

The meetings will be open to the public without advance registration. Public attendance may be limited to the space available. Members of the public may make statements during the meeting, to the extent time permits, and file written statements with the committee for its consideration. Written statements should be submitted to the address listed in the **FOR FURTHER INFORMATION** section of this notice. Summaries of committee meetings will be available for public inspection and copying at the address in the same section.

Dated: April 7, 1999.

**Harold Lucas,**

*Assistant Secretary for Public and Indian Housing.*

[FR Doc. 99-9004 Filed 4-8-99; 8:45 am]

BILLING CODE 4210-33-P

## **CORPORATION FOR NATIONAL AND COMMUNITY SERVICE**

**45 CFR Parts 2522, 2525, 2526, 2527, 2528, and 2529**

**RIN 3045-AA09**

### **AmeriCorps Education Awards**

**AGENCY:** Corporation for National and Community Service.

**ACTION:** Proposed rule.

**SUMMARY:** The Corporation proposes to amend several provisions relating to the AmeriCorps education award, including those governing the process for determining a participant's eligibility and the ways in which participants may use the award. These changes will promote efficiency and consistency in providing education awards to AmeriCorps participants.

**DATES:** Written comments should be received on or before June 8, 1999.

**ADDRESSES:** Comments may be mailed or delivered to Gary Kowalczyk, Coordinator of National Service Programs, Corporation for National and Community Service, 1201 New York Avenue NW, Washington, DC 20525, sent by facsimile transmission to (202) 565-2784, or sent electronically to gkowalcz@cns.gov. Copies of all communications received will be available for review at the Corporation by members of the public.

**FOR FURTHER INFORMATION CONTACT:** Gary Kowalczyk, Coordinator of National Service Programs, Corporation for National and Community Service, (202) 606-5000, ext. 340. T.D.D. (202) 565-2799. This proposed rule may be requested in an alternative format for persons with visual impairments.

**SUPPLEMENTARY INFORMATION:** Pursuant to the National and Community Service Act of 1990, as amended (42 U.S.C. 12501 *et seq.*), the Corporation for National and Community Service ("the Corporation"), through the National Service Trust, provides education awards and interest benefits to AmeriCorps participants who successfully complete a term of service in an approved national service position. AmeriCorps participants who successfully complete a term of national service receive an education award and student loan interest benefits from the National Service Trust. The AmeriCorps education award may be used to pay for specified educational costs and to repay certain types of student loans. In addition, upon a participant's successful completion of a term of service, the National Service Trust will pay the interest on certain types of student loans that accrued during the term.

On March 23, 1994 (59 FR 13772), the Corporation published final rules covering its grant programs, including general provisions regarding the provision of a partial education award for participants who are released because of compelling personal circumstances before completing their terms of service. On June 15, 1994 (59 FR 30709), the Corporation published interim final rules for the National Service Trust governing the AmeriCorps education award and related interest benefits. This notice of proposed rulemaking is intended to clarify the rules applicable to the determination of compelling personal circumstances as well as several National Service Trust rules concerning the education award.

Because AmeriCorps\*State/National is administered under different legal authorities than AmeriCorps\*National, AmeriCorps\*VISTA, in several instances (e.g., eligibility criteria, grievance procedure) the proposed rules govern the former but not the latter.

### **Eligibility Criteria for AmeriCorps\*State/National**

The proposed rule clarifies the eligibility criteria for AmeriCorps\*State/National participants by making clear that 16 year olds may participate only if they are considered "out-of-school" and serving in a specified type of program and by making other technical changes.

The proposed rule also lists the type of documentation acceptable to establish an individual's status as a U.S. citizen, U.S. national, or lawful permanent resident alien (LPRA) for purposes of eligibility to participate in AmeriCorps. The Corporation strongly

discourages the use of INS Form I-9, Employment Eligibility Verification, because that form includes categories of non-citizens who may be eligible for employment but who are not eligible under the more narrow eligibility for participation in AmeriCorps. Also, programs should note that a Social Security card or a driver's license is not acceptable for documenting citizenship, national, or LPRA status because individuals outside the three categories may obtain those forms of identification. In addition, programs should note that an application for permanent-resident status is not sufficient to establish eligibility to participate in AmeriCorps. Finally, programs should understand that no other non-citizens (for example, refugees, asylees, parolees, or individuals holding visas) are eligible to participate in AmeriCorps.

### **Release for Compelling Personal Circumstances**

The proposed rule clarifies the circumstances under which an AmeriCorps participant who does not complete a term of service may receive a pro-rated education award. The proposed rule makes clear that a participant in an AmeriCorps\*State/National program has the primary responsibility for demonstrating that compelling personal circumstances make completion of a term unreasonably difficult or impossible. Under the proposed rule, the program makes this determination and must document the basis for its decision.

