

Secretary of Agriculture regarding program operations and measures to suppress, control, or eradicate an outbreak of foot-and-mouth disease, or other destructive foreign animal or poultry diseases, in the event these diseases should enter the United States. The Committee also advises the Secretary of Agriculture of means to prevent these diseases.

Done in Washington, DC, this 4th day of September, 2003.

**Peter Fernandez,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 03-23126 Filed 9-10-03; 8:45 am]

**BILLING CODE 3410-34-P**

## DEPARTMENT OF AGRICULTURE

### Animal and Plant Health Inspection Service

[Docket No. 03-028-1]

#### National Wildlife Services Advisory Committee; Notice of Renewal

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Notice of renewal.

**SUMMARY:** We are giving notice that the Secretary of Agriculture has renewed the National Wildlife Services Advisory Committee for a 2-year period. The Secretary has determined that the Committee is necessary and in the public interest.

**FOR FURTHER INFORMATION CONTACT:** Ms. Joanne Garrett, Director, Operational Support Staff, WS, APHIS, 4700 River Road Unit 87, Riverdale, MD 20737-1234; (301) 734-5149.

**SUPPLEMENTARY INFORMATION:** The purpose of the National Wildlife Services Advisory Committee (the Committee) is to advise the Secretary of Agriculture on policies, program issues, and research needed to conduct the Wildlife Services program. The Committee also serves as a public forum enabling those affected by the Wildlife Services program to have a voice in the program's policies.

Done in Washington, DC, this 3rd day of September 2003 .

**Peter Fernandez,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 03-23127 Filed 9-10-03; 8:45 am]

**BILLING CODE 3410-34-P**

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### Notice of Resource Advisory Committee Meeting

**AGENCY:** North Central Idaho Resource Advisory Committee, Kamiah, Idaho, USDA, Forest Service.

**ACTION:** Notice of meeting.

**SUMMARY:** Pursuant to the authorities in the Federal Advisory Committee Act (Public Law 92-463) and under the Secure Rural Schools and Community Self-Determination Act of 2000 (Pub. L. 106-393) the Nez Perce and Clearwater National Forests' North Central Idaho Resource Advisory Committee will meet Thursday, October 2, 2003 in Kooskia, Idaho for a business meeting. The meeting is open to the public.

**SUPPLEMENTARY INFORMATION:** The business meeting on October 2, begins at 10 a.m. (pst), at the Clearwater National Forest, Supervisor's Office, 12730 Highway 12, Orofino, Idaho. Agenda topics will include discussion of potential projects. A public forum will begin at 2:30 p.m. (pst).

**FOR FURTHER INFORMATION CONTACT.** Ihor Mereszczak, Staff Officer and Designated Federal Officer, at (208) 935-2513.

Dated: September 4, 2003.

**Ihor Mereszczak,**

*Acting Forest Supervisor.*

[FR Doc. 03-23195 Filed 9-10-03; 8:45 am]

**BILLING CODE 3410-11-M**

## DEPARTMENT OF AGRICULTURE

### Rural Business-Cooperative Service

#### Notice of Funding Availability and Invitation To Apply for Agriculture Innovation Center Demonstration Program Grants

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice.

**SUMMARY:** The Rural Business-Cooperative Service (RBS or Agency) provides notice of the availability of \$10,000,000 in fiscal year (FY) 2003 funds (NOFA) to fund the establishment of agriculture innovation centers that are to provide assistance to agriculture producers in the development of value-added businesses. This NOFA lists the information needed to submit an application for these grants.

