility" would trigger corrective action requirements for every solid waste management unit found within its boundaries. In the western half of the United States, contiguous federal lands cover large portions of several states. Moreover, the agency that operates a hazardous waste unit might not have authority to require or manage cleanup of solid waste units on lands administered by other agencies. The size of the facility and the administrative limitations could make corrective action very difficult.

EPA believes that Congress did not intend section 3004(u) to require such wide-ranging cleanups on federal lands. Congress has consistently expected individual federal departments and agencies to obtain RCRA permits and manage hazardous waste. For example, section 6001 of RCRA specifically requires "departments, agencies and instrumentalities of the Federal government" to comply with RCRA requirements. The legislative history of this provision also requires "federal agencies" to comply with RCRA. S. Rept. 94-938, 94th Cong., 2d Sess. at 24 (1976). Congress could easily have referred to the "United States" if it intended the entire federal government to respond together. Consequently, EPA is today interpreting the concept of ownership for the purposes of section 3004(u) as referring to individual federal departments, agencies, and instrumentalities.

EPA has concluded that it would be more appropriate to resolve the remaining issues through rulemaking. EPA intends to propose rules in the near future to resolve these issues, which are described in greater detail in a separate notice published in today's *Federal Register*.

Dated: February 28, 1986.

Lee M. Thomas,
Administrator.

[FR Doc. 86-4754 Filed 3-4-86; 8:45 am]

BILLING CODE 6560-50-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 260, 261, 262, 264, 265, 266, 270, 271 and 280

[FR-2978-4]

Hazardous Waste Management System; Intent To Propose Rules for Federal Facilities

AGENCY: Environmental Protection Agency.

ACTION: Notice of intent to propose rules.

SUMMARY: In November 1984 Congress comprehensively amended the Resource Conservation and Recovery Act (RCRA) of 1976. The amendments include a new section 3004(u) requiring corrective action for releases of hazardous waste and constituents at hazardous waste management facilities seeking RCRA permits. On July 15, 1985 (50 FR 28702) the Environmental Protection Agency (EPA) published a final rule codifying statutory changes to its hazardous waste management program. In the preamble to this final codification rule, EPA announced that it needed to resolve legal and policy issues concerning the applicability of the new corrective action program to federal hazardous waste facilities. Elsewhere in today's *Federal Register* EPA is supplementing that preamble by stating its views on three issues of statutory interpretation. In this notice EPA announces its intent to propose rules addressing three additional issues related to federal agency compliance.

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meaning of "facility" in section 3004(u). EPA took the position that Congress intended "facility" to include the entire site under control of the owner or operator engaged in hazardous waste management (50 FR 28712). EPA added, however, that it had not resolved various legal and policy questions regarding the extent to which Congress intended this definition to apply to hazardous waste "facilities" owned or operated by federal agencies. EPA gave a commitment to make its best efforts to resolve these issues within 60 days.

Elsewhere in today's *Federal Register* EPA is publishing a policy notice that supplements the preamble to the codification rule by giving notice of EPA's views on three issues of interpretation concerning federal compliance with section 3004(u). In this notice EPA is announcing that it intends to address three additional issues through rulemaking. This notice is not a proposal and EPA is not yet requesting comments on these issues.

In the policy notice published separately today, EPA is announcing that it interprets the concept of on "ownership" for the purposes of defining facility boundaries under section 3004(u) as referring to individual departments, agencies and instrumentalities. In some cases EPA believes that "ownership" should refer to major departmental subdivisions that exercise independent management authorities. For example, within the Department of Defense, EPA believes that the term should be viewed as referring separately to the separate branches of the Armed Services. Similarly, within the Department of the Interior, EPA believes that "ownership" should refer to major subdivisions such as the National Park Service and the Bureau of Land Management. If ownership is not defined in terms of these smaller units, the logistical problems described in the other notice will continue to hamper federal corrective actions. EPA therefore believes that recognition of these subdivisions is consistent with Congressional intent. EPA will propose a rule to clarify position and explain more fully the rationale for recognizing specific subdivisions. In the interim, EPA intends to recognize principal subdivisions as a matter of statutory interpretation on a case-by-case basis in individual permit proceedings.