The proposed rule gives examples of situations that would constitute compelling personal circumstances and examples of situations that are not considered compelling personal circumstances. These revisions are intended to increase consistency across all AmeriCorps programs in approving pro-rated education awards. The examples of compelling personal circumstances include those that are unforeseeable (e.g., serious illness). The examples also include circumstances that may be foreseeable but which the Corporation has determined, for public policy reasons, should not involve a penalty for those who leave service early (e.g. military service obligation, welfare to work transition). Programs may not make a determination of compelling personal circumstances solely to avoid a dispute involving a participant.

The proposed rule will supercede guidance previously provided by the Corporation in the provisions of its AmeriCorps\*State/National cooperative agreements and related materials. For example, the proposed rule will

supercede AmeriCorps\*State/National Grants Guidance 2 which authorizes a pro-rated education award to full-time members who fall less than five percent short of completing 1700 hours of service for reasons other than chronic truancy, tardiness, or performance problems.

The proposed rule restates that programs may, after determining that compelling personal circumstances are present, either suspend the individual's term to allow completion at a later time or release the individual and approve a pro-rated education award. The proposed rule removes precatory language encouraging programs to suspend, rather than release, individuals to maximize the service opportunities available to participants. However, it remains the Corporation's policy to encourage this outcome whenever possible.

#### **Release for Cause**

The proposed rule makes clear for AmeriCorps\* State/National programs that if compelling personal circumstances are not present, the only other type of release is one for cause. A release for cause may cover a wide variety of circumstances and does not necessarily mean that a participant has engaged in wrongdoing or misconduct. The proposed rule removes language that may have indicated otherwise. The proposed rule includes additional guidance to AmeriCorps\* State/National programs handling grievances filed by participants to contest a release for cause.

#### **Suspension and Reinstatement**

The proposed rule restates provisions regarding the suspension of a term of service and the process for reinstating suspended participants. For members placed in suspension status while they contest a release for cause, programs may not provide federally-funded benefits beyond those attributable to service actually performed without obtaining written approval from the Corporation.

#### **References to Stafford Loan Forgiveness**

The proposed rule removes references to Stafford Loan Forgiveness. Congress eliminated authority for this program in the Higher Education Amendments of 1998, Pub. L. 105-244.

#### **School-to-Work Programs**

The proposed rule makes minor technical amendments to reflect the current structure of the School-to-Work program.

#### **Qualified Student Loans**

The proposed rule provides examples of the types of loans that are eligible for repayment and adds a specific reference to other loans that may be designated as such by Congress. This is intended to encompass provisions in appropriations laws that expand the list of qualified student loans. For the past several years, Congress has used appropriations laws, rather than an amendment to the National and Community Service Act itself, to classify as a qualified student loan any loan made directly to a student by the Alaska Commission on Postsecondary Education.

#### **First and Second Terms of Service**

By statute, an individual may receive an education award for only the first and second term of service for which an education award is approved for successful completion. The proposed rule clarifies the circumstances under which a term of service counts as a first or second term for which an education award may be provided. The proposed rule makes clear that if an individual is released for reasons other than misconduct prior to completing fifteen percent of the term of service, that term does not count as one of the two terms for which an education award may be provided.

#### **Amount of Education Award**

The proposed rule clarifies the provisions regarding the amount of the education award for various terms of service.

#### **Procedures for Accessing an Education Award and Related Interest Benefits**

The proposed rule clarifies the steps necessary to access an education award.

#### **Executive Order 12866**

The Corporation has determined that this regulatory action is not a "significant" rule within the meaning of Executive Order 12866 because it is not likely to result in: (1) An annual effect on the economy of \$100 million or more, or an adverse and material effect on a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal government or communities; (2) the creation of a serious inconsistency or interference with an action taken or planned by another agency; (3) a material alteration in the budgetary impacts of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) the raising of novel legal or policy issues arising out of legal mandates, the President's priorities, or

the principles set forth in Executive Order 12866.

#### **Regulatory Flexibility Act**

The Corporation has determined that this regulatory action will not result in (1) An annual effect on the economy of \$100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) 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 and export markets. Therefore, the Corporation has not performed the initial regulatory flexibility analysis that is required under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) for major rules that are expected to have such results.

#### **Other Impact Analyses**

Because the proposed changes do not authorize any information collection activity outside the scope of existing regulations, this regulatory action is not subject to review and approval under the Paperwork Reduction Act of 1995 (44 U.S.C. 3500 *et seq.*). If the Corporation proposes to modify any of the forms used in connection with determining eligibility of individuals for payments from the National Service Trust, the Corporation will comply with clearance procedures as provided under the Paperwork Reduction Act.