**DATES:** The deadline for receipt of an application is 4 p.m. eastern time on September 16, 2003.

**ADDRESSES:** Hand-delivered applications or applications submitted using an express mail or overnight courier service should be sent to: Marc Warman, USDA Rural Business-Cooperative Service, 1400 Independence Ave., SW., Room 4016, Washington, DC 20250; Telephone: (202) 720-8460. Applications sent via the U.S. Postal Service must be sent to: Marc Warman, USDA Rural Business-Cooperative Service, STOP 3252, 1400 Independence Ave., SW., Washington, DC 20250-3252. Applications sent via email attachment must be sent to: [marc.warman@usda.gov](mailto:marc.warman@usda.gov). Please note that due to recent security concerns, packages sent to the Agency have suffered significant delays. Entities wishing to apply for assistance should contact Marc Warman to receive further information and copies of the application package.

**FOR FURTHER INFORMATION CONTACT:** Jim Haskell, Acting Deputy Administrator, Rural Business-Cooperative Service, USDA, Stop 3250, Room 4016, 1400 Independence Ave., SW., Washington, DC 20250-3250, telephone: (202) 720-8460, or email: [james.haskell@usda.gov](mailto:james.haskell@usda.gov).

#### SUPPLEMENTARY INFORMATION:

##### Paperwork Reduction Act

The Agency published a notice requesting comments on the collection requirements contained in this NOFA concurrent with the publication of the related proposed rule on June 13, 2003 (68 FR 35321). No comments were received on the paperwork burden. OMB granted a standard approval of the paperwork burden under control number 0570-0045 for this program.

##### Background

Section 6402 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) (2002 Farm Bill) authorizes the Secretary of Agriculture to establish up to 10 agriculture innovation demonstration centers (Agriculture Innovation Centers or AICs) in Fiscal Year 2003. The purpose of these centers is to foster the ability of agricultural producers to reap the benefits of producing and marketing value-added products.

Relationship between this NOFA and the earlier published Advance RFP Recognizing that the time requirements for publishing the final rule were very tight, the Agency published a notice on August 1, 2003 (Advance RFP) outlining all of the requirements for applying for FY 2003 grants that were then known. While the Advance RFP anticipated the publication of a final rule implementing the AIC grant program before the end of

FY 2003, we now recognize that it is not likely that a final rule will be published in time to obligate FY 2003 funds under terms and conditions established in a final rule. Accordingly, we are publishing this NOFA now in order to be able to implement this program before the end of FY 2003.

The Advance RFP advised the public that in order to fund AIC grants for FY 2003 there would be an extremely short deadline for the submission of applications. In the Advance RFP interested parties were offered the opportunity of receiving notice of the timing for submission of applications via electronic mail. All parties who requested such electronic notification are receiving an electronic version of this notice.

The policies and procedures incorporated in this NOFA are the same as those outlined in the Advance RFP published on August 1, 2003; the only differences that pertain to this NOFA are that the deadline is firmly established for the receipt of applications and the paperwork burden associated with this program has been approved by OMB.

In the event the RBS is not able to timely obligate FY 2003 funds, applications received will be held for consideration for FY 2004 funding if and when funding is available and after a Final Rule is published. Applicants will then be allowed to revise their applications if the requirements of the Final Rule are different from the policies and procedures outlined for FY 2003 in this NOFA.

#### Restrictions on Awards

1. RBS will not award more than ten grants for FY 2003.
2. RBS will not make a grant to more than one entity in any one State.
3. A grant award may not exceed the lesser of \$1,000,000 or twice the dollar amount (in cash or in kind) of the resources committed to the Center's operations apart from the program grant funds.

#### Application

Applicants must file an original and one copy of the required forms and a proposal.

(1) *Required forms.* The following forms must be completed, signed and submitted as part of the application package.

(a) "Application for Federal Assistance."

(b) "Budget Information/Non-Construction Programs."

(c) "Assurances/Non-Construction Programs."

(2) *Proposal.* Each proposal must contain the following elements.

(a) Title Page.

(b) Table of Contents.

(c) Executive Summary. A summary of the proposal should briefly describe the project including goals, tasks to be completed and other relevant information that provides a general overview of the project and the amount requested.

(d) Eligibility. A detailed discussion describing how the applicant meets the eligibility requirements.