The Department of the Interior has expressed concern that federal agencies might be considered "owners" of hazardous waste facilities on federal lands operated by private parties with partial property interests such as leases or mineral extraction rights. The Department urges that the federal

government should not be held responsible for releases from such operations. Furthermore, it believes that the federal agency should not have to clean up releases on contiguous federal land when such a private party applies for a RCRA permit for its hazardous waste facility.

EPA intends to propose a rule that limits Federal agency responsibility for facilities operated by private parties with legal ownership interests by identifying a "principal owner" for the purpose of defining the "facility" boundary under section 3004(u). The "principal owner" probably would be the person most directly associated with operation of the hazardous waste facility. Only property within the scope of the "principal owner's" legal interest would be considered the "facility" for corrective action purposes. The federal agency that administers the same land for the United States would not be responsible for complying with section 3004(u) within the principal owner's "facility." To determine whether a private party on federal lands should be treated as a "principal owner", EPA might consider factors such as the degree of control the federal agency exercises over the private party's actions, or the amount of benefit the agency derives from the private party's waste management operation. EPA will also need to consider the impact of this concept on private lands where one private party has granted legal ownership interests to a second private party that operates a hazardous waste "facility."

Finally, all of the federal agencies that discussed these issues with EPA have advocated the establishment of national priorities for cleaning up hazardous releases at federal facilities under section 3004(u). EPA agrees that it is rational as a matter of public policy to address the most seriously contaminated facilities first. Moreover, since the funding for corrective action is not unlimited, priorities would help maximize the use of available funds. EPA also recognizes that states, which will have the authority to issue hazardous waste permits requiring corrective action after EPA authorizes them to exercise this new authority, may not share the same national perspective or have the same priorities.

EPA intends to develop rules that would allow federal agencies, subject to EPA approval after consultation with the states, to set priorities for correcting releases from solid waste management units at facilities that they own or operate. These rules would also assure a state's full participation in establishing

the priorities as a part of the authorization process. Further, EPA would ensure that any priority setting scheme would not disturb the authorized state's traditional role as the primary issuer of RCRA permits. After a State obtains authorization to implement 3004(u) the State would issue the corrective action portion of a hazardous waste permit in authorized state. EPA is not proposing any specific rules on these issues today, but it intends to propose rules soon.

EPA has resolved three of the basic issues concerning federal compliance with section 3004(u): The applicability of

section 3004(u) to Federal agencies; the definition of "facility"; and the concept that the United States is not the "owner" for the purpose of defining RCRA facilities.

EPA will work as quickly as possible to resolve the remaining issues concerning the "principal owner" and national priorities. In the interim, EPA and the states will proceed to review and issue RCRA permits, and EPA will implement 3004(u) requirements at federal facilities. EPA will address issues not yet resolved by rulemaking on a case-by-case basis.

Executive Order 12291 requires each Federal agency to determine if a regulation is a "major" or "minor" rule as defined by the Order and to submit all regulations to OMB for review. Since this notice does not propose or promulgate any rules, EPA has not assessed its impacts or classified it as a "major" or "minor" rule under E.O. 12291. EPA, however, did submit this notice to OMB for review.

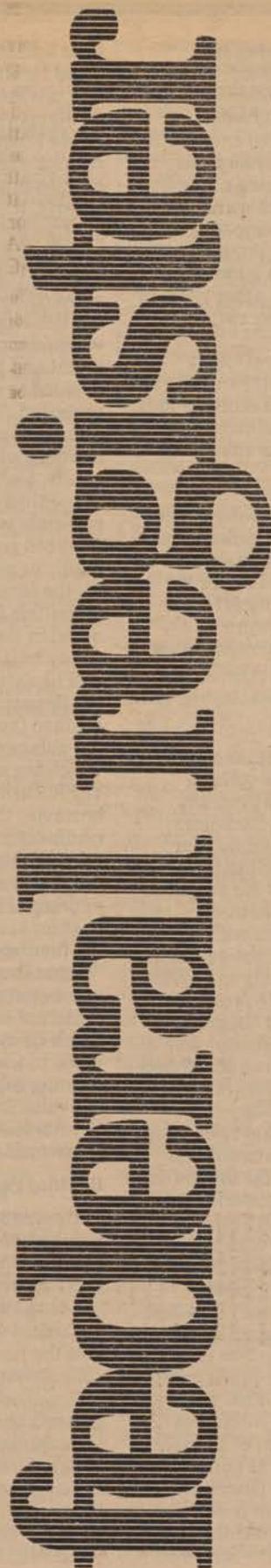
Dated: February 28, 1986.

