

Sunshine Act Meetings

Federal Register

Vol. 52, No. 228

Friday, November 27, 1987

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

CONSUMER PRODUCT SAFETY COMMISSION

TIME AND DATE: 10:00 a.m., Wednesday, December 2, 1987.

LOCATION: Room 556, Westwood Towers, 5401 Westbard Avenue, Bethesda, MD.

STATUS: Closed to the Public.

MATTERS TO BE CONSIDERED:

1. Compliance Status Report

The staff will brief the Commission on a Compliance Status Report.

2. Enforcement Matter OS# 4057

The staff will brief the Commission on Enforcement Matter OS# 4057.

3. Enforcement Matter OS# 3270

The staff will brief the Commission on Enforcement Matter OS# 3270.

FOR A RECORDED MESSAGE CONTAINING THE LATEST AGENDA INFORMATION, CALL: 301-492-5709.

CONTACT PERSON FOR ADDITIONAL INFORMATION: Sheldon D. Butts, Office of the Secretary, 5401 Westbard Ave., Bethesda, Md. 20207, 301-492-6800.

Sheldon D. Butts,
Deputy Secretary,
November 23, 1987.

[FR Doc. 87-27345 Filed 11-24-87; 10:42 am]
BILLING CODE 6355-01-M

CONSUMER PRODUCT SAFETY COMMISSION

TIME AND DATE: Thursday, December 3, 1987.

LOCATION: Room 556, Westwood Towers, 5401 Westbard Avenue, Bethesda, MD.

STATUS:

MATTERS TO BE CONSIDERED:

Open to the Public

1. Audio-Visual Carts Petition CP 86-1

The staff will brief the Commission on a petition to initiate rule making to address a tip-over hazard associated with television and audio-visual carts used in schools and other institutions.

2. Pool Safety—Status Report

The staff will brief the Commission on Fiscal Year 1987 activities of the pool safety project.

Closed to the Public

3. Enforcement Matter OS# 4105

The staff will brief the Commission on Enforcement Matter OS# 4105.

4. Enforcement Matter OS# 4605

The staff will brief the Commission on Enforcement Matter OS# 4605.

FOR A RECORDED MESSAGE CONTAINING THE LATEST AGENDA INFORMATION, CALL: 301-492-5709.

CONTACT PERSON FOR ADDITIONAL INFORMATION: Sheldon D. Butts, Office of the Secretary, 5401 Westbard Ave., Bethesda, Md. 20207, 301-492-6800.

Sheldon D. Butts,
Deputy Secretary,
November 23, 1987.

[FR Doc. 87-27346 Filed 11-24-87; 10:42 am]

BILLING CODE 6355-01-M

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

DATE AND TIME: Tuesday, December 8, 1987, 9:30 a.m. (eastern time).

PLACE: Clarence M. Mitchell, Jr., Conference Room, No. 200-C on the Second Floor of the Columbia Plaza Office Building, 2401 E Street, NW., Washington, DC 20507.

STATUS: Part of the meeting will be open to the public and part will be closed to the public.

MATTERS TO BE CONSIDERED:

Open Session

1. Announcement of Notation Vote(s)
2. A Report on Commission Operations (Optional)
3. Proposed Section 602, Evidence, Volume II of the EEOC Compliance Manual
4. Recommendation for Certification—Louisville and Jefferson County Human Relations Commission
5. Proposed Contract for Expert Services in Connection with a Court Case

Closed Session

Litigation Authorization: General Counsel Recommendations

Note.—Any matter not discussed or concluded may be carried over to a later meeting. (In addition to publishing notices on EEOC Commission Meetings in the Federal Register, the Commission also provides a recorded announcement a full week in advance on future Commission sessions. Please telephone (202) 634-6748 at all times for information on these meetings.)

CONTACT PERSON FOR MORE

INFORMATION: Cynthia C. Matthews,

Executive Officer (Acting) on (202) 634-6748.

This Notice Issued November 23, 1987.

Cynthia Clark Matthews,
Executive Officer (Acting), Executive
Secretariat.