(e) Proposal Narrative. The narrative portion of the proposal must include, but is not limited to, the following:

(i) Project Title. The title of the proposed project must be brief, not to exceed 75 characters, yet describe the essentials of the project.

(ii) Information Sheet. A separate one page information sheet listing each of the evaluation criteria followed by the page numbers of all relevant material and documentation contained in the proposal that address or support the criteria.

(iii) Goals of the Project. The first part of this section should list each Provider Service to be offered by the Center. The second part of this section should list one or more specific goals relating to increasing and improving the ability of identified local agricultural producers to develop a market or process for value-added agricultural commodities or products.

(iv) Work Plan. Actions that must be taken in order for the Provider Services to be available from the Center. Each action listed should include a target date by which it will be completed. General start up tasks should be listed, followed by specific tasks listed for each Provider Service to be offered, as well as tasks associated with the start of operations. The tasks associated with the start of operations should include a focused marketing and delivery plan directed to the local agricultural producers that were identified in paragraph (2)(e)(iii) above. The actions to be taken should include steps for identifying customers, acquiring personnel and contracting for services to the Center, including arrangements for strategic alliances.

(v) Performance Evaluation Criteria. Performance criteria suggested by the applicant for incorporation in the grant award in the event the proposal receives grant funding under this subpart. These suggested criteria are not binding on USDA.

(vi) Agricultural Community Support. Evidence of support from the local agricultural community should be included in this section. Letters in

support should reflect that the writer is familiar with the provisions of the Plan for the Center, including the stated goals. Evidence of support can take the form of making employees available to the Center, service as a board member and other in-kind contributions.

(vii) Strategic Coordination and Alliances. Describe arrangements in place or planned with end users (processing and distribution companies and regional grocers) as well as arrangements with entities having technical research capabilities, broad support from the agricultural community in the state or region, significant coordination with end users (processing and distribution companies and regional grocers), strategic alliances with entities having technical research capabilities and a focused delivery plan for reaching out to the producer community. (viii) Capacity. Evidence of the ability of the grantee(s) to successfully establish and operate a Center. A description of the grantee's track record in providing services similar to those listed for Producer Services or evidence that the entity has the capability to provide Producer Services. Resumes of key personnel should be included in this section. Past successes should be described in detail, with a focus on lessons learned, best practices, familiarity with producer problems in value-added ventures, and how these barriers are best overcome should be elaborated on in this section. For every challenge identified, the applicant should demonstrate how they are addressed in the Work Plan (see paragraph (2)(e)(iv) above). All successes should include a monetary estimate of the value-added achieved.

(ix) Legal structure. Provide a description of the legal relationship between the grantee(s) and the proposed Center. If the Center is to be an independent corporate entity, provide copies of the corporate charter, bylaws and other relevant organizational documents. Describe how funds for the Center will be handled and include copies of the agreements documenting the legal relationships between the Center and related parties. If the Center is not to be an independent legal entity, provide copies of the corporate governance documents that describe how members of the Board of Directors for the Center are to be determined.

(x) Evaluation Criteria. Each of the evaluation criteria referenced below must be specifically and individually addressed in narrative form. Supporting documentation, as applicable, should be included in this section, or a cross reference to other sections in the

application should be provided, as applicable.

(xi) **Verification of Adequate Resources.** Present a budget to support the work plan showing sources and uses of funds (1) during the start up period prior to the start of operations and (2) for the first year of full operations. Present a copy of a bank statement evidencing sources of funds equal to amounts required in excess of the grant requested, or, in the alternative, a copy of confirmed funding commitments from credible sources such that USDA is satisfied that the Center has adequate resources to complete a full year of operation. Include information sufficient to facilitate verification by USDA of all representations.

(xii) **Certification of Adequate Resources** Applicants must certify that non-Federal funds identified in the budget pursuant to paragraph (2)(e)(xi) of this section will be available and funded commensurately with grant funds.

#### **Evaluation Criteria and Weights**

Each of the following seven evaluation criteria may be awarded up to five (5) points.