Lee M. Thomas,
Administrator.

[FR Doc. 86-4755 Filed 3-4-86; 8:45 am]

BILLING CODE 6560-50-M

Wednesday
March 5, 1986



Part VII

**Department of
Health and Human
Services**

**Public Health Service
Health Resources and Services
Administration**

**42 CFR Part 51a
Special Project Grants—Maternal and
Child Health Services; Final Rule
Availability of Funds for Maternal and
Child Health Projects; Notice**

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Public Health Service****42 CFR Part 51a****Special Project Grants—Maternal and Child Health Services****AGENCY:** Public Health Service, HHS.**ACTION:** Final rule.

SUMMARY: The rules below provide for a single regulation for funding projects under the Maternal and Child Health Services Set-Aside Program established by Title V of the Social Security Act (Act). Section 502(a) of the Act, as amended, which is referred to as the Federal Set-Aside Program, provides that between 10 and 15 percent of the appropriation for Title V in each fiscal year shall be retained by the Secretary for the purpose of carrying out special projects of regional and national significance; maternal and child health research and training; genetic disease testing, counseling and information; and hemophilia diagnostic and treatment centers; with funding provided through grants, contracts or other arrangements.

EFFECTIVE DATE: The rules set forth below are effective on March 5, 1986.

FOR FURTHER INFORMATION CONTACT: Siegel E. Young, Jr., Director, Office of Program Development, Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration, Room 7A-21, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443-2853.

SUPPLEMENTARY INFORMATION: On January 12, 1983, the Secretary of Health and Human Services published proposed rules implementing the Maternal and Child Health Services Federal Set-Aside Program and invited public comments (48 FR 1323). Twenty-two individuals and organizations commented on the proposed rules. Set out below is a brief discussion of the statutory basis for the regulation and summaries of the comments received, the Department's response to those comments and the changes to the proposed regulation. The Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35) revised Title V of the Act to establish the Maternal and Child Health Services Block Grant. Between 10 and 15 percent of the funds appropriated for Title V in each fiscal year are to be retained by the Secretary for the award of grants, and for contracts and other arrangements for the purposes specified above. The statute specifically provides for only grant funding for training projects for public and nonprofit private

institutions of higher learning (sec. 502(a)(2)(A) of the Social Security Act). The statute provides for funding for research projects through grants, contracts or jointly financed cooperative agreements with public or nonprofit institutions of higher learning or public or nonprofit private agencies and organizations engaged in research or in maternal and child health programs (sec. 502(a)(2)(B)). There are no statutory restrictions relating to the other types of projects to be funded under section 502(a).

These programs were previously funded under sections 503(2) and 504(2), 511 and 512 of the Act and sections 1121 and 1131 of the Public Health Service Act as in effect prior to the enactment of Pub. L. 97-35.

On June 25, 1982, the Secretary amended the regulations issued under the previous authorities to make them applicable to Federal funding awards for the same purpose awarded under the new section 502(a) authority (47 FR 27824). Those regulations were applicable until these final regulations could be published.

Comments:**1. For-Profit Eligibility**

Proposed § 51a.3 would make profit making entities eligible for certain Federal funding under this program.

Comment: Seventeen commenters objected to opening up eligibility for Federal funding to for-profit entities, and no commenters supported the proposal. The commenters raised two major objections. The first is that, with limited and decreasing resources, the available funds should be used strictly to provide services and not to provide profit to organizations. The second objection concerns the potential to disrupt the relationship that States have developed with public and private nonprofit organizations. Several States commented that their efforts to develop a State-wide system of maternal and child health services and the integration of their activities in administering the Maternal and Child Health Services Block Grant in their State with the Set-Aside Program would be jeopardized since relationships already exist between the Block Grant activities and the public and private nonprofit entities.

Response: The first objection is without merit, because for-profit entities would not be authorized to use Federal funds for profit and, thus, would use such funds for the provision of services to the same extent as would nonprofit entities. (See 47 FR 53009, November 24, 1982.) The second objection is equally unpersuasive. To prevent the disruption of relationships between the States in

their administration of the Maternal and Child Health Block Grant and the public and private nonprofit entities now receiving Federal funding under the Set-Aside Program, it would be necessary to restrict eligible applicants to those entities now receiving such funding. Clearly, it would be inappropriate to give present grantees an exclusive right to continued Federal funding.