[FR Doc. 87-27414 Filed 11-24-87; 1:33 pm]

BILLING CODE 6750-06-M

FEDERAL ELECTION COMMISSION

DATE AND TIME: Tuesday, December 1, 1987, 10:00 a.m.

PLACE: 999 E Street, NW., Washington, DC.

STATUS: This meeting will be closed to the public.

ITEMS TO BE DISCUSSED:

Compliance matters pursuant to 2 U.S.C. 437g.
Audits conducted pursuant to 2 U.S.C. 437g, 438(b), and Title 26, U.S.C.
Matters concerning participation in civil actions or proceedings or arbitration.
Internal personnel rules and procedures or matters affecting a particular employee.

DATE AND TIME: Thursday, December 3, 1987, 10:00 a.m.

PLACE: 999 E Street, NW., Washington, DC (Ninth Floor).

STATUS: This meeting will be open to the public.

MATTERS TO BE CONSIDERED:

Setting of Dates for Future Meetings.
Correction and Approval of Minutes.
Eligibility Report for Candidates to Receive Presidential Primary Matching Funds.
Draft Advisory Opinion 1987-30—Fred Burnell on behalf of Ripley for Senate Committee.
Routine Administrative Matters:
Reorganization of the Office of the General Counsel.

PERSON TO CONTACT FOR INFORMATION:

Mr. Fred Eiland, Information Officer,
Telephone: 202-376-3155.

Marjorie W. Emmons,
Secretary of the Commission.

[FR Doc. 87-27373 Filed 11-24-87; 10:44 am]

BILLING CODE 6715-01-M

FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS:

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 52 FR 44274, November 18, 1987.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: 11:00 a.m., Monday, November 23, 1987.

CHANGES IN THE MEETING: One of the items announced for inclusion at this meeting was consideration of any agenda items carried forward from a previous meeting; the following such closed item(s) was added:

Further consideration of testimony on banking issues. (This item was originally announced for a closed meeting on November 12, 1987.)

CONTACT PERSON FOR MORE

INFORMATION: Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204.

Date: November 23, 1987.

James McAfee,

Associate Secretary of the Board.

[FR Doc. 87-27347 Filed 11-24-87; 10:43 am]

BILLING CODE 6210-01-M

**NATIONAL CREDIT UNION
ADMINISTRATION**

TIME AND DATE: 9:30 a.m., Thursday, December 3, 1987.

PLACE: Filene Board Room, 7th Floor, 1776 G Street, NW., Washington, DC 20456, (202) 357-1100.

STATUS: Open.

MATTERS TO BE CONSIDERED:

1. Approval of Minutes of Previous Open Meeting.
2. Economic Commentary.
3. Central Liquidity Facility Report and Review of CLF Lending Rate.
4. Insurance Fund Report.
5. Final Rule: Prohibited Lending Practices.
6. Regulatory Review: Section 701.5, NCUA Rules and Regulations, Other Applications.
7. Proposed Rule: Section 701.24, NCUA Rules and Regulations, Refund of Interest.

RECESS: 10:45 a.m.

TIME AND DATE: 11:00 a.m., Thursday, December 3, 1987.

PLACE: Filene Board Room, 7th Floor, 1776 G Street, NW., Washington, DC 20456, (202) 357-1100.

MATTERS TO BE CONSIDERED:

1. Approval of Minutes of Previous Closed Meeting.

2. Administrative Actions under Sections 206 and 208 of the Federal Credit Union Act. Closed pursuant to exemptions (7), (8), (9)(A)(ii), and (9)(B).
3. Requests for Exemption from Part 701.21 (h)(2)(ii), NCUA Rules and Regulations. Closed pursuant to exemptions (8), (9)(A)(ii), and (9)(B).
4. Board Briefings. Closed pursuant to exemptions (2) and (9)(b).

FOR MORE INFORMATION CONTACT: Becky Baker, Secretary of the Board, telephone (202) 357-1100.

Becky Baker,

Secretary of the Board.

