

to manage their proposed activities, to monitor their own progress on an ongoing basis, and to make appropriate adjustments to their implementation strategies.

(iii) The SEA will monitor LEA activities under each of the performance agreements, evaluate the effectiveness of each agreement, and propose modifications to LEA activities or to the agreements, as appropriate.

(d) *Adequacy of the Resources.* (15 points) The Secretary considers the adequacy of the resources for the grant of State-Flex authority and the proposed performance agreements. In considering the adequacy of the resources, the Secretary considers the extent to which—

(i) The funds that the SEA proposes to consolidate under the grant of State-Flex authority are adequate to support the strategies that it seeks to implement with these funds.

(ii) The funds that each LEA plans to consolidate under its respective performance agreement are adequate to support the strategies in its agreement.

(iii) The SEA will coordinate the activities supported with funds consolidated under its grant of State-Flex authority with activities funded with other resources to meet the purposes of the State-Flex initiative.

(iv) Each LEA with a performance agreement will coordinate the activities supported with funds consolidated under its agreement with activities funded with other resources to meet the purposes of the agreement.

(v) The costs that the SEA and affected LEAs will incur under the grant of State-Flex authority and the proposed performance agreements are reasonable in relationship to the goals that will be achieved.

III. Application Process

The Secretary will conduct two separate State-Flex competitions. A notice inviting applications for the initial group of State-Flex SEAs is published elsewhere in this issue of the **Federal Register**. Depending on the number and quality of the applications submitted, the Secretary intends to select up to four SEAs to receive State-Flex authority during the initial competition.

In conducting this competition, the Department will review the quality of State-Flex plans, including the quality of the local performance agreements that are submitted as part of those plans. Based on that review, the Department will grant State-Flex authority to up to four SEAs. If an SEA selected for State-Flex authority has not yet had its AYP definition approved by the Department,

that SEA will receive conditional State-Flex authority. An SEA with conditional State-Flex authority will not be able to exercise its State-Flex authority or implement any portion of its State-Flex plan (including the local performance agreements) unless the Department approves the SEA's AYP definition by March 31, 2003.

The remaining State-Flex slots will be awarded during a second State-Flex competition to be held no earlier than Spring 2003.

Electronic Access to This Document

You may view this document, as well as other Department of Education documents published in the **Federal Register**, in text or Adobe Portable Document Format (PDF) on the Internet at the following site: www.ed.gov/legislation/FedRegister.

To use PDF you must have Adobe Acrobat Reader, which is available free at this site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll-free, at 1-888-293-6498; or in the Washington DC, area at (202) 512-1530.

Note: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official version of the **Federal Register** and the Code of Federal Regulations is available on GPO access at: www.access.gpo.gov/nara/index.html.

Program Authority: Sections 6141 through 6144 of the ESEA, as amended by the No Child Left Behind Act of 2001 (Pub.L. 107-110).

Dated: October 8, 2002.

Susan B. Neuman,

Assistant Secretary for Elementary and Secondary Education.

[FR Doc. 02-26003 Filed 10-10-02; 8:45 am]

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DEPARTMENT OF EDUCATION

State Flexibility Program; Office of Elementary and Secondary Education, Department of Education; Notice Inviting Applications for State Flexibility Authority

Purpose of the Program: To provide State educational agencies (SEAs), and the local educational agencies (LEAs) with which they have performance agreements, with additional flexibility in order to assist them in meeting the State's definition of adequate yearly progress (AYP) and specific, measurable goals for improving student achievement and narrowing achievement gaps.

Eligible Applicants: SEAs with AYP definitions approved by the Department

or SEAs that submit an assurance that they will provide the Department with a State AYP definition that meets the requirements of section 1111(b)(2) of the Elementary and Secondary Education Act (ESEA) by the AYP deadline established by the Department.

Note: Hawaii, Puerto Rico, and the outlying areas are not eligible to apply for State-Flex because they do not have the minimum number of LEAs required for State-Flex authority.

If one of its LEAs has entered into a Local-Flex agreement with the Secretary, an SEA may subsequently seek State-Flex authority only if that LEA agrees to have its Local-Flex agreement submitted as one of the proposed performance agreements in the SEA's State-Flex application.

Applications Available: October 11, 2002.

Deadline for Transmittal of Applications: January 17, 2003.

Supplementary Information: Sections 6141 through 6144 of the ESEA, as amended by the No Child Left Behind Act of 2001 (Pub. L. 107-110), authorize the Secretary of Education to grant State flexibility (State-Flex) authority to up to seven SEAs, permitting them to (1) consolidate certain Federal education funds that are provided for State-level activities and State administration and use those funds for any educational purpose authorized under the ESEA in order to meet the State's definition of AYP and advance the education priorities of the State and its LEAs; and (2) specify how LEAs in the State will use funds allocated under section 5112(a) of the ESEA (State Grants for Innovative Programs). In addition, an SEA with State-Flex authority must enter into performance agreements with not fewer than four, but no more than ten, LEAs (at least half of which must be high-poverty LEAs), giving those LEAs the flexibility to consolidate certain Federal education funds and to use those funds for any educational purpose permitted under the ESEA in order to meet the State's definition of AYP and specific, measurable goals for improving student achievement and narrowing achievement gaps.