(1) **Ability to Deliver.** The application will be evaluated as to whether it evidences unique abilities to deliver Producer Services so as to create sustainable value-added ventures. Abilities that are transferable to a wide range of agricultural value-added commodities are preferred over highly specialized skills. Strong skills must be accompanied by a credible and thoughtful plan.

(2) **Successful Track Record.** The applicant's track record in achieving value-added successes.

(3) **Work Plan/Budget.** The work plan will be reviewed for detailed actions and an accompanying timetable for implementing the proposal. Clear, logical, realistic and efficient plans will result in a higher score. Budgets will be reviewed for completeness and the strength of non Federal funding commitments.

(4) **Qualifications of personnel.** Proposals will be reviewed for whether the key personnel who are to be responsible for performing the proposed tasks have the necessary qualifications and whether they have a track record of performing activities similar to those being proposed. If a consultant or others are to be hired, points may be awarded for consultants only if the proposal includes evidence of their availability and commitment as well. Proposals using in-house employees with strong track records in innovative activities

will receive higher points relative to proposals that out-source expertise.

(5) **Local support.** Proposed Centers must show local support and coordination with other developmental organizations in the proposed service area and with state and local institutions. Support documentation should include recognition of rural values that balance employment opportunities with environmental stewardship and other rural amenities. Proposed Centers that show strong support from potential beneficiaries and coordination with other developmental organizations will receive more points than those not evidencing such support.

(6) **Future support.** Applicants that can demonstrate financial independence in future years will receive more points for this criterion. Points will be awarded only where future funding sources are documented by letters of commitment.

(7) **Performance Criteria.** Criteria suggested by the applicant in the proposal narrative that are ambitious, relevant and quantifiable and reflect serious consideration and seriousness of purpose will score more points than superficial performance criteria that reflect little or no challenge or that do not incorporate variables that reflect value-added results.

In the event of a tied score between two or more applications, the scores for the first individual criterion will be compared, and the highest score for that individual criterion will break the tie. If the scores for the first criterion are tied, the scores for the second criterion will be compared, and so on.

#### **Form of Submission**

Applicants are encouraged, but not required, to submit applications and reports in electronic form. A complete, original application may be electronically sent as an e-mail attachment to [marc.warman@usda.gov](mailto:marc.warman@usda.gov). If applications are submitted electronically, a signature page must be submitted via facsimile to the attention of Marc Warman at (202) 720-4641 or in hard copy to Marc Warman at the address provided at the beginning of this Notice. Alternatively, an original application package plus one paper copy may be submitted to the address provided at the beginning of this Notice.

#### **Evaluation Screening**

The Agency will conduct an initial screening of all proposals to determine whether the applicant is eligible and whether the application is complete and sufficiently responsive to the requirements set forth in this Notice to allow for an informed review. Failure to address any of the required evaluation

criteria will disqualify the proposal. Submissions which do not pass the initial screening may be returned to the Applicant. If the submission deadline has not expired and time permits, returned applications may be revised and re-submitted.

#### **Evaluation Process**

(1) Applications will be evaluated by agricultural economists or other technical experts appointed by the Agency.

(2) After all proposals have been evaluated and scored, Agency officials will present to the Administrator a list of all applications in rank order, together with funding level recommendations.

(3) The Administrator has not elected to reserve the right to award additional points for this round of competition; the applications will be funded in rank order until all available funds have been obligated.

#### **Related Policies and Procedures Applicable to AIC Grants**

##### **Definitions**

**Agency**—Rural Business-Cooperative Service (RBS), an agency of the United States Department of Agriculture (USDA), or a successor agency.

**Agriculture Producer Group**—An organization that represents Independent Producers, whose mission includes working on behalf of Independent Producers and the majority of whose membership and board of directors is comprised of Independent Producers.

**Agricultural Product**—Plant and animal products and their by-products to include forestry products, fish and seafood products.