[FR Doc. 87-27428 Filed 11-24-87; 2:52 PM]

BILLING CODE 7535-01-M

POSTAL SERVICE

The Board of Governors of the United States Postal Service, pursuant to its Bylaws (39 CFR 7.5) and the Government in the Sunshine Act (5 USC 552b), hereby gives notice that it intends to hold a meeting at 1:00 p.m. on Monday, December 7, 1987, in Washington, DC, and at 8:30 a.m. on Tuesday, December 8, 1987, in the Benjamin Franklin Room, U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., Washington, DC. As indicated in the following paragraph, the December 7 meeting is closed to the public. The December 8 meeting is open to the public. The Board expects to discuss the matters stated in the agenda which is set forth below. Requests for information about the meeting should be addressed to the Secretary of the Board, David F. Harris, at (202) 268-4800.

The Board voted in accordance with the provisions of the Government in the Sunshine act to close to public observation its meeting scheduled for December 7, 1987, to consider two major capital investment projects. (52 FR 43965, November 17, 1987.)

Monday Session

December 7, 1987—1:00 p.m. (Closed)

1. Capital Investments:
 - a. Bar Code Sorters
 - b. Flat Sorting Machines.

Tuesday Session

December 8, 1987—8:30 a.m. (Open)

1. Minutes of the Previous Meeting. November 2-3, 1987.
2. Remarks of the Postmaster General.
3. Status Report on CSRS/FERS.
4. FY 1989 Appropriations Request—Final.
5. FY 1987 Financial Statements.
6. Annual Comprehensive Statement to Congress.
7. Chief Inspector's Report on Consumer Protection (Pub. L. 98-186).
8. Capital Investment: North Suburban (Chicago), IL.
9. Tentative Agenda for January 4-5, 1988, meeting in Washington, DC.

David F. Harris,

Secretary.

[FR Doc. 87-27377 Filed 11-24-87; 11:01 am]

BILLING CODE 7710-12-M

STATE JUSTICE INSTITUTE

TIME AND DATE:

- 9:00 a.m. to 5:00 p.m., December 6, 1987
- 9:00 a.m. to 5:00 p.m., December 7, 1987
- 9:00 a.m. to 3:00 p.m., December 8, 1987

PLACE: The Antlers Hotel, 4 South Cascade, Colorado Springs, Colorado.

STATUS: The meeting will be closed from 2:00 p.m. until 5:00 p.m. on December 6 to discuss matters exempted from public discussion, pursuant to 5 U.S.C. 552b(c).

MATTERS TO BE CONSIDERED:

Portions Open to the Public

Consideration of Concept Papers submitted for Fiscal Year 1988 Institute funding and policy development for FY 1988.

Portions Closed to the Public

Discussion of internal personnel practices and procedures.

CONTACT PERSON FOR MORE

INFORMATION: David I. Tevelin, Executive Director, State Justice Institute, 120 South Fairfax Street, Alexandria, Virginia 22312, (703) 684-6100.

David I. Tevelin,

Executive Director.

[FR Doc. 87-27401 Filed 11-24-87; 12:53 pm]

BILLING CODE 6820-SC-M

34 CFR Part 692

Friday
November 27, 1987

Part II

Department of Education

34 CFR Part 692

State Student Incentive Grant Program;
Final Regulations

DEPARTMENT OF EDUCATION

34 CFR Part 692

State Student Incentive Grant Program

AGENCY: Department of Education.

ACTION: Final regulations.

SUMMARY: The Secretary amends the regulations governing the State Student Incentive Grant (SSIG) program. These amendments are needed to implement changes made by the Higher Education Amendments of 1986. The regulations provide for an increase in the maximum SSIG award and clarify the new formula under which SSIG funds are allotted to the States.

EFFECTIVE DATE: These regulations take effect either 45 days after publication in the *Federal Register* or later if the Congress takes certain adjournments. If you want to know the effective date of these regulations, call or write the Department of Education contact person.