In light of the Department's recently adopted policy of making for-profit entities eligible for Federal funds whenever consistent with legislative intent and program purposes, we have decided to publish the regulation as proposed. Thus, while only public or private nonprofit institutions of higher learning will be eligible for training grants, and only public or private nonprofit agencies will be eligible for research grants, contracts or jointly financed cooperative agreements, any public or private entity will be eligible for the remaining types of assistance under this Set-Aside Program. As we noted in the document adopting the new policy regarding for-profit entities, this will likely increase competition and help the Department's programs to better achieve their objectives by increasing the number of proposed projects from which we may select our awardees. (See 47 FR 53007, Nov. 24, 1982.) We note, however, that the concern of the commenters regarding the ongoing relationships between States and recipients of Set-Aside Program funds is addressed elsewhere in the regulations. Section 51a.5(b)(4) sets forth, as one of the funding criteria to be used, the "extent to which the project will be integrated with the administration of the Maternal and Child Health Services Block Grants and other block grants" made to the State. Thus, where the ongoing relationship is a crucial factor in evaluating competing applications for Set-Aside Programs funds, the Department can consider that factor.

II. Third Party Reimbursement

The proposed rule contains no specific requirement that third party reimbursements be collected for services provided for which third parties are obligated to pay.

Comment: One commenter suggested that the previous specific requirement to collect third party payments be retained.

Response: The Department agrees that projects should seek reimbursement from third parties for those services which third parties would ordinarily cover. A provision has been added to the regulations at § 51a.5(b)(6) to indicate that one of the funding criteria to be used is the extent to which the

applicant is or will be successful in obtaining such reimbursement.

III. Priority for Funding

Section 502(a) combines previously categorical programs into a single program. The statute does not specify minimums or maximums for awarding funds from the funds available from the Set-Aside Program for any one type of program nor does it specify that one type of program should be given any additional weight when allotting funds among the various programs. The percentage of funds to be available for each category of projects is also not specified.

Comment: Two commenters suggested that the public be given the opportunity to comment on the priority for funding the different activities within the Set-Aside Program and to have an input into the proportion of funds available for each activity.

Response: It is the belief of the Department that the legislative intent of the Set-Aside Program was to permit administrative discretion in the distribution of funds among these programs. While the public is always free to suggest priorities for funding, the Department will not adopt a formal priority procedure in order to maintain the administrative discretion allowed by the legislation.

IV. Application Review

The proposed regulation does not specify the review procedure used in approving application projects in the Set-Aside Program.

Comment: Several commenters suggested that the proposed rule should specifically require non-governmental review of applications for projects. The commenters suggest that the approval of applications for such large sums of money should not be left solely to government employees.

Response: It is standard practice in the review of maternal and child health services research activities for the applications to be reviewed and approved by the Maternal and Child Health Research Advisory Committee composed of non-governmental consultants. Non-Federal consultants are also always used routinely as panelists on other categories of applications.

The Department believes, however, that it is inappropriate to specify in regulation the particular details of the Department's review process, and we have not adopted this suggestion.

V. Number of Persons To Be Served

The proposed rule specified in § 51a.5(b)(1) that one of the criteria for

reviewing applications is the number of persons to be served by the applicant.

Comment: Two commenters argued that this provision should be deleted because it is biased toward urban populations and is vague.

Response: The Department does not agree that this position should be changed, because it is important to know the number of people to be served. Also, the approval of an application is not based solely on the number to be served but on the relationship of the number to be served to the amount of funds requested. In order for the Department to be able to compare applications to ensure that funds are proposed to be spent effectively and efficiently, the application must contain information on the number of persons to be served. We have, however, modified the requirement (renumbered as § 51a.5(b)(3)) to request applicants to describe the special circumstances and differences associated with the provision of care in urban and rural areas so that this can be taken into consideration in reviewing applications.

VI. Applicability to Indian Tribes and Tribal Organizations

The proposed regulation does not specifically designate Indian tribes or tribal organizations as eligible entities.

