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## DEPARTMENT OF AGRICULTURE

### National Institute of Food and Agriculture

#### 7 CFR Part 3431

RIN 0524-AA43

#### Veterinary Medicine Loan Repayment Program (VMLRP)

**AGENCY:** National Institute of Food and Agriculture, USDA.

**ACTION:** Final rule.

**SUMMARY:** This final rule establishes the process and procedures for designating veterinarian shortage situations, specifically for the Veterinary Medicine Loan Repayment Program (VMLRP) authorized by the National Veterinary Medical Service Act (NVMSA) and administered by the National Institute of Food and Agriculture (NIFA) of the U.S. Department of Agriculture. NIFA will designate geographic areas and other practice situations that have a shortage of food supply veterinarians in order to carry out the VMLRP goals of strengthening the nation's animal health infrastructure and supplementing the Federal response during animal health emergencies. NIFA will carry out NVMSA by entering into educational loan repayment agreements with veterinarians who agree to provide veterinary services in veterinarian shortage situations for a determined period of time. NIFA is establishing Subpart A for the designation of the veterinarian shortage situations and Subpart B for the administration of the VMLRP.

**DATES:** This final rule is effective April 19, 2010.

**FOR FURTHER INFORMATION CONTACT:** Gary Sherman; National Program Leader, Veterinary Science; National Institute of Food and Agriculture; U.S. Department of Agriculture; STOP 2220; 1400 Independence Avenue, SW.;

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#### SUPPLEMENTARY INFORMATION:

#### Establishment of National Institute of Food and Agriculture

On October 1, 2009, the Secretary of Agriculture (Secretary) established within USDA the National Institute of Food and Agriculture (NIFA), as mandated by section 251(f)(2) of the Department of Agriculture Reorganization Act of 1994 (Reorganization Act) (7 U.S.C. 6971(f)(2)). Section 251(f)(2) was added by section 7511 of the Food, Conservation, and Energy Act of 2008 (FCEA), Pub. L. 110-246. Pursuant to the FCEA, the Secretary transferred to NIFA, effective October 1, 2009, the authorities (including all budget authorities, available appropriations, and personnel), duties, obligations, and related legal and administrative functions prescribed by law or otherwise granted to the Secretary, the Department, or any other agency or official of the Department under the research, education, economic, cooperative State research programs, cooperative extension and education programs, international programs, and other functions and authorities delegated by the Under Secretary for Research, Education, and Economics ("REE") to the Administrator of the Cooperative State Research, Education, and Extension Service (CSREES) pursuant to 7 CFR 2.66, and any and all other authorities administered by the Administrator of CSREES. Accordingly, the agency known as CSREES was abolished upon establishment of NIFA.

#### Background and Purpose

In January 2003, the National Veterinary Medical Service Act (NVMSA) was passed into law adding section 1415A to the National Agricultural Research, Extension, and Teaching Policy Act of 1997 (NARETPA). This law established a new Veterinary Medicine Loan Repayment Program (7 U.S.C. 3151a) authorizing the Secretary of Agriculture to carry out a program of entering into agreements with veterinarians under which they agree to provide veterinary services in veterinarian shortage situations. In November 2005, the Agriculture, Rural Development, Food and Drug

Administration, and Related Agencies Appropriations Act, 2006 (Pub. L. 109-97) appropriated \$495,000 to implement the Veterinary Medicine Loan Repayment Program (VMLRP) and represented the first time funds had been appropriated for this program. In February 2007, the Revised Continuing Appropriations Resolution, 2007 (Pub. L. 110-5) appropriated an additional \$495,000 for support of the program, in December 2007, the Consolidated Appropriations Act, 2008 appropriated an additional \$868,875 for support of this program, and on March 11, 2009, the Omnibus Appropriations Act, 2009 (Pub. L. 111-8) was enacted, providing an additional \$2,950,000, for the VMLRP. In October 2009, the President signed into law, Public Law 111-80, Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2010, which appropriated \$4,800,000 for the VMLRP.

Consequently, there is a cumulative total of approximately \$9.6 million available for NIFA to administer this program. Funding for future years will be based on annual appropriations and balances from prior years, and will likely vary from year to year.

Section 7105 of the Food, Conservation, and Energy Act of 2008, Public Law 110-246, (FCEA) amended section 1415A to revise the determination of veterinarian shortage situations to consider (1) geographical areas that the Secretary determines have a shortage of veterinarians; and (2) areas of veterinary practice that the Secretary determines have a shortage of veterinarians, such as food animal medicine, public health, epidemiology, and food safety. This section also added that priority should be given to agreements with veterinarians for the practice of food animal medicine in veterinarian shortage situations.

NARETPA section 1415A requires the Secretary, when determining the amount of repayment for a year of service by a veterinarian to consider the ability of USDA to maximize the number of agreements from the amounts appropriated and to provide an incentive to serve in veterinarian shortage areas with the greatest need. This section also provides that loan repayments may consist of payments of the principal and interest on government and commercial loans

received by the individual for the attendance of the individual at an accredited college of veterinary medicine resulting in a degree of Doctor of Veterinary Medicine or the equivalent. This program is not authorized to provide repayments for any government or commercial loans incurred during the pursuit of another degree, such as an associate or bachelor degree. Loans eligible for repayment include educational loans made for one or more of the following: Loans for tuition expenses; other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; and reasonable living expenses as determined by the Secretary. In addition, the Secretary is directed to make such additional payments to participants as the Secretary determines appropriate for the purpose of providing reimbursements to participants for individual tax liability resulting from participation in this program. Finally, this section requires USDA to promulgate regulations within 270 days of the enactment of FCEA (*i.e.*, June 18, 2008). The Secretary delegated the authority to carry out this program to NIFA.

#### **Solicitation of Stakeholder Input and Publication of the Interim Rule**

On August 29, 2008, CSREES published a **Federal Register** notice [73 FR 50928–50929] announcing a public meeting to be held on Monday, September 15, 2008, at the Waterfront Centre in Washington, DC, to solicit stakeholder input as well as the instructions on how to submit written comments by Tuesday, September 30, 2008, on the implementation of VMLRP.

CSREES received oral and written comments from the following veterinary professional associations and organizations: American Veterinary Medical Association (AVMA), Association of American Veterinary Medical Colleges (AAVMC), American College of Veterinary Microbiologists (ACVM), American Association of Veterinary Laboratory Diagnosticians (AAVLD), American College of Veterinary Pathologists (ACVP), National Cattlemen's Beef Association (NCBA), Texas Cattle Feeders Association (TCFA), and Ohio's Cattlemen Association (OCA) as well as a comprehensive joint statement from AVMA and the AAVMC. In addition, CSREES received 27 comments from individuals, most of whom were students at veterinary colleges. CSREES considered all comments received in the development of the interim rule which was published on July 9, 2009 [74 FR

32788–32798] with a 60-day comment period.