FOR FURTHER INFORMATION CONTACT: Neil C. Nelson, Chief, State Student Incentive Grant Program, Office of Student Financial Assistance, Office of Postsecondary Education, U.S. Department of Education (Room 4018, ROB-3), 400 Maryland Avenue, SW., Washington, DC 20202.

SUPPLEMENTARY INFORMATION: On Thursday, June 18, 1987, the Secretary published a notice of proposed rulemaking for the SSIG program in the *Federal Register*, 52 FR 23260.

Analysis of Comments and Changes

In response to the Secretary's invitation in the NPRM, nine parties submitted comments on the proposed regulations. An analysis of the comments and of the changes to the regulations since publication of the NPRM follows. Substantive issues are discussed under the section of the regulations to which they pertain.

Section 692.1 What is the State Student Incentive Grant Program?

Comment: One commenter pointed out that the statutory name for the program's work-study component is "campus-based community service work learning study jobs" and wanted to know if the use, throughout the regulations, of the term "community service-learning job program" to describe this component altered the "campus-based" requirement. Further, the commenter suggested that the statutory name be used in the regulations.

Discussion: The requirement that the SSIG job program be campus-based was

not intended to be altered. Section 692.30(b)(1) provides that the program must be administered by institutions of higher education. The abbreviated name for the program was proposed for ease of reference.

Changes: The regulations now refer, in § 692.1, to the full name of the work-study component in order to highlight its various aspects.

Section 692.10 How does the Secretary allot funds to the States?

Comments: Two commenters wanted to know how the number of eligible students in each State will be determined in § 692.10(a)(1). One commenter was concerned that the process for determining eligible enrollments for the various States may be inconsistent because of the different types of institutions participating in their respective programs.

Discussion: The States will inform the Department of Education (ED) which institutions of higher education were eligible to participate in their SSIG programs in the most recent year for which satisfactory enrollment data is available as determined by ED. ED will then determine the number of students enrolled in these institutions in that year and will ensure that the data used for the various types of institutions are as consistent as possible.

Changes: None.

Comments: One commenter asked if the allotment of program funds on the basis of the number of students eligible to participate in the program, rather than the total State higher education enrollments (the method of allotting program funds prior to the Higher Education Amendments of 1986), would cause students to be excluded from participation or would increase participation.

Discussion: The method of allotting program funds established by the Amendments of 1986, as interpreted in the regulations, provides an incentive to States to increase the number of institutions that are eligible to participate in their SSIG programs and to thereby increase the enrollment base upon which program funds are allotted. If some States do broaden their institutional eligibility requirements to allow additional categories of institutions to participate in their programs, this change may increase the number of students that are eligible to apply for assistance under the program in those States.

Changes: None.

Comments: One commenter pointed out that, according to the statute, program funds are to be allotted on the basis of eligible students, and therefore

proposed § 692.10(b) is in error because it is based on the enrollment at institutions that are eligible to participate in the program. The commenter suggested that the regulations be revised so that the allotment formula be based on "the number of students directly eligible for State grants."

Discussion: The manner of allotting SSIG funds suggested by the commenter would include the student eligibility criteria of § 692.40 (including substantial financial need) as well as any additional State criteria, such as criteria pertaining to academic merit. Such an interpretation would not be administratively feasible because of the data collection difficulties.

The types of information needed under this interpretation are not available to the Department. If the information were to be provided by the States, it would substantially increase their recordkeeping and reporting burden, as well as that of the institutions. It would require all accredited public and private nonprofit institutions of higher education, as well as the participating proprietary institution, to maintain information on the financial need, citizenship status, satisfactory progress status, and selective service status of each student counted as being eligible for State allotment purposes (whether or not the student has applied for SSIG assistance), and to have statements on file indicating the intent of these students to expend any assistance received under Title IV of the Higher Education Act of 1965 as amended (HEA) solely for educational purposes. The default and "grant refund" status (as defined in the Student Assistance General Provisions in 34 CFR 668.7(d)) of all enrolled students would also have to be maintained.