For purposes of Title II of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531-1538, as well as Executive Order 12875, this regulatory action does not contain any federal mandate that may result in increased expenditures in either Federal, State, local, or tribal governments in the aggregate, or impose an annual burden exceeding \$100 million on the private sector.

#### **List of Subjects**

*45 CFR Part 2522*

AmeriCorps, Grant programs-social programs, Reporting and recordkeeping requirements, Volunteers.

*45 CFR Part 2525*

Grant programs-social programs, Student aid, Volunteers.

*45 CFR Part 2526*

Grant programs-social programs, Student aid, Volunteers.

*45 CFR Part 2527*

Grant programs—social programs,  
Student aid, Volunteers.

*45 CFR Part 2528*

Grant programs—social programs,  
Student aid, Volunteers.

*45 CFR Part 2529*

Grant programs—social programs,  
Student aid, Volunteers.

For the reasons stated in the preamble, chapter XXV, title 45 of the Code of Federal Regulations is proposed to be amended as follows:

**PART 2522—AMERICORPS PARTICIPANTS, PROGRAMS, AND APPLICANTS**

1. The authority citation for part 2522 continues to read as follows:

**Authority:** 42 U.S.C. 12501 *et seq.*

2. Section 2522.200 is revised to read as follows:

**§ 2522.200 What are the eligibility requirements for an AmeriCorps participant?**

(a) *Eligibility.* An AmeriCorps participant must—

- (1)(i) Be at least 17 years of age at the commencement of service; or
- (ii) Be an out-of-school youth 16 years of age at the commencement of service participating in a program described in § 2522.110(b)(3) or § 2522.110(g);
- (2)(i) Have a high school diploma or its equivalent; or
- (ii) Not have dropped out of elementary or secondary school to enroll as an AmeriCorps participant and must agree to obtain a high school diploma or its equivalent prior to using the education award; or
- (iii) Obtain a waiver from the Corporation of the requirements in paragraphs (a)(2)(i) and (a)(2)(ii) of this section based on an independent evaluation secured by the program demonstrating that the individual is not capable of obtaining a high school diploma or its equivalent; or
- (iv) Be enrolled in an institution of higher education on an ability to benefit basis and be considered eligible for funds under section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091);

(3) Be a citizen, national, or lawful permanent resident alien of the United States.

(b) *Primary documentation of status as a U.S. citizen or national.* The following are acceptable forms of certifying status as a U.S. citizen or national:

(1) A birth certificate showing that the individual was born in one of the 50 states, the District of Columbia, Puerto

Rico, Guam, the U.S. Virgin Islands, American Samoa, or the Northern Mariana Islands;

- (2) A United States passport;
- (3) A report of birth abroad of a U.S. Citizen (FS-240) issued by the State Department;
- (4) A certificate of birth-foreign service (FS 545) issued by the State Department;
- (5) A certification of report of birth (DS-1350) issued by the State Department;
- (6) A certificate of naturalization (Form N-550 or N-570) issued by the Immigration and Naturalization Service; or
- (7) A certificate of citizenship (Form N-560 or N-561) issued by the Immigration and Naturalization Service.

(c) *Primary documentation of status as a lawful permanent resident alien of the United States.* The following are acceptable forms of certifying status as a lawful permanent resident alien of the United States:

- (1) Permanent Resident Card, INS Form I-551;
  - (2) Alien Registration Receipt Card, INS Form I-551;
  - (3) A passport indicating that the INS has approved it as temporary evidence of lawful admission for permanent residence; or
  - (4) A Departure Record (INS Form I-94) indicating that the INS has approved it as temporary evidence of lawful admission for permanent residence.
- (d) *Secondary documentation.* If primary documentation is not available, the program must obtain written approval from the Corporation that other documentation is sufficient to demonstrate the individual's status as a U.S. citizen, U.S. national, or lawful permanent resident alien.

3. Section 2522.230 is revised to read as follows:

**§ 2522.230 Under what circumstances may AmeriCorps participants be released from completing a term of service, and what are the consequences?**

An AmeriCorps program may release a participant from completing a term of service for compelling personal circumstances as demonstrated by the participant, or for cause.

(a) *Release for compelling personal circumstances.* (1) An AmeriCorps program may release a participant upon a determination by the program, consistent with the criteria listed in paragraphs (a)(5) through (a)(6) of this section, that the participant is unable to complete the term of service because of compelling personal circumstances.

(2) A participant who is released for compelling personal circumstances and

who completes at least 15 percent of the required term of service is eligible for a pro-rated education award.