**Board of Directors**—The group of individuals that govern the Center.

**Center**—The Agriculture Innovation Center to be established and operated by the grantees. It may or may not be an independent legal entity, but it must be independently governed in accordance with the requirements of this subpart.

**Cooperative**—A user-owned and controlled business from which benefits are derived and distributed equitably on the basis of use.

**Cooperative Services**—The office within RBS, and its successor organization, that administers programs authorized by the Cooperative Marketing Act of 1926 (7 U.S.C. 451 *et seq.*) and such other programs so identified in USDA regulations.

**Economic development**—The economic growth of an area as evidenced by increase in total income, employment opportunities, decreased

out-migration of population, value of production, increased diversification of industry, higher labor force participation rates, increased duration of employment, higher wage levels, or gains in other measurements of economic activity, such as land values.

**Fixed equipment**—Tangible personal property used in trade or business that would ordinarily be subject to depreciation under the Internal Revenue Code, including processing equipment, but not including property for equipping and furnishing offices such as computers, office equipment, desks or file cabinets.

**Independent Producers**—Agricultural producers, to include individuals, for profit and not for profit corporations, LLCs, partnerships or LLPs, solely owned or controlled by producers who do not produce the agricultural product under contract or joint ownership with any other organization. An independent producer can also be a steering committee composed of independent agricultural producers in the process of organizing an association to operate a value-added venture that will be owned and controlled by the independent producers supplying agricultural product to the market.

**National Office**—USDA RBS headquarters in Washington, D.C.

**Nonprofit institution**—Any organization or institution, including an accredited institution of higher education, no part of the net earnings of which may inure, to the benefit of any private shareholder or individual.

**Producer Services**—are those services to be provided by the Centers to agricultural producers. Producer services consist of the following types of services:

(1) Technical assistance, consisting of engineering services, applied research, scale production, and similar services, to enable the agricultural producers to establish businesses to produce value-added agricultural commodities or products;

(2) Assistance in marketing, market development and business planning, including advisory services with respect to leveraging capital assets; and

(3) Organizational, outreach and development assistance to increase the viability, growth and sustainability of businesses that produce value-added agricultural commodities or products.

**Product segregation**—Physical separation of a product or commodity from similar products. Physical separation requires a barrier to prevent mixing with the similar product.

**Public body**—Any state, county, city, township, incorporated town or village, borough, authority, district, economic

development authority, or Indian tribe on federal or state reservations or other federally recognized Indian tribe in rural areas.

**Qualified Board of Directors**—A Board of Directors that includes representatives from each of the following groups: (1) The two general agricultural organizations with the greatest number of members in the State in which the Center is located, (2) the State department of agriculture, or equivalent, of the State in which the Center is located and (3) entities representing the four highest grossing commodities produced in the State in which the Center is located, as determined on the basis of annual gross cash sales.

**Rural and rural area**—includes all the territory of a state that is not within the outer boundary of any city or town having a population of 50,000 or more and the urbanized area contiguous and adjacent to such city or town, as defined by the U.S. Bureau of the Census using the latest decennial census of the United States.

**Rural Development**—A mission area within the USDA consisting of the Office of Under Secretary for Rural Development, Office of Community Development, Rural Business-Cooperative Service, Rural Housing Service and Rural Utilities Service and their successors.

**State**—includes each of the several States, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, as may be determined by the Secretary to be feasible, appropriate and lawful, the Freely Associated States and the Federated States of Micronesia.

**State Office**—USDA Rural Development offices located in each state.

**Value-Added**—The incremental value that is realized by the producer from an agricultural commodity or product as the result of (1) a change in its physical state, (2) differentiated production or marketing, as demonstrated in a business plan, or (3) Product segregation. Also, the economic benefit realized from the production of farm or ranch-based renewable energy. Incremental value may be realized by the producer as a result of either an increase in value to buyers or the expansion of the overall market for the product. Examples include milling wheat into flour, slaughtering livestock or poultry, making strawberries into jam, the marketing of organic products, an identity-preserved marketing system, and collecting and converting methane from animal waste to generate energy.