#### **Response to Comments on Interim Rule and Revisions Included in Final Rule**

In the Interim Rule, CSREES established rules and invited comments on the process and procedures for (a) designating veterinarian shortage situations and (b) administration for the VMLRP. CSREES received thirty-eight sets of comments from individuals, including practicing veterinarians, farmers, and students, and the following veterinary professional associations and organizations: American Veterinary Medical Association (AVMA), Association of American Veterinary Medical Colleges (AAVMC), American Association of Veterinary Laboratory Diagnosticians (AAVLD), National Association of Federal Veterinarians (NAFV), Humane Society Veterinary Medical Association (HSVMA), and North Dakota Stockmen's Association (NDSA) as well as a joint statement from Washington Cattlemen's Association (WCA) and Washington State Dairy Federation (WSDF). NIFA considered all comments received in the development of the final rule.

#### **Non-Doctor of Veterinary Medicine (D.V.M.) Loans**

*Comment:* Three commentors expressed concern about the exclusion of education loans other than those obtained for the Doctorate of Veterinary Medicine (or equivalent) from the VMLRP. AVMA, as one of the commentors, "contends that a veterinary student's undergraduate education is an integral component of their academic veterinary career. Veterinary students must take required prerequisites for the doctoral program while enrolled in undergraduate studies. Without these required prerequisite courses a prospective veterinary student would be ineligible for admission to veterinary medical school."

*NIFA Response:* The NVMSA legislation specifically states in Section 1415A(c)(3) of NARETPA the following: Qualifying Educational Loans—Loan repayments provided under this section may consist of payments on behalf of participating individuals of the principal, interest, and related expenses on government and commercial loans received by the individual for attendance of the individual at an accredited college of veterinary medicine resulting in a degree of Doctor of Veterinary Medicine or the equivalent \* \* \*. Consequently, there is no change to the regulations regarding eligibility of non-DVM loans for the VMLRP.

*Comment:* Seven commentors observed that disqualifying individuals who consolidated their undergraduate student loans with veterinary school loans would unfairly cause a large group of highly qualified veterinarians, many of whom have high levels of debt, ineligible for the VMLRP. Additionally, AAVMC reported that "the issue of consolidated debt was the highest rated and most oft mentioned concern for AAVMC members."

*NIFA Response:* NIFA agrees. NIFA will allow individuals who consolidated their veterinary school loans with other educational loans (*e.g.* undergraduate) to apply for the VMLRP; however, only the eligible portion of the consolidation will be repaid by the VMLRP, thus Parts 3431.9(b)(3) and 3431.15(b)(4) have been removed from the final regulations. Furthermore, applicants with consolidated loans will be asked to provide a complete history of their student loans from the National Student Loan Database System (NSLDS), a central database for student aid operated by the U.S. Department of Education. The NSLDS Web site can be found at <http://www.nsls.ed.gov>. Individuals who consolidated their DVM loans with non-educational loans or loans belonging to an individual other than the applicant, such as a spouse or child, will continue to be ineligible for the VMLRP.

#### **Definitions**

*Comment:* Three commentors requested clarification on the definition for "accredited college of veterinary medicine" as there are multiple accreditation bodies that could be included in the definition. Two of the three commentors recommended that the definition be modified to specify accreditation by the AVMA Council on Education, a specialized accrediting agency recognized and authorized by the U.S. Department of Education.

*NIFA Response:* NIFA agrees. To eliminate any confusion, the definitions have been modified in the definitions (§ 3431.3) and eligibility (§ 3431.9) sections in the final regulations to specify that a veterinarian must have attended a college of veterinary medicine accredited by the AVMA Council on Education to be eligible to apply to the VMLRP.

*Comment:* One commentor asked NIFA to give serious consideration to including U.S. citizens who are studying to become veterinarians in veterinary schools in the Caribbean basin.

*NIFA Response:* NIFA welcomes veterinarians that studied abroad to obtain their Doctorate in Veterinary

Medicine degree (or equivalent) to apply for the VMLRP as long as the professional veterinary medicine degree was obtained from a college of veterinary medicine accredited by the AVMA Council on Education, a list that includes fourteen schools outside the United States as of October 21, 2009.

*Comment:* Two commentors, AVMA and NAFV, recommended adding “animal health” to the definition of “practice of food supply veterinary medicine” and the areas that have food supply veterinarian shortages.

*NIFA Response:* NIFA agrees. “Animal health” has been added to both definitions in the definitions section (§ 3431.3) in the final regulations.

*Comment:* One commentor recommended that “caprine” be added to the definition of “Food animal”.

*NIFA Response:* “Caprine” has been added to the definition of “food animal” in the definitions section (§ 3431.3).

### State Animal Health Official

*Comment:* Three commentors suggested that the State Animal Health Official be required to consult with the State Veterinary Association and other interested parties within the State when identifying underserved areas within a State.

*NIFA Response:* We strongly recommend that State Animal Health Officials involve other leading animal health experts in the nomination process as they identify underserved areas within their respective States.

### Shortage Nominations

*Comment:* One commentor expressed concern that low density agricultural areas will be regarded as less important than areas of heavily concentrated agriculture.

*Comment:* One commentor recommended that representatives of Federal agencies be included on an official review panel.

*NIFA Response:* NIFA will take these comments into consideration as it develops the solicitation for nominations for veterinarian shortage situations and implements the review panel.

*Comment:* One commentor urged USDA to examine the feasibility of establishing an indexing system whereby each shortage situation that is designated is awarded a weighted score for severity of shortage.

*NIFA Response:* As with other review processes conducted by NIFA, the review panel will evaluate the composite qualitative and quantitative arguments presented in the submitted nomination packages against criteria described elsewhere in this notice. The

panel will classify each shortage situation as either “Recommended for designation” or “Not recommended for designation”.

*Comment:* One commentor suggested that solicitation notices be published on an annual basis instead of a biennial basis. Another commentor requested clarification on the frequency of the need to apply for the designation of shortage areas and the need to reassess a designation once it is filled by a veterinarian enrolled in the VMLRP.

*NIFA Response:* NIFA presumes that, over time, the shortage situation priorities of a State will change due to veterinarians relocating to fill critical areas designated by the VMLRP. NIFA will also be mindful of spontaneous shifts in perceived threats to animal health in time and space. To address changing conditions, NIFA program staff will assess the relative demand for reprioritization of shortage situation distribution within the States on an annual basis. However, NIFA reserves the right to conduct this solicitation on a biennial basis to save administrative costs and to adhere to the aggressive annual program schedule and/or to respond to funding fluctuations.