(3) The participant has the primary responsibility for demonstrating that compelling personal circumstances prevent the participant from completing the term of service.

(4) The program must document the basis for any determination that compelling personal circumstances prevent a participant from completing a term of service.

(5) Compelling personal circumstances include:

(i) Those that are beyond the participant's control, such as, but not limited to:

(A) A participant's disability or serious illness;

(B) Disability, serious illness, or death of a participant's family member if this makes completing a term unreasonably difficult or impossible; or

(C) Conditions attributable to the program or otherwise unforeseeable and beyond the participant's control, such as a natural disaster, a strike, relocation of a spouse, or the nonrenewal or premature closing of a project or program, that make completing a term unreasonably difficult or impossible;

(ii) Those that the Corporation, has for public policy reasons, determined as such, including:

(A) Military service obligations;

(B) Acceptance by a participant of an opportunity to make the transition from welfare to work; or

(C) Acceptance of an employment opportunity by a participant serving in a program that includes in its approved objectives the promotion of employment among its participants.

(6) Compelling personal circumstances do not include leaving a program:

(i) To enroll in school;

(ii) To obtain employment, other than in moving from welfare to work or in leaving a program that includes in its approved objectives the promotion of employment among its participants; or

(iii) Because of dissatisfaction with the program.

(7) As an alternative to releasing a participant, an AmeriCorps \*State/ National program may, after determining that compelling personal circumstances exist, suspend the participant's term of service for up to two years (or longer if approved by the Corporation based on extenuating circumstances) to allow the participant to complete service with the same or similar AmeriCorps program at a later time.

(b) *Release for cause.* (1) A release for cause encompasses any circumstances

other than compelling personal circumstances that warrant an individual's release from completing a term of service.

(2) AmeriCorps programs must release for cause any participant who is convicted of a felony or the sale or distribution of a controlled substance during a term of service.

(3) A participant who is released for cause may not receive any portion of the AmeriCorps education award or any other payment from the National Service Trust.

(4) An individual who is released for cause must disclose that fact in any subsequent applications to participate in an AmeriCorps program. Failure to do so disqualifies the individual for an education award, regardless of whether the individual completes a term of service.

(5) An AmeriCorps \*State/National participant released for cause may contest the program's decision by filing a grievance. Pending the resolution of a grievance procedure filed by an individual to contest a determination by a program to release the individual for cause, the individual's service is considered to be suspended. For this type of grievance, a program may not—while the grievance is pending or as part of its resolution—provide a participant with federally-funded benefits (including payments from the National Service Trust) beyond those attributable to service actually performed, without the program receiving written approval from the Corporation.

(c) *Suspended service.* (1) A program must suspend the service of an individual who faces an official charge of a violent felony (e.g., rape, homicide) or sale or distribution of a controlled substance.

(2) A program must suspend the service of an individual who is convicted of possession of a controlled substance.

(3) An individual may not receive a living allowance or other benefits, and may not accrue service hours, during a period of suspension under this provision.

(d) *Reinstatement.* (1) A program may reinstate an individual whose service was suspended under paragraph (c)(1) of this section if the individual is found not guilty or if the charge is dismissed.

(2) A program may reinstate an individual whose service was suspended under paragraph (c)(2) of this section only if the individual demonstrates the following:

(i) For an individual who has been convicted of a first offense of the possession of a controlled substance, the

individual must have enrolled in a drug rehabilitation program;

(ii) For an individual who has been convicted for more than one offense of the possession of a controlled substance, the individual must have successfully completed a drug rehabilitation program.

#### **PART 2525—NATIONAL SERVICE TRUST: PURPOSE AND DEFINITIONS**

1. The authority citation for part 2525 continues to read as follows:

**Authority:** 42 U.S.C. 12601–12604.

2. Section 2525.10 is revised to read as follows:

##### **§ 2525.10 What is the National Service Trust?**

The National Service Trust is an account in the Treasury of the United States from which the Corporation makes payments of education awards, pays interest that accrues on qualified student loans for AmeriCorps participants during terms of service in approved national service positions, and makes other payments authorized by Congress.

3. Section 2525.20 is amended by revising the definitions for "Approved school-to-work program," "Education award," and "Qualified student loan" and by adding a definition for "Current educational expenses" in alphabetical order to read as follows:

##### **§ 2525.20 Definitions.**

\* \* \* \* \*

*Approved school-to-work program.* The term *approved school-to-work program* means a program that is involved in a federally-approved school-to-work system, as certified by a State, designated local partnership, or other entity that receives a grant under the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 *et seq.*).

\* \* \* \* \*

*Current educational expenses.* The term *current educational expenses* means the cost of attendance for a period of enrollment that begins after an individual receives an education award.