Also, the suggested manner of allotting program funds is not feasible because of the variety of ways in which eligibility is determined under State programs. Some of the data, such as that pertaining to the substantial financial need criterion, is non-existent and could not be constructed, given current definitions of the criterion by some States. For example, those States that determine whether or not a student has substantial financial need on the basis of a ranking of applicants according to need, rather than a specific cut-off, would have no pool of eligibles that could be counted for allotment purposes.

Changes: None.

Comments: One commenter pointed out that a State may have several institutions not participating in its SSIG

program because those institutions have not sought eligibility, even though some of those institutions would be found to be eligible. The commenter believed that the reference in this section to "attendance at an institution that is eligible to participate in the State's program" is discretionary toward States that have institutions that do not seek program eligibility, and asked that the reference be changed to "attendance at an institution that is permitted to seek eligibility to participate in the State's program." Another commenter pointed out that some institutions are "eligible" according to State eligibility standards but yet choose not to participate in the program. He asked whether or not the students enrolled at these non-participating "eligible institutions" could be counted in the allotment of program funds.

Discussion: The statute does not permit students from ineligible institutions to be counted in the allotment of program funds regardless of the reason for that ineligibility. If students at a particular institution are not eligible to apply for SSIG assistance because the institution is not participating in the program that year, those students cannot be counted. It does not matter whether the institution's non-participation is by its own choice or because of State law or policy.

Changes: None.

Section 692.21 What requirements must be met by a State program?

Comments: One commenter believed that § 692.21(e) is discriminatory because an institution's participation can be barred by the constitution of the State in which it is located or by a State statute that was enacted before October 1, 1978.

Discussion: The provision contained in § 692.21(e) is statutory and cannot be changed.

Changes: None.

Comments: Another commenter pointed out that the reference in § 692.21(e) to "postsecondary vocational institutions" is not in the SSIG program statute, and wanted to know why it was added to the regulations.

Discussion: Under section 481(a) of the HEA, a postsecondary vocational institution is an eligible institution of higher education under the SSIG program subject to the exceptions specified in section 415C(b)(5) of the HEA. This type of institution is specifically cited in the regulations to clarify the meaning of the program's institutional eligibility provisions.

Changes: None.

Section 692.30 How does a State administer its community service-learning job program?

Comments: One commenter pointed out that § 692.30(b)(2) does not include the phrase "in the public interest," which is College Work-Study Program statutory language made applicable to the new work-study component of SSIG by section 415C(b)(3)(C) of the HEA. The commenter wanted to know what effect this omission would have and why the phrase was omitted.

Discussion: The phrase was unintentionally left out of the NPRM.

Changes: The phrase "in work in the public interest" has been added to § 692.30(b)(2).

Comments: Another commenter expressed concern that the community service-learning job program's administrative burden be kept to a minimum and cautioned that the requirement, in § 692.30(c)(2), relating the job to the student's educational or vocational program or goals could be difficult to administer. The commenter also noted that the use of Census Bureau poverty criteria in defining "low-income residents" would be administratively burdensome.

Discussion: The language in § 692.30(c)(2) is statutory and cannot be changed. However, the definition of "low-income residents" is not specifically required by the program statute and has been broadened to provide administrative flexibility.

Changes: Section 692.30(e) has been revised so that the State may use its own definition of "low-income residents" in its administration of the work-study component.

Comments: One commenter pointed out that the statutory phrase "formal or informal" had been left out of § 692.30(d)(1), which describes the consultation that has to take place between the institution administering the work-study program and the community.

Discussion: The Secretary agrees that identification of the work-study jobs can be accomplished through either formal or informal consultation with local nonprofit, governmental, and community-based organizations.

Changes: The statutory phrase "formal and informal" has been added to § 692.30(d)(1).

In addition to the above changes, § 692.40 has been revised to conform these final regulations to the Student Assistance General Provisions regulations, 34 CFR Part 668. Section 692.40 now incorporates the student eligibility provisions common to all Title

IV HEA programs by cross-reference to 34 CFR 668.7.

Executive Order 12291

These regulations have been reviewed in accordance with Executive Order 12291. They are not classified as major because they do not meet the criteria for major regulations established in the order.