### Selection Process

*Comment:* One commentor stated that the Interim Rule did not address how applicants would be chosen for specific shortage areas.

*NIFA Response:* NIFA will establish the evaluation criteria and process and determine the makeup of the application review panel before the application period opens. Applicants will be ranked based on their qualifications relative to the attributes of the shortage situation applied for.

### Licensure

*Comment:* One commentor recommended that licensure not be a blanket requirement for eligibility to apply for the VMLRP, but that veterinarians should be in compliance with State and local regulations, including having the appropriate certifications and licenses, in the jurisdiction of the shortage situation.

*NIFA Response:* NIFA agrees and has updated Parts 3431.8 and 3431.10 of the regulations to reflect that licensure is required only if it is mandated by the State and local regulations in which the shortage situation is sited.

### Federal Veterinarians

*Comment:* Three commentors stated that it was not clear to what degree the VMLRP would apply to veterinarians working for the Federal government.

*NIFA Response:* NIFA recognizes that NVMSA is intended to address a national problem. NIFA has also acknowledged in the interim rule that approximately 10 percent of the loan repayment awards will be made available to address public practice shortages and at least 90 percent of funds will be awarded to private practice food animal veterinarians to assure appropriate emphasis as requested by the legislation set forth by Congress. Hence, some designated veterinarian shortage situations may be Federal positions. However, these positions must be nominated by the State Animal Health Official (SAHO), designated by the review panel as “recommended for designation,” and approved by the Secretary for designation.

### Retention

*Comment:* Fourteen commentors stated the importance of making VMLRP awards to include veterinarians with established practices in shortage areas as a form of retention in addition to the recruitment of veterinarians to shortage areas.

*NIFA Response:* NIFA agrees. The SAHO may identify and submit a shortage situation based on the assessment that there is a great risk of losing an established veterinarian in a given shortage situation and that the need to retain a veterinarian in this area is of utmost importance.

### Appropriation

*Comment:* Three commentors mentioned the importance of having adequate, stable, and reliable funding. AVMA and NAFV also stated that NIFA should move towards optimal funding of \$6 million each year through fiscal year 2016.

*NIFA Response:* NIFA and USDA both support the President’s proposed budget each year. Congress is ultimately responsible for the development and passage of the annual Federal appropriations bill. As NIFA is prohibited from lobbying Congress, the stability and magnitude of future Federal funding for the VMLRP will depend on Congressional consideration of Presidential recommendations and public interests balanced against other fiscal priorities.

### Allocation of Awards

*Comment:* One commentor suggested that 90 percent of awards be devoted to veterinarians involved with food animal medicine and rural practice (mixed large animal and small animal) who have at least 30 percent or more involvement with food animal species.

Another commentor recommended that the 10 percent of the awards offered to mixed animal practitioners be devoted to the food animal discipline for at least half of their practice.

*NIFA Response:* NIFA agrees with the notion that there is practical value in identifying service commitment requirements for practitioners of food supply veterinary medicine of less than 100 percent. Accordingly, all three shortage situation types identified in the nomination form allow for different percentages of full-time equivalent commitment, commensurate with a variety of different public and private practice scenarios.

### Scholarships

*Comment:* One commentor recommended that USDA allocate four scholarships to the Washington State University College of Veterinary Medicine to allow students to pay down principal and interest on qualifying loans accrued while a veterinary student.

*NIFA Response:* NIFA appreciates and accepts all comments. However, this comment is beyond the scope of the VMLRP as the VMLRP is a competitive program and its benefits apply to educational loans taken out by graduates of a school of veterinary medicine. Furthermore, participants are required to hold a Doctor of Veterinary Medicine degree or the equivalent and serve in a shortage area immediately in order to receive VMLRP benefits.

### Mentoring

*Comment:* Two commentors urged NIFA to establish a mentoring program for participants in the program.

*NIFA Response:* NIFA agrees. NIFA will investigate options for including a mentoring component as part of the VMLRP.

### Debt Threshold

*Comment:* Two commentors questioned the need to have a debt threshold for individuals to be eligible to apply to the VMLRP.

*NIFA Response:* NIFA disagrees. If there are veterinarians with minimal amounts of educational debt that are willing to commit for a number of years of service to a shortage situation, they should be able to do so without the VMLRP benefit. The goal of the VMLRP is to fill shortage situations with veterinarians that would have otherwise gone elsewhere. NIFA also aims to maximize the number of agreements, and entering agreements with those with negligible debt would create an additional administrative burden (both cost and personnel time) as an

individual's debt level has no effect on the administrative cost to process an application and execute a service agreement. Establishing a debt threshold eliminates the administrative burden of processing applications from those who will scarcely benefit from the VMLRP.

### Diagnostic Lab

*Comment:* Two commentors requested NIFA to recognize the shortage of veterinarians in AAVLD laboratories and to allow veterinarians entering the diagnostic laboratory workforce to be considered under the category of "public practice".

*NIFA Response:* Veterinarians entering the diagnostic laboratory workforce will be eligible for the VMLRP under the public practice nomination provisions and limitations. The number of agreements available to this area depends on (a) the nominations by the SAHOs, and (b) recommendations of designation by the review panel.

### Emergency Situations

*Comment:* Two commentors stated their support for the concept of the proposed pilot program for VMLRP participants to be called away to work in emergency situations. However, both commentors also shared concerns about the proper implementation of this component of the program.

*NIFA Response:* Due to limited funding and the intricacies involving the emergency component, this component will not be implemented during the first year of the VMLRP.

### Long-Term Program Impact

*Comment:* Two commentors expressed concern about the focus of the VMLRP. One commentor stated that "It seems that many of these types of programs end up helping those who have a background and obvious desire to already go into such a career." The other commentor cited a program where "most of the nurses, and other health care workers, only remain there as long as is necessary to receive the payback and leave as quickly as possible thereafter leaving the reservation's health care no better off than it was before."

*NIFA response:* NIFA appreciates all comments both positive and negative. NIFA plans to conduct an impact evaluation on the VMLRP to assess whether the desired outcomes are achieved.

### Program Benefits

*Comment:* One commentor recommended that the amount of funding provided to cover a VMLRP

recipient's tax obligation be reviewed every three years to assure tax coverage is adequate.

*NIFA Response:* NIFA will reassess the tax percentage every three years to ensure VMLRP participants are provided proper tax coverage. Section 3431.13(e) has been broadened to allow that the amount provided for reimbursement of tax liabilities will not exceed "any other cap established by the Secretary."

### Increasing Educational Debt

*Comment:* Five commentors stated concerns about rising educational debt for aspiring veterinarians. One commentor questioned whether the maximum annual loan repayment of \$25,000 was sufficient. Another commentor stated that adjustments need to be included to allow for increases in annual loan limits. Yet another commentor stated that the \$25,000 repayment level is a meaningful amount that will help address the educational debt load.