*Education award.* The term *education award* means the financial assistance available under parts 2526 and 2528 of this chapter for which an individual in an approved AmeriCorps position may be eligible.

\* \* \* \* \*

*Qualified student loan.* The term *qualified student loan* means any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 *et seq.*), other than a loan to a parent of a student pursuant to section 428B of such Act (20

U.S.C. 1078–2), any loan made pursuant to title VII or VIII of the Public Service Health Act (42 U.S.C. 292a *et seq.*), or any other loan designated as such by Congress. This includes, but is not necessarily limited to, the following:

(1) *Federal Family Education Loans.* (i) Subsidized and Unsubsidized Stafford Loans.

(ii) Supplemental Loans to Students (SLS).

(iii) Federal Consolidation Loans.

(iv) Guaranteed Student Loans (predecessor to Stafford Loans).

(v) Federally Insured Student Loans (FISL).

(2) *William D. Ford Federal Direct Loans.* (i) Direct Subsidized and Unsubsidized Stafford Loans.

(ii) Direct Subsidized and Unsubsidized Ford Loans.

(iii) Direct Consolidation Loans.

(3) *Federal Perkins Loans.* (i) National Direct Student Loans.

(ii) National Defense Student Loans.

(4) *Public Health Service Act Loans.*

(i) Health Education Assistance Loans (HEAL).

(ii) Health Professions Student Loans (HPSL).

(iii) Loans for Disadvantaged Students (LDS).

(iv) Nursing Student Loans (NSL).

(v) Primary Care Loans (PCL).

\* \* \* \* \*

#### **PART 2526—ELIGIBILITY FOR AN EDUCATION AWARD**

1. The heading for part 2526 is revised to read as set forth above.

1a. The authority citation for part 2526 continues to read as follows:

**Authority:** 42 U.S.C. 12601–12604.

2. Section 2526.10 is revised to read as follows:

##### **§ 2526.10 Who is eligible to receive an education award from the National Service Trust?**

(a) *General.* An individual is eligible to receive an education award from the National Service Trust if the individual—

(1) Is a citizen, national, or lawful permanent resident alien of the United States;

(2) Is either at least 17 years of age at the commencement of service or is an out-of-school youth 16 years of age at the commencement of service participating in a program described in § 2522.110(b)(3) or (g) of this chapter;

(3) Successfully completes a term of service in an approved national service position.

(b) *High school diploma or equivalent.* To use an education award, an individual must—

(1) Have received a high school diploma or its equivalent; or

(2) Be enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of subsection (a) of section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091) and meet the requirements of subsection of section 484; or

(3) Have received a waiver described in § 2522.200(b) of this chapter.

(c) *Prohibition on duplicate benefits.* An individual who receives a post-service benefit in lieu of an education award may not receive an education award for the same term of service.

(d) *Penalties for false information.* Any individual who makes a materially false statement or representation in connection with the approval or disbursement of an education award or other payment from the National Service Trust may be liable for the recovery of funds and subject to civil and criminal sanctions.

3. Section 2526.20 is revised to read as follows:

**§ 2526.20** Is an AmeriCorps participant who does not complete an originally-approved term of service eligible to receive a pro-rated education award?

(a) *Compelling personal circumstances.* A participant who is released prior to completing an originally-approved term of service for compelling personal circumstances and who completes at least 15 percent of the originally-approved term of service is eligible for a pro-rated education award.

(b) *Release for cause.* A participant who is released prior to completing an originally-approved term of service for cause is not eligible for any portion of an education award.

**§ 2526.30** [Removed]

**§ 2526.60** [Redesignated as § 2526.30]

4. Section 2526.30 is removed and § 2526.60 is redesignated as § 2526.30.

**§ 2526.40** [Removed]

**§ 2526.70** [Redesignated as § 2526.40]

5. Section 2526.40 is removed and § 2526.70 is redesignated as § 2526.40.

**§ 2526.40** [Amended]

6. Newly redesignated § 2526.40 is amended in paragraph (b)(2) by removing the words “under § 2526.40”.

**§ 2526.50** [Removed]

**§ 2526.80** [Redesignated as § 2526.50]

7. Section 2526.50 is removed and § 2526.80 is redesignated as § 2526.50.

8. Newly redesignated § 2526.50 is revised to read as follows:

**§ 2526.50** Is there a limit on the number of education awards an individual may receive?

(a) *First and second terms of service.* An individual may receive an education award for only the first and second terms of service for which an education award is available, regardless of the length of the term.

(b) *Release for cause.* Except as provided in paragraph (c) of this section, a term of service from which an individual is released for cause counts as one of the two terms of service for which an individual may receive an education award.