Assessment of Educational Impact

In the notice of proposed rulemaking, the Secretary requested comments on whether the proposed regulations would require transmission of information that is being gathered by or is available from any other agency or authority of the United States.

Based on the response to the proposed rules and on its own review, the Department has determined that the regulations in this document do not require transmission of information that is being gathered by or is available from any other agency or authority of the United States.

List of Subjects in 34 CFR Part 692

Education, grant program, Education, state-administered, Education, student aid.

(Catalog of Federal Domestic Assistance Number 84.069: State Student Incentive Grant Program)

Dated: November 4, 1987.

William J. Bennett,

Secretary of Education.

The Secretary revises Part 692 of Title 34 of the Code of Federal Regulations to read as follows:

PART 692—STATE STUDENT INCENTIVE GRANT PROGRAM

Subpart A—General

Sec.

- 692.1 What is the State Student Incentive Grant Program?
- 692.2 Who is eligible to participate in the State Student Incentive Grant Program?
- 692.3 What regulations apply to the State Student Incentive Grant Program?
- 692.4 What definitions apply to the State Student Incentive Grant Program?

Subpart B—What Is the Amount of Assistance and How May It Be Used?

- 692.10 How does the Secretary allot funds to the States?
- 692.11 For what purposes may a State use its payments under this program?

Subpart C—How Does a State Apply To Participate in This Program?

- 692.20 What must a State do to receive an allotment under this program?
- 692.21 What requirements must be met by a State program?

Subpart D—How Does a State Administer its Community Service Learning Job Program?

692.30 How does a State administer its community service-learning job program?

Subpart E—How Does a State Select Students Under This Program?

692.40 What are the requirements for student eligibility?

692.41 What standards may a State use to determine substantial financial need?

Authority: 20 U.S.C 1070c-1070c-4 1070c-4, unless otherwise noted.

Subpart A—General**§ 692.1 What is the State Student Incentive Grant Program?**

The State Student Incentive Grant Program assists States in providing grants and work-study assistance to eligible students who attend institutions of higher education and have substantial financial need. The work-study assistance is provided through campus-based community service work learning study programs, hereinafter referred to as community service-learning job programs.

(Authority: 20 U.S.C. 1070c-1070c-4)

§ 692.2 Who is eligible to participate in the State Student Incentive Grant Program?**(A) State participation.**

A State that meets the requirements in §§ 692.20 and 692.21 is eligible to receive payments under this program.

(b) Student participation.

A student must meet the requirements of § 692.40 to be eligible to receive assistance from a State under this program.

(Authority: 20 U.S.C. 1070c-1)

§ 692.3 What regulations apply to the State Student Incentive Grant Program?

The following regulations apply to the State Student Incentive Grant Program:

(a) The regulations in this Part 692.

(b) The Education Department General Administrative Regulations (EDGAR) in 34 CFR Part 74 (Administration of Grants) except for Subpart C, Part 76 (State-Administered Programs), Part 77 (Definitions That Apply to Department Regulations), and Part 78 (Education Appeal Board).

(c) The regulations in 34 CFR Part 604 that implement section 1203 of the HEA (Federal-State Relationship Agreements).

(d) The Student Assistance General Provisions in Subpart A of 34 CFR Part 668.

(Authority: 20 U.S.C. 1070c)

§ 692.4 What definitions apply to the State Student Incentive Grant Program?

The following definitions apply to the regulations in this part:

(a) *Definitions in 34 CFR Part 668.* The following terms used in this part are defined in 34 CFR Part 668:

Academic year (§ 668.2).

Campus-based programs (§ 668.2).

Enrolled (§ 668.2).

Guaranteed Student Loan Program (§ 668.2).

HEA (§ 668.2).

Income Contingent Loan Program (§ 668.2).

Pell Grant Program (§ 668.2).

PLUS Program (§ 668.2).

Public or private nonprofit institution of higher education (§ 668.3).

Postsecondary vocational institution (§ 668.5).

Secretary (§ 668.2).

State (§ 668.2).