The Secretary will select State-Flex SEAs on a competitive basis in accordance with the selection criteria contained in a notice published elsewhere in this issue of the **Federal Register**. The application requirements and a description of the application process are also provided in that notice.

The Secretary intends to select up to four SEAs for participation in State-Flex under this competition. In conducting this competition, the Department will review the quality of State-Flex plans, including the quality of the local

performance agreements that are submitted as part of those plans. Based on that review, the Department will grant State-Flex authority to up to four SEAs. If an SEA selected for State-Flex authority has not yet had its AYP definition approved by the Department, that SEA will receive conditional State-Flex authority. An SEA with conditional State-Flex authority will not be able to exercise its State-Flex authority or implement any portion of its State-Flex plan (including the local performance agreements) unless the Department approves the SEA's AYP definition by March 31, 2003.

The Department will select the additional State-Flex SEAs in a subsequent competition.

For Further Information Contact: Ms. Milagros Lanauze. Telephone: (202) 401-0039 or via Internet: StateFlex@ed.gov.

If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339. Individuals with disabilities may obtain this notice in an alternative format (*e.g.*, Braille, large print, audiotape, or computer diskette) on request to the contact person listed above.

Applications: You may obtain a copy of the application on the Department's web site at: <http://www.ed.gov/GrantApps/#stateflex>.

You may also obtain a copy of the application from the contact person identified under **FOR FURTHER INFORMATION CONTACT**.

Electronic Access to This Document

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Program Authority: Sections 6141 through 6144 of the ESEA, as amended by the No Child Left Behind Act of 2001 (Pub. L. 107-110).

Dated: October 8, 2002.

Susan B. Neuman,

Assistant Secretary for Elementary and Secondary Education.

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DEPARTMENT OF EDUCATION

[CFDA No. 84.170A]

Office of Postsecondary Education; Jacob K. Javits Fellowship Program; Notice Inviting Applications for New Awards for Fiscal Year (FY) 2003

Purpose of Program: The purpose of the Jacob K. Javits Fellowship (JKJ) Program is to award fellowships to eligible students of superior ability, selected on the basis of demonstrated achievement, financial need, and exceptional promise to undertake graduate study in selected fields in the arts, humanities, and social sciences leading to a doctoral degree, or to a master's degree in those fields in which the master's degree is the terminal highest degree awarded in the selected field of study at accredited institutions of higher education. The selected fields in the arts are: Creative writing, music performance, music theory, music composition, music literature, studio arts (including photography), television, film, cinematography, theater arts, playwriting, screenwriting, acting, and dance. The selected fields in the humanities are: Art history (including architectural history), archeology, area studies, classics, comparative literature, English language and literature, folklore, folklife, foreign languages and literature, history, linguistics, philosophy, religion, speech, rhetoric, and debate. The selected fields in the social sciences are: Anthropology, communications and media, economics, ethnic and cultural studies, geography, political science, psychology (excluding clinical psychology), public policy and public administration, and sociology (excluding the master's and doctoral degrees in social work).

Eligible Applicants: Individuals who at the time of application: Intend to pursue, at accredited U.S. institutions of higher education in academic year 2003-2004, doctoral or master's degrees (if the master's degree is the terminal highest degree awarded) in fields selected by the JKJ Board; have not completed their first full year of study for doctoral or master's degrees in the fields for which the individuals are applying; and are eligible to receive grants, loans, or work assistance pursuant to section 484 of the Higher Education Act, as amended. An

individual must be a citizen or national of the United States, a permanent resident of the United States, in the United States for other than a temporary purpose and intending to become a permanent resident, or a citizen of any one of the Freely Associated States.

Note: An individual who has had a JKJ Fellowship in any field of study is ineligible.

Applications Available: October 11, 2002.

Deadline for Transmittal of Applications: December 11, 2002 for the JKJ Program. January 31, 2003 for the Free Application for Federal Student Aid.

Estimated Available Funds: \$10,000,000.

Estimated Average Size of Awards: \$36,000.

Estimated Number of Awards: 107 individual fellowships.

Note: The Department is not bound by any estimates in this notice.

Project Period: Up to 48 months.

Applicable Regulations: (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75 (except as provided in 34 CFR 650.3(b)), 77, 82, 85, 86, 97, 98 and 99; and (b) The regulations for this program in 34 CFR part 650.

SUPPLEMENTARY INFORMATION: Stipend Level: The Secretary will determine the JKJ fellowship stipend for the academic year 2003-2004 based on the level of support provided by the National Science Foundation (NSF) graduate fellowships as of February 1, 2003, except that the amount will be adjusted as necessary so as not to exceed the JKJ fellow's demonstrated level of financial need.

Institutional Payment: The Secretary will determine the institutional payment for the 2003-2004 academic year by adjusting the previous academic year institutional payment, which is \$11,031 per fellow, by the U.S. Department of Labor's Consumer Price Index for the 2002 calendar year. The institutional payment will be reduced by the tuition and fees the institution charges and collects from a JKJ fellow.

Instructions for Transmittal of Applications

Note: Some of the procedures in these instructions for transmitting applications differ from those in the Education Department General Administrative Regulations (EDGAR) (34 CFR 75.102). Under the Administrative Procedure Act (5 U.S.C. 553) the Department generally offers interested parties the opportunity to comment on proposed regulations. However, these amendments make procedural changes only and do not establish new substantive