*NIFA Response:* After program implementation, NIFA will continue to monitor trends among participants, applicants, and graduating veterinarians to ensure the VMLRP remains successful in providing a financial incentive to fill shortage areas, while maximizing the number of agreements at the same time.

### Other Revisions to the Interim Regulation

A correction was made to the Withdrawal definition in § 3413.3 to signify that a withdrawal occurs prior to the VMLRP making the first *quarterly* payment on behalf of the participant rather than the first annual payment.

### Timeline for Implementing the Program

NIFA published a solicitation for the veterinarian shortage situations via a **Federal Register** notice on January 22, 2010 [75 FR 3697–3704] with a solicitation period of 45 days. At the same time, NIFA will continue to work with the NIH DLR on adapting the NIH DLR application forms for use by VMLRP as well as developing the other associated business processes (*e.g.*, reporting, payments). NIFA anticipates soliciting for VMLRP participants in April 2010 (open for 60 days).

In addition to this final regulation, which addresses most of the policies associated with this program, NIFA plans to create informational Web pages (providing detailed information and procedures) for the program similar to the pages created for the NIH DLR programs.

Please note that the solicitation for veterinary shortage situations and the VMLRP RFA will provide more specific details on the program.

### Administrative Requirements for the Final Rulemaking

#### Executive Order 12866

The Office of Management and Budget has reviewed this final rule because while it is not economically significant, it implements the Veterinary Medicine Loan Repayment Program (VMLRP). This final rule will not materially alter the budgetary impact of entitlements, grants, user fees, or loan programs; nor will it have an annual effect on the economy of \$100 million or more; nor will it adversely affect the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities in a material way. Furthermore, it does not raise a novel legal or policy issue arising out of legal mandates, the President's priorities or principles set forth in the Executive Order.

#### Regulatory Flexibility Act of 1980

This final rule has been reviewed in accordance with the Regulatory Flexibility Act of 1980, as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, 5 U.S.C. 601–612. The Department concluded that the rule does not involve regulatory and informational requirements regarding businesses, organizations, and governmental jurisdictions subject to regulation.

#### Paperwork Reduction Act

The Department certifies that this final rule has been assessed in accordance with the requirements of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* (PRA). The VMLRP Veterinarian Shortage Situation Nomination form has been approved by OMB as No. 0524–0046. The VMLRP Application Package and Reporting Requirements have been approved by OMB as No. 0524–0047.

#### Catalog of Federal Domestic Assistance

This interim regulation applies to the following Federal assistance program administered by NIFA, Catalog of Federal Domestic Assistance (CFDA) No. 10.313, Veterinary Medicine Loan Repayment Program (VMLRP).

#### Unfunded Mandates Reform Act of 1995 and Executive Order 13132

The Department has reviewed this final rule in accordance with the requirements of Executive Order No. 13132, 64 FR 43225 (August 10, 1999)

and the Unfunded Mandates Act of 1995, 2 U.S.C. 1501 *et seq.*, and has found no potential or substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. As there is no Federal mandate contained herein that could result in increased expenditures by State, local Tribal governments or by the private sector, the Department has not prepared a budgetary impact statement.

#### Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

The Department has reviewed this final rule in accordance with Executive Order 13175, 65 FR 67249 (Nov. 9, 2000), and has determined that it does not have “tribal implications.” The final rule does not “have substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and Indian Tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes.”

#### Clarity of This Regulation

Executive Order 12866 and the President's memorandum of June 1, 1998, require each agency to write all rules in plain language. The Department invites comments on how to make this final rule easier to understand.

#### List of Subjects in Part 3431

Administrative practice and procedure, Agricultural research, education, extension, Federal assistance, Veterinarians.

■ For the reasons discussed in the preamble, NIFA amends Chapter XXXIV of Title 7 of the Code of Federal Regulations as follows:

#### Chapter XXXIV—National Institute of Food and Agriculture

- 1. The heading of chapter XXXIV is revised to read as set forth above.
- 2. Part 3431 is revised to read as follows:

#### PART 3431—VETERINARY MEDICINE LOAN REPAYMENT PROGRAM

##### Subpart A—Designation of Veterinarian Shortage Situations

Sec.

- 3431.1 Applicability of regulations.
- 3431.2 Purpose.
- 3431.3 Definitions and acronyms.
- 3431.4 Solicitation of stakeholder input.
- 3431.5 Solicitation of veterinarian shortage situations.
- 3431.6 Review of nominations.
- 3431.7 Notification and use of designated veterinarian shortage situations.

##### Subpart B—Administration of the Veterinary Medicine Loan Repayment Program

- 3431.8 Purpose and scope.
- 3431.9 Eligibility to apply.
- 3431.10 Eligibility to participate.
- 3431.11 Application.
- 3431.12 Selection of applicants.
- 3431.13 Terms of loan repayment and length of service requirements.
- 3431.14 Priority.
- 3431.15 Qualifying loans.
- 3431.16 Certifications and verifications.
- 3431.17 VMLRP service agreement offer.
- 3431.18 Service agreement.
- 3431.19 Payment and tax liability.
- 3431.20 Administration.
- 3431.21 Breach.
- 3431.22 Waiver.
- 3431.23 Service to Federal government in emergency situations.
- 3431.24 Reporting requirements, monitoring, and close-out.

**Authority:** 7 U.S.C. 3151a; Pub. L. 106–107 (31 U.S.C. 6101 note).

##### Subpart A—Designation of Veterinarian Shortage Situations

#### § 3431.1 Applicability of regulations.

This part establishes the process and procedures for designating veterinarian shortage situations as well as the administrative provisions for the Veterinary Medicine Loan Repayment Program (VMLRP) authorized by the National Veterinary Medical Service Act (NVMSA), 7 U.S.C. 3151a.

#### § 3431.2 Purpose.

The Secretary will follow the processes and procedures established in subpart A of this part to designate veterinarian shortage situations for the VMLRP. Applications for the VMLRP will be accepted from eligible veterinarians who agree to serve in one of the designated shortage situations in exchange for the repayment of an amount of the principal and interest of the veterinarian's qualifying educational loans. The administrative provisions for the VMLRP, including the application process, are established in subpart B of this part.

#### § 3431.3 Definitions and acronyms.

(a) *General definitions.* As used in this part:

*Act* means the National Veterinary Medical Service Act, as amended.

*Agency* or NIFA means the National Institute of Food and Agriculture.

*Department* means the United States Department of Agriculture.

*Food animal* means the following species: Bovine, porcine, ovine/camelid, cervid, poultry, caprine, and any other species as determined by the Secretary.