Identity-preserved marketing systems include labeling that identifies how the product was produced and by whom.

#### *Eligibility for Grant Assistance*

Non-profit and for-profit corporations, institutions of higher learning and other entities, including a consortium where a lead entity has been designated and agrees to act as funding agent, that meet the following requirements are eligible for grant assistance:

(1) The entity—  
(a) has provided services similar to those listed for Producer Services; or  
(b) demonstrates the capability of providing Producer Services;

(2) The application includes a plan that meets the requirements of paragraph (2)(e)(iv) in the application requirements above, that also outlines—

(a) the support for the entity in the agricultural community;

(b) the technical and other expertise of the entity; and

(c) the goals of the entity for increasing and improving the ability of local agricultural producers to develop markets and processes for value-added agricultural commodities or products;

(3) The entity demonstrates that adequate resources (in cash or in kind) are available, or have been committed to be made available to the entity, to increase and improve the ability of local agricultural producers to develop markets and processes for value-added agricultural commodities or products;

(4) The proposed Center has a Qualified Board of Directors; and

(5) There is no recorded outstanding judgment obtained against the applicant by the United States in a Federal Court (other than in the United States Tax Court), that has not been paid in full or otherwise satisfied.

#### *Use of Grant Funds*

Grant funds may be used to assist eligible recipients in establishing Centers that provide Producer Services and may only be used to support operations of the Center that directly relate to providing Producer Services. Grant funds may be used for the following purposes:

(1) Consulting services for legal, accounting and technical services to be used by the grantee in establishing and operating a Center;

(2) Hiring of employees, at the discretion of the Qualified Board of Directors;

(3) The making of matching grants to agricultural producers, individually not to exceed \$5,000, where the aggregate amount of all such matching grants made by the grantee does not exceed \$50,000;

- (4) Applied research; and
- (5) Legal services.

#### *Limitations on Use of Grant Funds*

Grant funds may not be used to:

(1) Duplicate current services or replace or substitute support previously provided. If the current service is inadequate, however, grant funds may be used to expand the level of effort or services beyond what is currently being provided;

(2) Pay costs of preparing the application package for funding under this program;

(3) Pay costs of the project incurred prior to the date of grant approval;

(4) Fund political activities;

(5) Pay for assistance to any private business enterprise which does not have at least 51 percent ownership by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence;

(6) Pay any judgment or debt owed to the United States;

(7) Plan, repair, rehabilitate, acquire, or construct a building or facility (including a processing facility);

(8) Purchase, rent or install Fixed Equipment; or

(9) Pay for the repair of privately owned vehicles.

#### *Grant Approval and Obligation of Funds*

The following statement will be entered in the comment section of the Request for Obligation of Funds, which must be signed by the grantee:

"The grantee certifies that it is in compliance with and will continue to comply with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those contained in 7 CFR part 4284 and 7 CFR parts 3015, 3016, 3017, 3018, 3019 and 3052 in effect on the date of grant approval, and the approved Letter of Conditions."

#### *Grant Disbursement*

The Agency will determine, based on 7 CFR parts 3015, 3016 and 3019, as applicable, whether disbursement of a grant will be by advance or reimbursement. The Agency may limit the frequency in which a Request for Advance or Reimbursement may be submitted.

#### *Grant Closing*

(1) *Letter of Conditions.* The Agency will notify an approved applicant in writing, setting out the conditions under which the grant will be made.

(2) *Applicant's intent to meet conditions.* Upon reviewing the conditions and requirements in the

letter of conditions, the applicant must complete, sign and return the Agency's "Letter of Intent to Meet Conditions," or, if certain conditions cannot be met, the applicant may propose alternate conditions to the Agency. The Agency must concur with any changes proposed to the letter of conditions by the applicant before the application will be further processed.

(3) *Grant agreement.* The Agency and the grantee must enter into an "Agriculture Innovation Center Grant Agreement" prior to the advance of funds.