(b) *Other definitions that apply to this part.* The following additional definitions apply to this part:

"Full-time student" means a student carrying a full-time academic workload—other than by correspondence—as measured by both of the following:

(1) Coursework or other required activities, as determined by the institution that the student attends or by the State.

(2) The tuition and fees normally charged for full-time study by that institution.

"Nonprofit" has the same meaning under this part as the same term defined in 34 CFR 77.1 of EDGAR.

(Authority: 20 U.S.C. 1070c-1070c-4)

Subpart B—What Is the Amount of Assistance and How May It Be Used?**§ 692.10 How does the Secretary allot funds to the States?**

(a)(1) The Secretary allots to each State participating in the SSIG program an amount which bears the same ratio to the Federal SSIG funds appropriated as the number of students in that State who are "deemed eligible" to participate in the State's SSIG program bears to the total number of students in all States who are "deemed eligible" to participate in the SSIG program, except that no State may receive less than it received in fiscal year 1979.

(2) If the Federal SSIG funds appropriated for a fiscal year are not sufficient to allot to each State the amount of Federal SSIG funds it received in fiscal year 1979, the Secretary allots to each State an amount which bears the same ratio to the amount of Federal SSIG funds appropriated as the amount of Federal SSIG funds that State received in fiscal year 1979 bears to the amount of Federal SSIG funds all States received in fiscal year 1979.

(b) For the purpose of paragraph (a)(1) of this section, a student is "deemed eligible" to participate in a State's SSIG program if the student is in attendance at an institution that is eligible to participate in the State's program.

(Authority: 20 U.S.C. 1070c)

§ 692.11 For what purposes may a State use its payments under the program?

A State may use the funds it receives under this part only to make grants to students and to pay wages or salaries to students in community service-learning jobs.

(Authority: 20 U.S.C. 1070c)

Subpart C—How Does a State Apply To Participate in This Program?**§ 692.20 What must a State do to receive an allotment under this program?**

(a) To participate in the State Student Incentive Grant Program, a State shall enter into an agreement with the Secretary under section 1203 of the HEA (Federal-State Relationship Agreement).

(b) For each fiscal year that it wishes to participate, a State shall submit an application that contains information that shows that its State Student Incentive Grant Program meets the requirements of § 692.21.

(c)(1) Except as provided in paragraph (c)(2) of this section, the State shall submit its application through the State agency designated in its Federal-State Relationship Agreement to administer its State Student Incentive Grant Program as of July 1, 1985.

(2) If the Governor of the State so designates, and notifies the Secretary through a modification to the State's Federal-State Relationship Agreement, the State may submit its application under paragraph (b) of this section through an agency that did not administer its State Student Incentive Grant Program as of July 1, 1985.

(Authority: 20 U.S.C. 1070c-2(a))

(Cross-reference: See 34 CFR Part 604, Federal-State Relationship Agreements)

(Approved by the Office of Management and Budget under control number 1840-0544)

§ 692.21 What requirements must be met by a State program?

To receive a payment under this program for any fiscal year, a State must have a program that—

(a) Is administered by a single State agency in accordance with the Federal-State Relationship Agreement under section 1203 of the HEA.

(b) Provides assistance only to students who meet the eligibility requirements in § 692.40;

(c) Provides that assistance under this program to a full-time student will not be more than \$2,500 for each academic year;

(d) Provides for the selection of students to receive assistance on the basis of substantial financial need determined annually by the State on the basis of standards that the State establishes and the Secretary approves.

(Cross-reference: See § 692.41.)