*Food supply veterinary medicine* means all aspects of veterinary medicine's involvement in food supply

systems, from traditional agricultural production to consumption.

*Insular area* means the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, the Republic of Palau, and the Virgin Islands of the United States.

*NVMSA* means the National Veterinary Medicine Service Act.

*Practice of food supply veterinary medicine* includes corporate/private practices devoted to food animal medicine, mixed animal medicine located in a rural area (at least 30 percent of practice devoted to food animal medicine), food safety, epidemiology, public health, animal health, and other public and private practices that contribute to the production of a safe and wholesome food supply.

*Practice of veterinary medicine* means to diagnose, treat, correct, change, alleviate, or prevent animal disease, illness, pain, deformity, defect, injury, or other physical, dental, or mental conditions by any method or mode; including:

(1) The prescription, dispensing, administration, or application of any drug, medicine, biologic, apparatus, anesthetic, or other therapeutic or diagnostic substance or medical or surgical technique, or

(2) The use of complementary, alternative, and integrative therapies, or

(3) The use of any manual or mechanical procedure for reproductive management, or

(4) The rendering of advice or recommendation by any means including telephonic and other electronic communications with regard to any of paragraphs (1), (2), (3), or (4) of this definition.

*Rural area* means any area other than a city or town that has a population of 50,000 inhabitants and the urbanized area contiguous and adjacent to such a city or town.

*Secretary* means the Secretary of Agriculture and any other officer or employee of the Department to whom the authority involved has been delegated.

*Service area* means geographic area in which the veterinarian will be providing veterinary medical services.

*State* means any one of the fifty States, the District of Columbia, and the insular areas of the United States.

*State animal health official* or *SAHO* means the State veterinarian, or equivalent, who will be responsible for nominating and certifying veterinarian shortage situations within the State.

*Veterinarian* means a person who has received a professional veterinary medicine degree from a college of veterinary medicine accredited by the AVMA Council on Education.

*Veterinarian shortage situation* means any of the following situations in which the Secretary, in accordance with the process in subpart A of this part, determines has a shortage of veterinarians:

(1) Geographical areas that the Secretary determines have a shortage of food supply veterinarians; and

(2) Areas of veterinary practice that the Secretary determines have a shortage of food supply veterinarians, such as food animal medicine, public health, animal health, epidemiology, and food safety.

*Veterinary medicine* means all branches and specialties included within the practice of veterinary medicine.

*Veterinary Medicine Loan Repayment Program* or *VMLRP* means the Veterinary Medicine Loan Repayment Program authorized by the National Veterinary Medical Service Act.

(b) *Definitions applicable to Subpart B.*

*Applicant* means an individual who applies to and meets the eligibility criteria for the VMLRP.

*Breach of agreement* results when a participant fails to complete the service agreement obligation required under the terms and conditions of the agreement and will be subject to assessment of monetary damages and penalties as determined in the service agreement, unless a waiver has been granted or an exception applies.

*Current payment status* means that a qualified educational loan is not past due in its payment schedule as determined by the lending institution.

*Debt threshold* means the minimum amount of qualified student debt an individual must have, on their program eligibility date, in order to be eligible for program benefits, as determined by the Secretary.

*Program eligibility date* means the date on which an individual's VMLRP agreement is executed by the Secretary.

*Program participant* means an individual whose application to the VMLRP has been approved and whose service agreement has been accepted and signed by the Secretary.

*Qualifying educational expenses* means the costs of attendance of the applicant at a college of veterinary medicine accredited by the AVMA Council on Education, exclusive of the tuition and reasonable living expenses. Educational expenses may include fees, books, laboratory expenses and

materials, as required by an accredited college or school of veterinary medicine as part of a Doctor of Veterinary Medicine degree program, or the equivalent. The program participant must submit sufficient documentation, as required by the Secretary, to substantiate the school requirement for the educational expenses incurred by the program participant.

*Qualifying educational loans* means loans that are issued by any Federal, State, or local government entity, accredited academic institution(s), and/or commercial lender(s) that are subject to examination and supervision in their capacity as lending institutions by an agency of the United States or the State in which the lender has its principal place of business. Loans must have been made for one or more of the following: School tuition, other qualifying educational expenses, or reasonable living expenses relating to the obtainment of a degree of Doctor of Veterinary Medicine from a college or school of veterinary medicine accredited by the AVMA Council on Education. Such loans must have documentation which is contemporaneous with the training received in a college or school of veterinary medicine. If qualifying educational loans are refinanced, the original documentation of the loan(s) will be required to be submitted to the Secretary to establish the contemporaneous nature of such loans.

*Reasonable living expenses* means the ordinary living costs incurred by the program participant while attending the college of veterinary medicine, exclusive of tuition and educational expenses. Reasonable living expenses must be incurred during the period of attendance and may include food and lodging expenses, insurance, commuting and transportation costs. Reasonable living expenses must be equal to or less than the sum of the school's estimated standard student budgets for living expenses for the degree of veterinary medicine for the year(s) during which the program participant was enrolled in the school. However, if the school attended by the program participant did not have a standard student budget or if a program participant requests repayment for living expenses which are in excess of the standard student budgets described in the preceding sentence, the program participant must submit documentation, as required by the Secretary, to substantiate the reasonableness of living expenses incurred. To the extent that the Secretary determines, upon review of the program participant's documentation, that all or a portion of

the living expenses are reasonable, these expenses will qualify for repayment.

*Service agreement* means the agreement, which is signed by an applicant and the Secretary for the VMLRP wherein the applicant agrees to accept repayment of qualifying educational loans and to serve in accordance with the provisions of NVMSA for a prescribed period of obligated service.

*Termination* means a waiver of the service obligation granted by the Secretary when compliance by the participant is impossible, would involve extreme hardship, or where enforcement with respect to the individual would be unconscionable (see breach of agreement).

*Withdrawal* means a request by a participant for withdrawal from participation in the VMLRP after signing the service agreement, but prior to VMLRP making the first quarterly payment on behalf of the participant. A withdrawal is without penalty to the participant and without obligation to the Program.

#### **§ 3431.4 Solicitation of stakeholder input.**

The Secretary will solicit stakeholder input on the process and procedures used to designate veterinarian shortage situations prior to the publication of the solicitation for nomination of veterinarian shortage situations. A notice may be published in the **Federal Register**, on the Agency's Web site, or other appropriate format or forum. This request for stakeholder input may include the solicitation of input on the administration of VMLRP and its impact on meeting critical veterinarian shortage situations. All comments will be made available and accessible to the public.

#### **§ 3431.5 Solicitation of veterinarian shortage situations.**

(a) *General.* The Secretary will follow the procedures described in this part to solicit veterinarian shortage situations as the term is defined in § 3431.3.