(c) *Early release.* If a participant is released for reasons other than misconduct prior to completing fifteen percent of a term of service, the term will not be considered one of the two terms of service for which an individual may receive an education award.

**§ 2526.90** [Redesignated as § 2526.60]

9. Section 2526.90 is redesignated as § 2526.60 and revised to read as follows:

**§ 2526.60** May an individual receive an education award and related interest benefits from the National Service Trust as well as other loan cancellation benefits for the same service?

No. An individual may not receive an education award and related interest benefits from the National Service Trust for a term of service and have that same service credited toward repayment, discharge, or cancellation of other student loans.

**§ 2526.100** [Removed]

10. Section 2526.100 is removed.

#### **PART 2527—DETERMINING THE AMOUNT OF AN EDUCATION AWARD**

1. The heading for part 2527 is revised to read as set forth above.

1a. The authority citation for part 2527 continues to read as follows:

**Authority:** 42 U.S.C. 12601–12604.

2. Section 2527.10 is revised to read as follows:

**§ 2527.10** What is the amount of an AmeriCorps education award?

(a) *Full-time term of service.* The education award for a full-time term of service of at least 1,700 hours is \$4,725.

(b) *Part-time term of service.* The education award for a part-time term of service of at least 900 hours is \$2,362.50.

(c) *Reduced part-time term of service.* The education award for a reduced part-time term of service of fewer than 900 hours is—

(1) An amount equal to the product of—

(i) The number of hours of service required to complete the reduced part-time term of service divided by 900; and  
(ii) 2,362.50; or

(2) An amount as determined otherwise by the Corporation.

(d) *Release for compelling personal circumstances.* The education award for an individual who is released from completing an originally-approved term of service for compelling personal circumstances is equal to the product of—

(1) The number of hours completed divided by the number of hours in the originally-approved term of service; and

(2) The amount of the education award for the originally-approved term of service.

1. Revise part 2528 to read as follows:

#### **PART 2528—USING AN EDUCATION AWARD**

Sec.

2528.10 For what purposes may an education award be used?

2528.20 What steps are necessary to use an education award to repay a qualified student loan?

2528.30 What steps are necessary to use an education award to pay all or part of the current cost of attendance at an institution of higher education?

2528.40 Is there a limit on the amount of an individual's education award that the Corporation will disburse to an institution of higher education for a given period of enrollment?

2528.50 What happens if an individual withdraws or fails to complete the period of enrollment in an institution of higher education for which the Corporation has disbursed all or part of that individual's education award?

2528.60 What steps are necessary to use an education award to pay expenses incurred in participating in an approved school-to-work program?

2528.70 What happens if an individual withdraws or fails to complete the period of enrollment in an approved school-to-work program for which the Corporation has disbursed all or part of that individual's education award?

**Authority:** 42 U.S.C. 12601–12604.

**§ 2528.10** For what purposes may an education award be used?

(a) *Authorized uses.* An education award may be used—

(1) To repay qualified student loans in accordance with § 2528.20;

(2) To pay all or part of the current cost of attendance at an institution of higher education in accordance with § 2528.30 through § 2528.50;

(3) To pay expenses incurred in participating in an approved school-to-work program in accordance with § 2528.60 through § 2528.70.

(b) *Multiple uses.* An education award is divisible and may be applied to any

combination of loans, costs, or expenses described in paragraph (a) of this section.

**§ 2528.20 What steps are necessary to use an education award to repay a qualified student loan?**

(a) *Required information.* Before disbursing an amount from an education award to repay a qualified student loan, the Corporation must receive—

(1) An individual's written authorization and request for a specific payment amount;

(2) Identifying and other information from the holder of the loan as requested by the Corporation and necessary to ensure compliance with this part.

(b) *Payment.* When the Corporation receives the information required under paragraph (a) of this section, the Corporation will pay the holder of the loan and notify the individual of the payment.

(c) *Aggregate payments.* The Corporation may establish procedures to aggregate payments to holders of loans for more than a single individual.

**§ 2528.30 What steps are necessary to use an education award to pay all or part of the current cost of attendance at an institution of higher education?**

(a) *Required information.* Before disbursing an amount from an education award to pay all or part of the current cost of attendance at an institution of higher education, the Corporation must receive—

(1) An individual's written authorization and request for a specific payment amount;

(2) Information from the institution of higher education as requested by the Corporation, including verification that—

(i) It has in effect a program participation agreement under section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094);

(ii) Its eligibility to participate in any of the programs under title IV of the Higher Education Act of 1965 has not been limited, suspended, or terminated;

(iii) It has in effect a fair and equitable refund policy, consistent with the requirements of paragraphs (b) and (c) of section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b), and must ensure an appropriate refund to the Corporation if an individual who has used an education award withdraws or otherwise fails to complete the period of enrollment for which the education award was provided;

(iv) Individuals using education awards to pay for the current cost of attendance at that institution do not comprise more than 15 percent of the institution's total student population;

(v) The amount requested will be used to pay all or part of the individual's cost of attendance;

(vi) The amount requested does not exceed the difference between:

(A) The individual's cost of attendance; and

(B) The sum of the individual's estimated student financial assistance for that period under part A of title IV of the Higher Education Act and the individual's veterans' education benefits as defined in section 480(c) of the Higher Education Act (20 U.S.C. 1087vv(c)).

