

requirements identified in the notice of grant award.

**§ 2551.93 [Amended]**

4. In § 2551.93, remove paragraph (d) and redesignate paragraphs (e) through (i) as paragraphs (d) through (h).

Dated: February 3, 2004.

**Tess Scannell,**

*Director, National Senior Service Corps.*

[FR Doc. 04-2802 Filed 2-9-04; 8:45 am]

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**CORPORATION FOR NATIONAL AND COMMUNITY SERVICE**

**45 CFR Part 2552**

RIN 3045-AA39

**The Foster Grandparent Program; Amendments**

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

**ACTION:** Proposed rule.

**SUMMARY:** These proposed amendments to the regulations governing the Foster Grandparent Program (FGP) modify provisions concerning deductions for medical expenses and the allowability of certain volunteer expense items.

**DATES:** Submit comments on or before March 26, 2004.

**ADDRESSES:** You may submit comments, identified by the title of the program, by any of the following methods:

(1) By mail sent to: Corporation for National and Community Service, National Senior Service Corps; Attention Peter Boynton, Program Officer; 9th Floor, 1201 New York Avenue, NW., Washington, DC 20525.

(2) By hand delivery or by courier to the Corporation's mailroom at Room 6010 at the mail address given in paragraph (1) above, between 9 a.m. and 4 p.m. Monday through Friday, except Federal holidays.

(3) By fax to: (202) 565-2743, Attention Peter Boynton, Program Officer.

(4) Electronically through the Corporation's e-mail address system: [Seniorfeedback@cns.gov](mailto:Seniorfeedback@cns.gov).

**FOR FURTHER INFORMATION CONTACT:** Peter L. Boynton, 202-606-5000, ext. 554.

**SUPPLEMENTARY INFORMATION:**

**Background**

*A. Program Description*

The Foster Grandparent Program provides a way for limited-income people age 60 and older, to serve as extended family members to children

and youth with exceptional needs. Foster Grandparents serve from 15 to 40 hours a week in schools, hospitals, correctional institutions, day-care facilities, Head Start centers, and small community-based organizations, both faith-based and secular. They help children who have been abused or neglected, mentor troubled teenagers and young mothers, and care for premature infants and children with physical disabilities. In return for their service, Foster Grandparents receive a stipend of \$2.65 an hour, accident and liability insurance and meals while on duty, reimbursement for transportation, and monthly training. More than 30,000 Foster Grandparents tend to the needs of 275,000 young children and teenagers each year.

*B. Medical Expenses Deduction*

Income eligibility for the Foster Grandparent Program is determined based on annual income from all sources after deducting medical expenses. Currently the allowable medical expenses may not exceed 15 percent of the applicable income eligibility guideline. In order to increase the pool of seniors eligible to serve as Foster Grandparents, and in recognition that the cost of medical care and insurance have increased significantly, the Corporation proposes to increase the ceiling for allowable medical expenses to 50 percent of the applicable income eligibility guideline.

*C. Volunteer Expenses*

The Foster Grandparent Program regulations currently distinguish between volunteer expenses that may be paid or reimbursed with federal and required non-federal grant funds and volunteer expenses that must be paid by the volunteer station to which a Foster Grandparent is assigned. Grant funds may be used only to pay for volunteer stipends, insurance, transportation to and from volunteer assignments and official project activities, annual physical examinations, meals taken on assignment, and service recognition expenses. With the exception of certain meals, volunteer stations must pay for all expenses incurred while performing volunteer assignments.

In "Principles and Reforms for a Citizen Service Act," issued by President Bush April 9, 2002, the Administration proposed to create greater flexibility in the use of Federal resources by easing requirements that govern the activities and support of volunteers. The proposed amendment would allow Foster Grandparent Program sponsors to determine, in consultation with volunteer stations,

how best to fund volunteer expenses. The respective responsibilities of the sponsor and volunteer station for volunteer expenses would be incorporated in the memorandum of understanding negotiated by the sponsor with each station. Sponsors would be free to maintain the current division of responsibility for volunteer expenses but have the flexibility to use federal and required non-federal funds to cover any volunteer expense when the sponsor determines that doing so would be in the best interest of the project. The provisions of the applicable OMB Cost Principles Circulars referenced in 2552.93(4) would continue to apply to all expenses paid with federal or required non-federal funds.

**Impact of Various Acts and Executive Orders**

After carefully reviewing the changes implemented by this amendment, and after coordination with the Office of Management and Budget, it was determined that:

(1) This was a significant regulatory action under section 3(f)(4) of Executive Order 12866 "Regulatory Planning and Review", and required a review by the Office of Management and Budget;

(2) The Corporation hereby certifies that the Regulatory Flexibility Act does not apply because there is no "significant economic impact on a substantial number of small entities";

(3) That the Unfunded Mandates Reform Act of 1995 (2 U.S.C. chapter 25, subchapter II) does not apply because the amendment does not result in any annual expenditures of \$100 million by State, local, Indian Tribal governments or the private sector;

(4) That the Paperwork Reduction Act does not apply because the amendments do not impose any additional reporting or record-keeping requirements;

(5) That the Small Business Regulatory Enforcement Fairness Act of 1996 does not apply because it is not a major rule as defined by section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996, and would not result in an annual effect on the economy of \$100 million or more; result in an increase in cost or prices; or have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets; and

(6) That Executive Order 13132, "Federalism" does not apply because it would not have substantial direct effects on the States or the relationship

between the national government and the States.