(b) *Solicitation.* The Secretary will publish a solicitation for nomination of veterinarian shortage situations in the **Federal Register**, on the Agency's Web site, or other appropriate format or forum.

(c) *Frequency.* Contingent on the availability of funds, the Secretary will normally publish a solicitation on an annual basis. However, the Secretary reserves the right to solicit veterinarian shortage situations every two or three years, as appropriate.

(d) *Content.* The solicitation will describe the nomination process, the review criteria and process, and include the form used to submit a nomination.

The solicitation may specify the maximum number of nominations that may be submitted by each State animal health official.

(e) *Nominations.* Nominations shall identify the veterinarian shortage situation and address the criteria in the nomination form which may include the objectives of the position, the activities of the position, and the risk posed if the position is not secured.

(f) *Nominating Official.* The State animal health official in each State is the person responsible for submitting and certifying veterinarian shortage situations within the State to NIFA officials. It is strongly recommended that the State animal health official of each State involve the leading health animal experts in the State in the nomination process.

#### **§ 3431.6 Review of nominations.**

(a) *Peer panel.* State shortage situations nominations will be evaluated by a peer panel of experts in animal health convened by the Secretary. The panel will evaluate nominations according to the criteria identified in the solicitation. The panel will consider the objectives and activities of the veterinarian position in the veterinarian service shortage situation and the risks associated with not securing or retaining the position and make a recommendation regarding each nomination.

(b) *Agency review.* The Secretary will evaluate the recommendations of the peer panel and designate shortage situations for the VMLRP.

#### **§ 3431.7 Notification and use of designated veterinarian shortage situations.**

The Secretary will publish the designated veterinarian shortage situations on the Agency's Web site and will use the designated veterinarian shortage situations to solicit VMLRP loan repayment applications from individual veterinarians in accordance with subpart B of this part.

### **Subpart B—Administration of the Veterinary Medicine Loan Repayment Program**

#### **§ 3431.8 Purpose and scope.**

(a) *Purpose.* The regulations of this subpart apply to the award of veterinary medicine loan repayments under the Veterinary Medicine Loan Repayment Program (VMLRP) authorized by the National Veterinary Medicine Service Act, 7 U.S.C. 3151a.

(b) *Scope.* Under the VMLRP, the Secretary enters into service agreements with veterinarians to pay principal and interest on education loans of veterinarians who agree to work in

veterinary shortage situations for a prescribed period of time. In addition, program participants may enter into an agreement to provide services to the Federal government in emergency situations in exchange for salary, travel, per diem expenses, and additional amounts of loan repayment assistance. The purpose of the program is to assure an adequate supply of trained food animal veterinarians in shortage situations and provide USDA with a pool of veterinary specialists to assist in the control and eradication of animal disease outbreaks.

#### **§ 3431.9 Eligibility to apply.**

(a) *General.* To be eligible to apply to the VMLRP an applicant must:

(1) Have a degree of Doctor of Veterinary Medicine (DVM), or the equivalent, from a college of veterinary medicine accredited by the AVMA Council on Education;

(2) Have qualifying educational loan debt as defined in § 3431.3;

(3) Secure an offer of employment or establish and/or maintain a practice in a veterinarian shortage situation, as determined by the Secretary in accordance with the procedures in subpart A of this part, within the time period specified in the VMLRP service agreement offer; and

(4) Provide certifications and verifications in accordance with § 3431.16.

(b) *Non-eligibility.* The following individuals are ineligible to apply to the VMLRP:

(1) An individual who owes an obligation for veterinary service to the Federal government, a State, or other entity under an agreement with such Federal, State, or other entity are ineligible for the VMLRP unless such obligation will be completely satisfied prior to the beginning of service under the VMLRP;

(2) An individual who has a Federal judgment lien against his/her property arising from Federal debt; and

(3) An individual who has total qualified debt that does not meet the debt threshold.

#### **§ 3431.10 Eligibility to participate.**

To be eligible to participate in the VMLRP, a participant must meet the following criteria:

(a) Meet the eligibility criteria of § 3431.9 for applying to the VMLRP;

(b) Be selected for participation by the Secretary pursuant to § 3431.12.

(c) Comply with all State and local regulations (including appropriate licensure where required) in the jurisdiction in which he or she proposes to practice;

- (d) Be a citizen, national, or permanent resident of the United States;
- (e) Sign a service agreement to provide veterinary services in one of the veterinarian shortage situations; and
- (f) Comply with the terms and conditions of the Service Agreement.

#### § 3431.11 Application.

Individuals who meet the eligibility criteria of § 3431.9 may submit an online program application or any other application process provided by the Secretary.

#### § 3431.12 Selection of applicants.

(a) *Review of applications.* Upon receipt, applications for the VMLRP will be reviewed for eligibility and completeness by the appropriate staff as determined by the Secretary. Incomplete or ineligible applications will not be processed or reviewed.

(b) *Peer review.* (1) Applications for the VMLRP that are deemed eligible and complete will be referred to the VMLRP peer panel for peer review. In evaluating the application, reviewers are directed to consider the following components, as well as any other criteria identified in the RFA, and how they relate to the likelihood that the applicant will meet the terms and conditions of the VMLRP agreement, continue to serve in a veterinary shortage situation, or pursue a career in food supply veterinary medicine:

- (i) Major or emphasis area(s) during formal post-secondary training (*e.g.*, bachelors degree major, minor);
- (ii) Major or emphasis area(s) during formal training for DVM/VMD degree;
- (iii) Specialty training area/discipline (*e.g.*, board certification or graduate degree);
- (iv) Non-degree/non-board certification training or certifications (*e.g.*, animal agrosecurity coursework and certifications);
- (v) Applicant's personal statement;
- (vi) Awards;
- (vii) Letters or recommendation, if applicable; and
- (viii) Other documentation or criteria, as specified in the RFA.

(2) Applicants will then be ranked based on their qualifications relative to the attributes of the shortage situation applied for.

#### § 3431.13 Terms of loan repayment and length of service requirements.

(a) *Loan repayment.* For each year of obligated service in a veterinary shortage situation, as determined by the Secretary, with a minimum of 3 years (and maximum of 4 years) of obligated service, the Secretary may pay:

(1) An amount not exceeding \$25,000 per year of a program participant's qualifying loans; and

(2) An additional amount not exceeding \$5,000 per year of a program participant's qualifying loans, if the program participant has already been selected for participation in the VMLRP and agrees to enter into a one-year agreement for each year of service to provide up to 60 days of obligated service to the Federal government in animal health emergency situations, as determined by the Secretary, provided the shortage situation in which the participant has agreed to serve has been designated as suitable for the Federal obligated service.