#### *Award Requirements*

All approved applicants will be required to do the following:

(1) Use "Request for Advance or Reimbursement" to request advances or reimbursements, as applicable, but not more frequently than once a month;

(2) Maintain a financial management system that is acceptable to the Agency; and

(3) Collect and maintain data on race, sex and national origin of the beneficiaries of the project.

#### *Reporting Requirements*

Grantees must submit the following to USDA:

(1) A "Financial Status Report" listing expenditures according to agreed upon budget categories, on a semi-annual basis. Reporting periods end each March 31 and September 30. Reports are due 30 days after the reporting period ends.

(2) Semi-annual performance reports that compare accomplishments to the objectives stated in the proposal. All tasks completed to date must be specifically identified and documentation provided to support the reported results. If the original schedule provided in the work plan is not being met, the report should discuss the problems or delays that may affect completion of the project. Objectives for the next reporting period should be listed. Compliance with any special condition on the use of award funds should be discussed. Reports are due as provided in paragraph (1). The supporting documentation for completed tasks include, but are not limited to, feasibility studies, marketing plans, business plans, articles of incorporation and bylaws and an accounting of how working capital funds were spent.

(3) Final project performance reports, inclusive of supporting documentation. The final performance report is due within 30 days of the completion of the project.

#### *Confidentiality of Reports*

All reports submitted to the Agency will be held in confidence to the extent permitted by law.

#### *Grant Servicing*

Grants will be serviced in accordance with 7 CFR part 1951, subparts E and O. Grantees will permit periodic inspection of the program operations by a representative of the Agency. All non-confidential information resulting from the Grantee's activities shall be made available to the general public on an equal basis.

#### *Performance*

USDA may elect to suspend or terminate a grant in all or part, or funding of a particular work plan activity, but nevertheless fund the remainder of a request for advance or reimbursement, as applicable, where USDA has determined:

(1) that the grantee or subrecipient of grant funds has demonstrated insufficient progress in complying with the terms of the grant agreement;

(2) there is reason to believe that other sources of joint funding have not been or will not be forthcoming on a timely basis; or

(3) such other cause as USDA identifies in writing to the grantee (including but not limited to the use of federal grant funds for ineligible purposes).

#### *Other Considerations*

(1) *Environmental review.*

All grants made under this subpart are subject to the requirements of 7 CFR part 1940, subpart G or its successor. Applications for technical assistance or planning projects are generally excluded from the environmental review process by 7 CFR 1940.333, provided the assistance is not related to the development of a specific site. Applicants for grant funds must consider and document within their plans the important environmental factors within the planning area and the potential environmental impacts of the plan on the planning area, as well as the alternative planning strategies that were reviewed.

(2) *Civil rights.* All grants made under this subpart are subject to the requirements of title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color and national origin as outlined in 7 CFR part 1901, subpart E. In addition, the grants made under this subpart are subject to the requirements of section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of disability;

the requirements of the Age Discrimination Act of 1975, which prohibits discrimination on the basis of age; and title III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability by private entities in places of public accommodations. This program will also be administered in accordance with all other applicable Civil Rights Law.

(3) *Other USDA regulations.* The grant programs under this part are subject to the provisions of the following regulations, as applicable:

(a) 7 CFR part 3015, Uniform Federal Assistance Regulations;

(b) 7 CFR part 3016, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments;

(c) 7 CFR part 3017, Governmentwide Debarment and Suspension (nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants);

(d) 7 CFR part 3018, New Restrictions on Lobbying;

(e) 7 CFR part 3019, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations; and

(f) 7 CFR part 3052, Audits of States, Local Governments and Non-profit Organizations.

#### *Member Delegate Clause*

No member of Congress shall be admitted to any share or part of a grant program or any benefit that may arise there from, but this provision shall not be construed to bar as a contractor under a grant a publicly held corporation whose ownership might include a member of Congress.