(e) Provides that all public or private nonprofit institutions of higher education and all postsecondary vocational institutions in the State are eligible to participate unless that participation is in violation of—

- (1) The constitution of the State; or
- (2) A State statute that was enacted before October 1, 1978;

(f) Provides that, if a State allocates funds to an institution under a formula which is based in part on the financial need of less-than-full-time students enrolled in the institution, a reasonable portion of the institution's allocation must be awarded to those students;

(g) Provides that—

(1) The State will pay an amount for grants and work-study jobs under this part for each fiscal year that is not less than the payment to the State under this part for that fiscal year; and

(2) The amount that the State expends during a fiscal year for grants and work-study jobs under this program represents an additional amount for grants and work-study jobs for students attending institutions of higher education over the amount expended by the State for those activities during the fiscal year two years prior to the fiscal year in which the State first received funds under this program;

(h) Provides for State expenditures under the State program of an amount that is not less than—

(1) The average annual aggregate expenditures for the preceding three fiscal years; or

(2) The average annual expenditure per full-time equivalent student for those years; and

(i) Provides for reports to the Secretary that are necessary to carry out the Secretary's functions under this part.

(Authority: 20 U.S.C. 1070c-2)

(Approved by the Office of Management and Budget under control number 1840-0544)

Subpart D—How Does a State Administer Its Community Service-Learning Job Program?

§ 692.30 How does a State administer its community service-learning job program?

(a)(1) Each year, a State may use up to

20 percent of its allotment for a community service-learning job program that satisfies the conditions set forth in paragraph (b) of this section.

(2) A student who receives assistance under this section must receive compensation for work and not a grant.

(b)(1) The community service-learning job program must be administered by institutions of higher education in the State.

(2) Each student employed under the program must be employed in work in the public interest by an institution itself or by a Federal, State, or local public agency or a private nonprofit organization under an arrangement between the institution and the agency or organization.

(c) Each community service-learning job must—

(1) Provide community service as described in paragraph (d) of this section;

(2) Provide participating students community service-learning opportunities related to their educational or vocational programs or goals;

(3) Not result in the displacement of employed workers or impair existing contracts for services;

(4) Be governed by conditions of employment that are considered appropriate and reasonable, based on such factors as type of work performed, geographical region, and proficiency of the employee;

(5) Not involve the construction, operation, or maintenance of any part of a facility used or to be used for religious worship or sectarian instruction; and

(6) Not pay any wage to a student that is less than the current Federal minimum wage as mandated by section 6(a) of the Fair Labor Standards Act of 1938.

(d) For the purpose of paragraph (c)(1) of this section, "community service" means direct service, planning, or applied research that is—

(1) Identified by an institution of higher education through formal or informal consultation with local nonprofit, governmental, and community-based organizations; and

(2) Designed to improve the quality of life for residents of the community served, particularly low-income residents, in such fields as health care, child care, education, literacy training, welfare, social services, public safety, crime prevention and control, transportation, recreation, housing and neighborhood improvement, rural

development, and community improvement.

(e) For the purpose of paragraph (d)(2) of this section, "low-income residents" means—

(1) Residents whose taxable family income for the year before the year in which they are scheduled to receive assistance under this part did not exceed 150 percent of the amount equal to the poverty level determined by using criteria of poverty established by the United States Census Bureau; or (2) Residents who are considered low-income residents by the State.

(2) Residents who are considered low-income residents by the State.

(Authority: 20 U.S.C. 1070c-2, 1070-4)

Subpart E—How Does a State Select Students Under This Program?

§ 692.40 What are the requirements for student eligibility?

To be eligible for assistance, a student must—

(a) Meet the relevant eligibility requirements contained in 34 CFR 668.7; and

(b) Have substantial financial need as determined annually in accordance with the State's criteria approved by the Secretary.

(Authority: 20 U.S.C. 1070c-2, 1091)

(Approved by the Office of Management and Budget under control number 1840-0544.)

§ 692.41 What standards may a State use to determine substantial financial need?

A State determines whether a student has substantial financial need on the basis of criteria it establishes that are approved by the Secretary. A State may define substantial financial need in terms of family income, expected family contribution, and relative need as measured by the difference between the student's cost of attendance and the resources available to meet that cost. To determine substantial need, the State may use—

(a) A system for determining a student's financial need under the Pell Grant, Guaranteed Student Loan, PLUS, or campus-based programs;

(b) The State's own needs analysis system if approved by the Secretary; or

(c) A combination of these systems, if approved by the Secretary.

(Authority: 20 U.S.C. 1070c-2.)

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