(b) To maximize the number of agreements and to encourage qualified veterinarians to participate in the VMLRP, the Secretary may establish a loan repayment cap that differs from the cap established under paragraph (a)(1) and (a)(2) of this section when it is in the best interest of VMLRP. This will be identified in the RFA.

(c) The Secretary will determine the debt threshold in the RFA.

(d) Loan repayments will be made directly to the loan provider on a quarterly basis, starting with the end of the first quarter after the program eligibility date of the service agreement. Tax payments equal to 39 percent of the loan repayments will be credited directly to the participant's IRS (Federal tax) account simultaneously with each loan repayment.

(e) Once a service agreement has been signed by both parties, the Secretary will obligate such funds as will be necessary to ensure that sufficient funds will be available to make loan repayments and tax payments, as specified in the service agreement, for the duration of the period of obligated service. Reimbursements for tax liabilities in excess of the amount provided (not to exceed 39 percent of the amount of loan repayment or any other cap established by the Secretary) will be subject to the availability of funds. These additional tax payments, if available to the VMLRP participants, will be identified in the RFA and in the participant service agreement.

(f) Participants are required to keep payments current on all qualifying VMLRP loans.

(g) *Travel expenditures.* The VMLRP will not reimburse a program participant for expenses associated with traveling from the program participant's residence to the prospective practice site for the purpose of evaluating such site or the expenses of relocating from the program participant's temporary or permanent residence to a practice site.

#### § 3431.14 Priority.

Pursuant to NVMSA, the Secretary will give priority to agreements with veterinarians for the practice of food animal medicine in veterinarian shortage situations, as determined by the Secretary. The Secretary may establish additional criteria in the RFA for assigning priority levels to veterinarian shortage situations nominated for award.

#### § 3431.15 Qualifying loans.

(a) *General.* Loan repayments provided under the VMLRP may consist of payments on behalf of participating individuals of the principal and interest on qualifying educational loans received by the individual for attendance of the individual at an accredited college of veterinary medicine resulting in a degree of Doctor of Veterinary Medicine, or the equivalent, which loans were made for one or more of the following:

- (1) Tuition expenses;
- (2) All other reasonable educational expenses, as defined in this part and as determined by the Secretary; and
- (3) Reasonable living expenses, as defined in this part and as determined by the Secretary.

(b) *Non-eligible loans.* The following loans are ineligible for repayment under the VMLRP:

- (1) Loans not obtained from a bank, credit union, savings and loan association, not-for-profit organization, insurance company, school, and other financial or credit institution which is subject to examination and supervision in its capacity as lending institution by an agency of the United States or of the State in which the lender has its principal place of business;
- (2) Loans for which supporting documentation is not available;
- (3) Loans that have been consolidated with loans of other individuals, such as spouses or children;
- (4) Loans or portions of loans obtained for educational or living expenses which exceed the standard of reasonableness as determined by the participant's standard school budget for the year in which the loan was made, and are not determined by the Secretary, to be reasonable based on additional documentation provided by the individual;
- (5) Loans, financial debts, or service obligations incurred under another loan repayment or scholarship program, or similar programs, which provide loans, scholarships, loan repayments, or other awards in exchange for a future service obligation;
- (6) Non-educational loans, including home equity loans; and

(7) Any loan in default, delinquent, or not in a current payment status.

**§ 3431.16 Certifications and verifications.**

(a) The application for the loan repayment program shall include a personal statement describing how the applicant would meet the requirements of:

(1) The veterinary service shortage situations as defined in the RFA;

(2) The eligibility criteria for application of section § 3431.9 of this part; and

(3) The selection priority of § 3431.14 of this part.

(b) The applicant shall provide sufficient documentation to establish that the applicant has qualifying loans as described in § 3431.15 of this part.

(c) The applicant shall provide sufficient documentation to establish that the applicant has the capacity to secure an offer of employment or establish and/or maintain a veterinary practice in a veterinary service shortage situation as defined in subpart A of this part.

(d) The applicant shall provide, if applicable, sufficient documentation to establish that the applicant is licensed to practice veterinary medicine in the jurisdiction in which the applicant has an offer of employment.

(e) The applicant shall provide, if applicable, the required documentation to establish whether the applicant receives payments under any other Federal, State, institutional, or private loan repayment programs.

(f) The applicant shall provide the required documentation to show that he/she has completed, or is in the process of completing, the National Veterinary Accreditation Program (NVAP) if national accreditation is required for the veterinary shortage position for which the applicant has an offer of employment.

(g) The applicant shall provide authorization to the appropriate staff as designated by the Secretary to obtain a copy of the participant's credit report.

**§ 3431.17 VMLRP service agreement offer.**

The Secretary will make an offer to successful applicants to enter into an agreement with the Secretary to provide veterinary services under the VMLRP. As part of the offer, successful VMLRP applicants will be provided a specific period of time, as defined in the RFA, to secure an offer of employment or establish and/or maintain a veterinary practice in a veterinary shortage situation.

**§ 3431.18 Service agreement.**

(a) The service agreement shall be signed by the program participant and

the Secretary after acceptance of the terms and conditions of the loan repayment program by the program participant.

(b) The service agreement shall specify the period of obligated service.

(c) The service agreement shall specify the amount of loan repayment to be paid for each year of obligated service.

(d) The service agreement shall contain a provision defining when a breach of the agreement by the program participant has occurred.

(e) The service agreement shall provide remedies for the breach of a service agreement by a program participant, including repayment or partial repayment of financial assistance received, with interest.

(f) The service agreement shall include provisions addressing the granting of a waiver by the Secretary in case of hardship.

(g) Payments under the service agreement do not exempt a program participant from the responsibility and/or liability for any loan(s) for which he or she is obligated, as the Secretary is not obligated to the lender/note holder for its commitment to the program participant.

(h) During the term of the service agreement, the program participant shall agree that the Secretary or the designated VMLRP service provider is authorized to verify the status of each loan for which the Secretary will be reimbursing the participant.

(i) The service agreement shall contain certifications, as determined by the Secretary.

(j) The service agreement shall contain provisions addressing the income tax liability of the program participant and the availability of reimbursement of taxes incurred as a result of an individual's participation in the VMLRP.

(k) *Renewal.* The service agreement will indicate whether the existing service agreement may be renewed. However, renewal applications are subject to peer review and approval, acceptance is not guaranteed, and the position must still be considered a veterinarian shortage situation at the time of application for renewal. The Secretary may request additional documentation in connection with the review and approval of a renewal application. The Secretary reserves the right not to offer renewals. Any requests for renewal applications will be solicited via the RFA.

(l) The service agreement shall contain participant reporting requirements (e.g., quarterly, annual,

and/or close-out) to allow for program monitoring and evaluation.