#### *Audit Requirements*

Grantees must comply with the audit requirements of 7 CFR part 3052. The audit requirements apply to the years in which grant funds are received and years in which work is accomplished using grant funds.

#### *Programmatic Changes*

The Grantee shall obtain prior approval for any change to the scope or objectives of the approved project. Failure to obtain prior approval of changes to the scope of work or budget may result in suspension, termination and recovery of grant funds.

Dated: September 5, 2003.

**Gilbert Gonzalez,**

*Acting Under Secretary, Rural Development.*  
[FR Doc. 03-23135 Filed 9-10-03; 8:45 am]

BILLING CODE 3410-XY-P

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

#### Action Affecting Export Privileges; Gunter Kohlke

In the Matter of: Gunter Kohlke currently incarcerated at: Allenwood Federal Corrections Institution, Inmate No. 10080-196, P.O. Box 1500, White Deer, Pennsylvania 17887; and with an address at: Im Dankholz 25, 79798 Jestetten, Germany.

#### Order Denying Export Privileges

On July 18, 2002, a U.S. District Court in the Eastern District of New York convicted Gunter Kohlke ("Kohlke") of violating section 38 of the Arms Export Control Act (22 U.S.C. 2778 (2000)) ("AECA"). Specifically, the Court found that Kohlke knowingly and willfully attempted to export items on the United States Munitions List, from the United States to Switzerland, without first obtaining the required approval from the Department of State.

Section 11(h) of the Export Administration Act of 1979, as amended (currently codified at 50 U.S.C. app. 2401-2420 (2000)) ("Act")<sup>1</sup> provides that at the discretion of the Secretary of Commerce,<sup>2</sup> no person convicted of violating any of a number of Federal criminal statutes including the AECA shall be eligible to apply for or use any export license issued pursuant to, or provided by, the Act or the Export Administration Regulations (currently codified at 15 CFR parts 730-774 (2003)) ("Regulations"), for a period of up to 10 years from the date of the conviction. In addition, any license issued pursuant to the Act in which such a person had any interest at the time of conviction may be revoked.

<sup>1</sup> From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was issued on August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706 (1994 & Supp. V 1999)) (IEEPA). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 7, 2003 (68 FR 47833 (August 11, 2003)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706 (2000)).

<sup>2</sup> Pursuant to appropriate delegations of authority that are reflected in the Regulations, the Director, Office of Exporter Services, in consultation with the Director, Office of Export Enforcement, exercises the authority granted to the Secretary by section 11(h) of the Act.

Pursuant to sections 766.25 and 750.8(a) of the Regulations, upon notification that a person has been convicted of violating the AECA, the Director, Office of Exporter Services, in consultation with the Director, Office of Export Enforcement, shall determine whether to deny that person's export privileges for a period of up to 10 years from the date of conviction and shall also determine whether to revoke any license previously issued to such person.

Having received notice of Kohlke's conviction for violating the AECA, and after providing notice and an opportunity for Kohlke to make a written submission to the Bureau of Industry and Security before issuing an Order denying his export privileges, as provided in section 766.25 of the Regulations, and having received no submission from Kohlke, following consultations with the Director, Office of Export Enforcement, I have decided to deny Kohlke's export privilege for a period of 10 years from the date of his conviction. The 10-year period ends on July 18, 2012. I have also decided to revoke all licenses issued pursuant to the Act in which Kohlke had an interest at the time of his conviction.

Accordingly, it is hereby *Ordered*:

I. Until July 18, 2012, Gunter Kohlke, currently incarcerated at: Allenwood Federal Correctional Institution, Inmate No. 10080-196, P.O. Box 1500, White Deer, Pennsylvania 17887, and with an address at: Im Dankholz 25, 79798 Jestetten, Germany, ("the denied person") and, when acting in behalf of Kohlke, all of his successors or assigns, representatives, agents and employees, may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the EAR, including, but not limited to:

A. Applying for, obtaining, or using any license, License Exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or

C. Benefitting in any way from any transaction involving any item exported