(b) *Payment.* When the Corporation receives the information required under paragraph (a) of this section, the Corporation will pay the institution and notify the individual of the payment.

(c) *Installment payments.* The Corporation will disburse the education award to the institution of higher education in at least two separate installments, none of which exceeds 50 percent of the total amount. The interval between installments may not be less than one-half of the period of enrollment, except as necessary to permit the second installment to be paid at the beginning of the second semester, quarter, or other division of a period of enrollment.

**§ 2528.40 Is there a limit on the amount of an individual's education award that the Corporation will disburse to an institution of higher education for a given period of enrollment?**

Yes. The Corporation's disbursement from an individual's education award for any period of enrollment may not exceed the difference between—

(a) The individual's cost of attendance for that period of enrollment, determined by the institution of higher education in accordance with section 472 of the Higher Education Act of 1965 (20 U.S.C. 1987ll); and

(b) The sum of—

(1) The individual's estimated financial assistance for that period under part A of title IV of the Higher Education Act; and

(2) The individual's veterans' education benefits as defined under section 480(c) of the Higher Education Act (20 U.S.C. 1087vv(c)).

**§ 2528.50 What happens if an individual withdraws or fails to complete the period of enrollment in an institution of higher education for which the Corporation has disbursed all or part of that individual's education award?**

(a)(1) An institution of higher education that receives a disbursement of education award funds from the Corporation must have in effect, and must comply with, a fair and equitable

refund policy that includes procedures for providing a refund to the Corporation if an individual for whom the Corporation has disbursed education award funds withdraws or otherwise fails to complete a period of enrollment.

(2) For purposes of this part, an institution of higher education's refund policy is deemed "fair and equitable" if it is consistent with the requirements of paragraphs (b) and (c) of section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b).

(b) The Corporation will credit any refund received for an individual under paragraph (a) of this section to the individual's education award allocation in the National Service Trust.

**§ 2528.60 What steps are necessary to use an education award to pay expenses incurred in participating in an approved school-to-work program?**

(a) *Required information.* Before disbursing an amount from an education award to pay expenses incurred in participating in an approved school-to-work program, the Corporation must receive—

(1) An individual's written authorization and request for a specific payment amount;

(2) Information from the school-to-work program as requested by the Corporation, including verification that—

(i) It is involved in a federally-approved school-to-work system, as certified by a State, designated local partnership, or other entity that receives a grant under the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101);

(ii) The amount requested will be used to pay all or part of the individual's cost of participating in the school-to-work program;

(iii) It will ensure an appropriate refund, consistent with the requirements of paragraphs (b) and (c) of section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b), to the Corporation if an individual who has used an education award withdraws or otherwise fails to complete the period of enrollment for which the education award was provided.

(b) *Payment.* When the Corporation receives the information required under paragraph (a), the Corporation will pay the program and notify the individual of the payment.

**§ 2528.70** What happens if an individual withdraws or fails to complete the period of enrollment in an approved school-to-work program for which the Corporation has disbursed all or part of that individual's education award?

(a)(1) An approved school-to-work program that receives a disbursement of education award funds from the Corporation must provide a fair and equitable refund to the Corporation if an individual for whom the Corporation has disbursed education award funds withdraws or otherwise fails to complete a period of enrollment.

(2) For purposes of this part, a refund is deemed "fair and equitable" if it is an amount consistent with the requirements of paragraphs (b) and (c) of section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b).

(b) The Corporation will credit any refund received for an individual under paragraph (a) of this section to the individual's education award allocation in the National Service Trust.

1. Revise part 2529 to read as follows:

#### **PART 2529—PAYMENT OF ACCRUED INTEREST**

Sec.

2529.10 Under what circumstances will the Corporation pay interest that accrues on qualified student loans during an individual's term of service in an approved AmeriCorps position?

2529.20 What steps are necessary to obtain forbearance in the repayment of a qualified student loan during an individual's term of service in an approved AmeriCorps position?

2529.30 What steps are necessary for using funds in the National Service Trust to pay interest that has accrued on a qualified student loan during a term of service for which an individual has obtained forbearance?

