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7050-01-P-01-P

LEGAL SERVICES CORPORATION

45 CFR Part 1631

Expenditure of Grant Funds

AGENCY: Legal Services Corporation

ACTION: Notice of Proposed Rulemaking.

SUMMARY: This Notice of Proposed Rulemaking (NPRM) proposes to delete in its entirety of the Legal Services Corporation's regulation at 45 CFR Part 1631, Expenditure of Grant Funds. The proposed deletion is warranted because the statutory authority for Part 1631 is no longer the prevailing rule of law.

DATES: Comments on this NPRM are due on [insert date 30 days from date of publication].

ADDRESSES: Written comments may be submitted by mail, fax or email to Mattie C. Condray at the addresses listed below.

FOR FURTHER INFORMATION CONTACT: Mattie C. Condray, Senior Assistant General Counsel, Office of Legal Affairs, Legal Services Corporation, 3333 K Street, N.W., Washington DC 20007; 202-295-1624 (ph); 202-337-6519 (fax); mcondray@lsc.gov.

SUPPLEMENTARY INFORMATION: Part 1631 provides that LSC grant recipients may not expend LSC funds except as in accordance with the restrictions and provisions contained in the Corporation's Fiscal Year 1986 appropriations measure (Pub. L. 99-180, 99 Stat. 1136), unless such funds are expended pursuant to a waiver from the Corporation. Part 1631 was promulgated in 1986 in response to Congressional concerns

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that some pre-1982 funds were being held by recipients and spent on activities which were not prohibited at the time the funds were appropriated, but which were later prohibited (and on which recipients could not spend currently appropriated funds). 51 Fed. Reg. 24826 (July 9, 1986).

In 2005, there is no longer any concern that recipients have any pre-1982 funds to spend. In addition, in 1996, Congress adopted new restrictions and provisions applicable to recipients of LSC funds which supersede the restrictions in Pub. L. 99-180. Pub. L. 104-134, 110 Stat. 1321. These restrictions have been incorporated by reference in each subsequent appropriation, including the current appropriation. Pub. L. 108-447, 118 Stat. 2809. These restrictions have been separately incorporated into LSC's regulations and removal of Part 1631 will have no effect on the later restrictions and provisions imposed by Pub. L. 104-134. *See, e.g.*, 45 CFR Part 1610.

As Part 1631 is now obsolete, LSC believes it is appropriate at this time to delete Part 1631 in its entirety. LSC believes this action will streamline LSC's regulations and avoid any potential confusion the continued existence of Part 1631 might create. Accordingly, LSC proposes to remove and reserve Part 1631 from Chapter XVI of Title 45 of the Code of Federal Regulations.

**For reasons set forth above, and under the authority of 42 U.S.C. 2996g(e),
LSC proposes to remove and reserve 45 CFR Part 1631:
Part 1631 – [REMOVED AND RESERVED]**