#### List of Subjects in 45 CFR Part 2552

Aged, Grant programs—social programs, Volunteers.

For the reasons set forth in the preamble, the Corporation for National and Community Service proposes to amend 45 CFR part 2552 as follows:

#### PART 2552—FOSTER GRANDPARENT PROGRAM

1. The authority citation for part 2552 continues to read as follows:

**Authority:** 42 U.S.C. 4950 *et seq.*

#### § 2552.42 [Amended]

2. In § 2552.42(c), remove the phrase “15 percent” and add in its place the phrase “50 percent”.

#### § 2552.45 [Amended]

3. In § 2552.45, add a new paragraph (f), as follows:

\* \* \* \* \*

(f) *Other Volunteer Expenses.* Foster Grandparents may be reimbursed for expenses incurred while performing their volunteer assignments provided these expenses are described in the Memorandum of Understanding negotiated with the volunteer station to which the volunteer is assigned and meet all other requirements identified in the notice of grant award.

#### § 2552.93 [Amended]

4. In § 2552.93, remove paragraph (d) and redesignate paragraphs (e) through (i) as (d) through (h) accordingly.

Dated: February 3, 2004.

**Tess Scannell,**

*Director, National Senior Service Corps.*

[FR Doc. 04–2801 Filed 2–9–04; 8:45 am]

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#### CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

#### 45 CFR Part 2553

RIN 3045-AA39

#### The Retired and Senior Volunteer Program; Amendments

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

**ACTION:** Proposed rule.

**SUMMARY:** These proposed amendments to the regulations governing the Retired and Senior Volunteer Program (RSVP) modify provisions concerning the allowability of certain volunteer expense items. The specific amendments are as follows: Sections

2553.43 and 2553.73(d) are modified to allow project funds, including the required non-federal share, to be used to reimburse volunteers for expenses, including transportation costs, incurred while performing volunteer assignments, and for purchase of equipment or supplies for volunteers on assignment.

**DATES:** Submit comments on or before March 26, 2004.

**ADDRESSES:** You may submit comments, identified by the title of the program, by any of the following methods:

(1) By mail sent to: Corporation for National and Community Service, National Senior Service Corps; Attention Peter Boynton, Program Officer; 9th Floor, 1201 New York Avenue, NW., Washington, DC 20525.

(2) By hand delivery or by courier to the Corporation's mailroom at Room 6010 at the mail address given in paragraph (1) above, between 9 a.m. and 4 p.m. Monday through Friday, except Federal holidays.

(3) By fax to: (202) 565-2743, Attention Peter Boynton, Program Officer.

(4) Electronically through the Corporation's e-mail address system: *Seniorfeedback@cns.gov*.

**FOR FURTHER INFORMATION CONTACT:** Peter L. Boynton, 202-606-5000, ext. 554.

#### SUPPLEMENTARY INFORMATION:

##### Background

##### A. Program Description

RSVP, one of the largest volunteer efforts in the nation, engages people age 55 and older in a diverse range of volunteer activities. Volunteers organize neighborhood watch programs, tutor children, renovate homes, teach English to immigrants, assist victims of natural disasters, and serve their communities in a myriad of other ways. Through RSVP, more than 480,000 volunteers serve a few hours a week to nearly full time at an estimated 65,000 local and national nonprofit groups, government agencies, and small community-based organizations, both faith-based and secular. Volunteers are not paid, but sponsoring organizations may reimburse them for some costs incurred during service, including meals and transportation.

##### B. Volunteer Expenses

The Retired and Senior Volunteer Program regulations currently distinguish between volunteer expenses that may be paid or reimbursed with federal and required non-federal grant funds and volunteer expenses that must

be paid by the volunteer station to which a RSVP volunteer is assigned. Grant funds may be used only to pay for volunteer stipends, insurance, transportation to and from volunteer assignments and official project activities, annual physical examinations, meals taken on assignment, and service recognition expenses. With the exception of certain meals, volunteer stations must pay for all expenses incurred while performing volunteer assignments.

In “Principles and Reforms for a Citizen Service Act,” issued by President Bush April 9, 2002, the Administration proposed to create greater flexibility in the use of Federal resources by easing requirements that govern the activities and support of volunteers. The proposed amendment would allow Retired and Senior Volunteer Program sponsors to determine, in consultation with volunteer stations, how best to fund volunteer expenses. The respective responsibilities of the sponsor and volunteer station for volunteer expenses would be incorporated in the memorandum of understanding negotiated by the sponsor with each station. Sponsors would be free to maintain the current division of responsibility for volunteer expenses but have the flexibility to use federal and required non-federal funds to cover any volunteer expense when the sponsor determines that doing so would be in the best interest of the project. The provisions of the applicable OMB Cost Principles Circulars referenced in 2553.73(a)(4) would continue to apply to all expenses paid with federal or required non-federal funds.

#### Impact of Various Acts and Executive Orders

After carefully reviewing the changes implemented by this amendment, and after coordination with the Office of Management and Budget, it was determined that:

(1) This was a significant regulatory action under section 3(f)(4) of Executive Order 12866 “Regulatory Planning and Review”, and required a review by the Office of Management and Budget;

(2) The Corporation hereby certifies that the Regulatory Flexibility Act does not apply because there is no “significant economic impact on a substantial number of small entities”;

(3) That the Unfunded Mandates Reform Act of 1995 (2 U.S.C. chapter 25, subchapter II) does not apply because the amendment does not result in any annual expenditures of \$100 million by State, local, Indian Tribal governments or the private sector;