**§ 3431.19 Payment and tax liability.**

(a) *Loan repayment.* Loan repayments pursuant to a service agreement are made directly to a participant's lender(s) by the Secretary or the VMLRP service provider. If there is more than one outstanding qualified educational loan, the Secretary will repay the loans in the following order, unless the Secretary determines significant savings to the program would result from paying loans in a different order of priority:

(1) Loans guaranteed by the U.S. Department of Education;

(2) Loans made or guaranteed by a State;

(3) Loans made by a School; and

(4) Loans made by other entities, including commercial loans.

(b) *Tax Liability Payments.* Tax payments equal to 39 percent of the total loan repayment amount will be credited directly to the participant's IRS (Federal tax) account simultaneously with each loan payment. The Secretary may make payments of an amount not to exceed 39 percent of the actual annual loan repayments made in a calendar year for all or part of the increased Federal, State, and local tax liability resulting from loan repayments received under the VMLRP. However, the Secretary may increase the cap, if appropriate. Supplementary payments for increased tax liability may be made for the actual amount of tax liability associated with the receipt of loan repayments under the VMLRP.

Availability of these additional tax liability payments (i.e., in excess of 39 percent or other approved cap) will be identified in the RFA and in the participant service agreement. Program participants wishing to receive tax liability payments will be required to submit their requests for such payments in a manner prescribed by the Secretary and must provide the Secretary with any documentation the Secretary determines is necessary to establish a program participant's increased tax liability. Tax liability payments in excess of 39 percent or other approved cap will be made on a reimbursement basis only.

(c) Under § 3431.19(a) and (b), the Secretary will make loan and tax liability payments to the extent appropriated funds are available for these purposes.

**§ 3431.20 Administration.**

The VMLRP will be administered by NIFA, Office of Extramural Programs (OEP). OEP may carry out this program directly or enter into agreements with

another Federal agency or other service provider to assist in the administration of the VMLRP. However, the determination of the veterinarian shortage areas, peer review of individual VMLRP applications, and the overall VMLRP oversight and coordination will reside with the Secretary.

#### § 3431.21 Breach.

(a) *General.* If a program participant fails to complete the period of obligated service incurred under the service agreement, including failing to comply with the applicable terms and conditions of a waiver granted by the Secretary, the program participant must pay to the United States an amount as determined in the service agreement. Payment of this amount shall be made within 90 days of the date that the program participant failed to complete the period of obligated service, as determined by the Secretary.

#### (b) *Exceptions.*

(1) A termination of service for reasons that are beyond the control of the program participant will not be considered a breach.

(2) A transfer of service from one shortage situation to another, if approved by the Secretary, will not be considered a breach.

(3) A call or order to active duty will not be considered a breach.

(c) The Secretary may renegotiate the terms of a participant's service agreement in the event of a transfer, termination or call to active duty pursuant to paragraph (b) of this section.

(d) *Amount of repayment.* The service agreement shall provide the method for the calculation of the amount owed by a program participant who has breached a service agreement.

(e) *Debt Collection.* Individuals in breach of a service agreement entered into under this part are considered to owe a debt to the United States for the amount of repayment. Any such debt will be collected pursuant to the Department's Debt Management regulations at 7 CFR part 3.

#### § 3431.22 Waiver.

(a) A program participant may seek a waiver or suspension of the service or payment obligations incurred under this part by written request to the Secretary setting forth the bases, circumstances, and causes which support the requested action.

(b) The Secretary may waive any service or payment obligation incurred by a program participant whenever compliance by the program participant is impossible or would involve extreme hardship to the program participant and if enforcement of the service or payment

obligation would be against equity and good conscience.

(1) Compliance by a program participant with a service or repayment obligation will be considered impossible if the Secretary determines, on the basis of information and documentation as may be required:

(i) That the program participant suffers from a physical or mental disability resulting in the permanent inability of the program participant to perform the service or other activities which would be necessary to comply with the obligation; or

(ii) That the employment of the program participant has been terminated involuntarily for reasons unrelated to job performance.

(2) In determining whether compliance by a program participant with the terms of a service or repayment obligation imposes an extreme hardship, the Secretary may, on the basis of information and documentation as may be required, take into consideration the nature of the participant's personal problems and the extent to which these affect the participant's ability to perform the obligation.

(c) All requests for waivers must be submitted to the Secretary in writing.

(d) A program participant who is granted a waiver in accordance with this section will be notified by the Secretary in writing.

(e) Any obligation of a program participant for service or payment will be canceled upon the death of the program participant.

#### § 3431.23 Service to Federal government in emergency situations.

(a) The Secretary may enter into agreements of 1 year duration with veterinarians who have service agreements for such veterinarians to provide services to the Federal Government in emergency situations, as determined by the Secretary, under terms and conditions specified in the agreement.

(b) Pursuant to a service agreement under this section, the Secretary shall pay an amount, in addition to the amount paid, as determined by the Secretary and specified in the agreement, of the principal and interest of qualifying educational loans of the veterinarians. This amount will be provided in the RFA.

(c) Agreements entered into under this paragraph shall include the following:

(1) A veterinarian shall not be required to serve more than 60 working days per year of the agreement.

(2) A veterinarian who provides service pursuant to the agreement shall

receive a salary commensurate with the duties and shall be reimbursed for travel and per diem expenses as appropriate for the duration of the service.

#### § 3431.24 Reporting requirements, monitoring, and close-out.

VMLRP participants will be required to submit periodic reports per the terms and conditions of their service agreements. In addition, the Secretary is responsible for ensuring that a VMLRP participant is complying with the terms and conditions of their service agreement, including any additional reporting or close-out requirements.

Done in Washington, DC, this 9th day of April 2010.

**Dr. Meryl Broussard,**

*Interim Deputy Director, National Institute of Food and Agriculture.*

[FR Doc. 2010-8628 Filed 4-16-10; 8:45 am]

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## NUCLEAR REGULATORY COMMISSION

### 10 CFR Part 51

[NRC-2009-0269]

RIN 3150-AI27

### Categorical Exclusions From Environmental Review

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Final rule.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is amending its regulations that describe the categories of actions which do not require an environmental review under the requirements of the National Environmental Policy Act of 1969 (NEPA) as the NRC has determined that such actions do not individually or cumulatively have a significant effect on the human environment. The amended regulations eliminate the need for the preparation of environmental assessments for NRC actions that are minor, administrative, or procedural in nature. The amendments do not change any requirements for licensees, but may provide for more time for NRC action on more substantial issues and/or speed up the process for review of the amendments.

**DATES:** This final rule is effective on April 19, 2010.

**ADDRESSES:** You can access publicly available documents related to this document using the following methods:

- *Federal e-Rulemaking Portal:* Go to <http://www.regulations.gov> and search