**Authority:** 42 U.S.C. 12601–12604.

**§ 2529.10** Under what circumstances will the Corporation pay interest that accrues on qualified student loans during an individual's term of service in an approved AmeriCorps position?

(a) *Eligibility.* The Corporation will pay interest that accrues on an individual's qualified student loan, subject to the limitation on amount in paragraph (b) of this section, if—

(1) The individual successfully completes a term of service in an approved AmeriCorps position; and  
(2) The holder of the loan approves the individual's request for forbearance during the term of service.

(b) *Amount.* The percentage of accrued interest that the Corporation will pay is the lesser of—

(1) The product of—  
(i) The number of hours of service completed divided by the number of

days for which forbearance was granted; and

(ii) 365 divided by 17; and

(2) 100.

(c) *Supplemental to education award.*

A payment of accrued interest under this part is supplemental to an education award received by an individual under parts 2526 through 2528 of this chapter.

(d) *Limitation.* The Corporation is not responsible for the repayment of any accrued interest in excess of the amount determined in accordance with paragraph (b) of this section.

(e) *Suspended service.* The Corporation will not pay any interest expenses that accrue on an individual's qualified student loan during a period of suspended service.

**§ 2529.20** What steps are necessary to obtain forbearance in the repayment of a qualified student loan during an individual's term of service in an approved AmeriCorps position?

(a) An individual seeking forbearance must submit a request to the holder of the loan.

(b) If, before approving a request for forbearance, the holder of the loan requires verification that the individual is serving in an approved AmeriCorps position, the Corporation will provide verification upon a request from the individual or the holder of the loan.

**§ 2529.30** What steps are necessary for using funds in the National Service Trust to pay interest that has accrued on a qualified student loan during a term of service for which an individual has obtained forbearance?

(a) The Corporation will make payments from the National Service Trust for interest that has accrued on a qualified student loan during a term of service which the individual has successfully completed and for which an individual has obtained forbearance, after the following:

(1) The program verifies that the individual has successfully completed the term of service and the dates upon which the term of service began and ended;

(2) The holder of the loan verifies the amount of interest that has accrued during the term of service.

(b) When the Corporation receives all necessary information from the program and the holder of the loan, the Corporation will pay the holder of the loan and notify the individual of the payment.

Dated: March 31, 1999.

**Thomas L. Bryant,**

*Acting General Counsel.*

[FR Doc. 99–8363 Filed 4–8–99; 8:45 am]

BILLING CODE 6050–28–P

## **DEPARTMENT OF THE INTERIOR**

### **Fish and Wildlife Service**

#### **50 CFR Part 20**

#### **Migratory Bird Hunting; Application for Approval of HEVI-METAL™ as a Nontoxic Shot Material for Waterfowl Hunting**

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Notice of application.

**SUMMARY:** We are providing public notification that Standard Resources Corporation, of Cherry Hill, New Jersey, has applied for approval of HEVI-METAL™ shot as nontoxic for waterfowl hunting in the United States. The Service has initiated review of HEVI-METAL™ under the criteria set out in Tier 1 of the revised nontoxic shot approval procedures contained in 50 CFR 20.134.

**DATES:** A comprehensive review of the Tier 1 information is to be concluded no later than June 8, 1999.

**ADDRESSES:** The Standard Resources Corporation (Standard) application may be reviewed in Room 634 at the Fish and Wildlife Service, Office of Migratory Bird Management, 4401 N. Fairfax Drive, Arlington, Virginia.

**FOR FURTHER INFORMATION CONTACT:** Jon Andrew, Chief, Office of Migratory Bird Management, (703) 358–1714, or James R. Kelley, Jr., Wildlife Biologist, Office of Migratory Bird Management, (703) 358–1964.

**SUPPLEMENTARY INFORMATION:** We continue to provide opportunity for submission for approval of alternative types of shot for waterfowling that, when spent, does not pose a significant toxic hazard to migratory birds and other wildlife when ingested. Currently, only bismuth-tin and steel shot are unconditionally approved for use in waterfowling. Tungsten-iron (published October 7, 1998; 63 FR 54016), tungsten-polymer (published October 7, 1998; 63 FR 54022), and tungsten-matrix (published October 19, 1998; 63 FR 55840) shot types received temporary conditional approval for the 1998–99 waterfowl hunting season. We are currently reviewing applications for approval for shot types other than those previously referenced in this notice. We anticipate that approval of additional suitable candidate shot materials as nontoxic is feasible in the near future.

On January 25, 1999, Standard submitted its application with the counsel that it contained all of the specified information for a complete Tier 1 submission. Tier 1 approval for