Comment: One commenter requested that Indian tribes and tribal organizations be specifically included in § 51a.3 as eligible entities.

Response: As provided in section 502(a) of the Act, public or private nonprofit institutions of higher learning may apply for training grants, and public or nonprofit institutions of higher learning and public or private nonprofit agencies engaged in research or programs relating to maternal and child health or crippled children's services may apply for awards for research in maternal and child health services or crippled children's services. The remaining Federal awards under this regulation are available to any public or private entity including an Indian tribe or tribal organization. Nevertheless, to dispel any confusion that may exist, we have added to the regulation at section 51a.3 a specific reference to tribes or tribal organizations.

Prohibition Against Discrimination

In addition to the nondiscrimination regulations listed at § 51a.7(a) which are applicable to awards under the Set-Aside Program, the Department points out that the statute, at section 508(a)(2) of the Social Security Act, provides that "(n)o person shall on the ground of sex or religion be excluded from participation in, be denied the benefits

of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this title."

Executive Order 12291

The Secretary has determined, in accordance with Executive Order 12291, that this final rule does not constitute a "major rule" because: it will not cause a major increase in costs or prices for individual industries, government agencies or geographic regions; nor will it have any 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 or export markets. Therefore, a regulatory impact analysis is not required in connection with the publication of this rule.

Regulatory Flexibility Act

The Secretary has also determined that this rule will not have a significant economic impact on a substantial number of small entities. The rule allows major flexibility and imposes fewer requirements on grantees. Therefore, the Department has determined that this rulemaking does not require preparation of a regulatory flexibility analysis under the Regulatory Flexibility Act.

In accordance with the Paperwork Reduction Act of 1980 (Pub. L. 96-511) the reporting provisions included in § 51a.4 of this regulation have been approved by the Office of Management and Budget (OMB) and have been assigned OMB control number 0915-0050.

List of Subjects in 42 CFR Part 51a

Colleges and universities, Federal support programs—Health, Infants and children, Maternal and child health, Blood diseases, Genetic diseases, Health care, Health facilities.

Dated: July 9, 1985.

James O. Mason,
Acting Assistant Secretary for Health.

Approved: July 25, 1985.
Margaret M Heckler,
Secretary.

1. Part 51a of 42 CFR is added to read as follows:

PART 51a—PROJECT GRANTS FOR MATERNAL AND CHILD HEALTH

Sec.

- 51a.1 To whom does this regulation apply?
- 51a.2 Definitions.
- 51a.3 Who is eligible to apply for Federal funding?
- 51a.4 How is application made for Federal funding?

Sec.

51a.5 What criteria will DHHS use to decide which projects to fund?
 51a.6 What confidentiality requirements must be met?
 51a.7 What other DHHS regulations apply?

Authority: Section 1102 of the Social Security Act, 49 Stat. 647 (42 U.S.C. 1302); section 502(a) of the Social Security Act, 95 Stat. 819-20 (42 U.S.C. 702(a)).

§ 51a.1 To whom does this regulation apply?

The regulation in this part applies to grants, contracts, and other arrangements under section 502(a) of the Social Security Act, as amended (42 U.S.C. 702(a)), for special projects of regional and national significance; maternal and child health or crippled children's research and training projects; genetic disease testing, counseling and information projects; and comprehensive hemophilia diagnostic and treatment centers.

§ 51a.2 Definitions.

"Act" means the Social Security Act, as amended.

"Genetic diseases" means inherited disorders caused by the transmission of certain aberrant genes from one generation to another.

"Hemophilia" means a genetically transmitted bleeding disorder resulting from a deficiency of a plasma clotting factor.

"Institution of higher learning" means any college or university accredited by a regionalized body or bodies approved for such purpose by the Secretary of Education, and any teaching hospital which has higher learning among its purposes and functions and which has a formal affiliation with an accredited school of medicine and a full-time academic medical staff holding faculty status in such school of medicine.

"Secretary" means the Secretary of Health and Human Services or his or her designee.

§ 51a.3 Who is eligible to apply for Federal funding?

Any public or private entity including an Indian tribe or tribal organization (as those terms are defined at 25 U.S.C. 450b) is eligible to apply for Federal funding for a special project of regional or national significance; genetic disease testing, counseling, and information project; comprehensive hemophilia diagnostic and treatment center; or for a special maternal and child health improvement project. Only public or nonprofit private institutions of higher learning may apply for training grants. Only public or nonprofit institutions of higher learning and public or private nonprofit agencies engaged in research

or programs relating to maternal and child health and crippled children's services programs may apply for grants, contracts or jointly financed cooperative agreements for research in maternal and child health services or crippled children's services.

§ 51a.4 How is application made for Federal funding?

The application must include a budget and narrative plan of the manner in which the project has met, or plans to meet, each of the requirements prescribed by the Secretary. The plan must describe the project in sufficient detail to identify clearly the nature, need, and specific objectives of, and methodology for carrying out, the project. Since the Department anticipates a limited number of renewals, the application must include (except for research projects described at the end of this paragraph) a description of the project's past attempts and current plans to secure other sources of funding.

By their very nature, research projects are generally not continuing activities and do not generate reimbursement. They are therefore not included under the requirement in this paragraph to provide information on other sources of funding.

(Approved by the Office of Management and Budget under control number 0915-0050)

§ 51a.5 What Criteria will DHHS use to decide which projects to fund?

(a) The Secretary will determine the allocation of funds available under section 502(a) of the Act for each of the activities described in section 51a.1.

(b) Within the limit of funds determined by the Secretary to be available for each of the activities described in § 51a.1, the Secretary may award Federal funding for projects under this part to applicants which will, in his or her judgment, best promote the purpose of Title V of the Social Security Act taking the following factors equally into account:

(1) The quality of the project plan or methodology.

(2) The need for the services, research, or training.

(3) The cost-effectiveness of the proposed project relative to the number of persons proposed to be benefitted, served or trained, taking into consideration, where relevant, whether the proposed project is urban or rural and the special circumstances associated with providing care or training in various areas.

(4) The extent to which the project will contribute to the advancement of

maternal and child health and crippled children's services.

(5) The extent to which rapid and effective use of grant funds will be made by the project.

(6) The effectiveness of procedures to collect the cost of care and services from third-party payment sources (including government agencies) which are authorized or under legal obligation to make such payments for any service (including diagnostic, preventive and treatment services).

(7) The extent to which the project will be integrated with the administration of the Maternal and Child Health Services block grants and other block grants made to the appropriate State(s).

(8) The soundness of the project's management, considering the qualifications of the staff of the proposed project and the applicant's facilities and resources.

§ 51a.6 What confidentiality requirements must be met?

All information as to personal facts and circumstances obtained by the project's staff about recipients of services shall be held confidential, and shall not be disclosed without the individual's consent except as may be otherwise required by applicable law or as may be necessary to provide for medical audits by the Secretary with appropriate safeguards for confidentiality of patient records. Otherwise, information may be disclosed only in summary, statistical, or other form which does not identify particular individuals.

§ 51a.7 What other DHHS regulations apply?

(a) Several other DHHS regulations apply to awards under this part. These include, but are not limited to:

42 CFR Part 50—Policies of general applicability:

Subpart B—Sterilization of persons in federally assisted family planning projects.

Subpart C—Abortions and related medical services in federally assisted programs of the Public Health Service.

Subpart E—Maximum allowable cost for drugs.

42 CFR Part 122 Health systems agencies:

Subpart E—Health systems agency reviews of certain proposed uses of Federal health funds.

45 CFR Part 19—Limitations on payment or reimbursement for drugs

45 CFR Part 80—Nondiscrimination under programs receiving Federal assistance through the Department of Health and Human Services—Effectuation of Title VI of the Civil Rights Act of 1964

45 CFR Part 81—Practice and procedure for hearings under part 80 of this title

45 CFR Part 84—Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance

45 CFR Part 86—Nondiscrimination on the basis of sex in programs and activities receiving or benefiting from Federal financial assistance

45 CFR Part 91—Nondiscrimination on the basis of age in HHS programs or activities receiving Federal financial assistance.

(b) In addition to the above regulations, the following apply to projects funded through grants:

45 CFR Part 50 Policies of general applicability

Subpart D—Public Health Service grant appeals procedure.

45 CFR Part 16—Procedures of the Departmental Grant Appeals Board

45 CFR Part 74—Administration of grants

45 CFR Part 75—Unformal grant appeals procedures

[FR Doc. 86-4798 Filed 3-4-86; 8:45 am]

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