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DEPARTMENT OF AGRICULTURE

National Institute of Food and Agriculture

7 CFR Part 3430

RIN 0524-AA70

Competitive and Noncompetitive Non-formula Federal Assistance Programs - Specific Administrative Provisions for the Veterinary Services Grants Program

AGENCY: National Institute of Food and Agriculture, USDA.

ACTION: Final rule.

SUMMARY: The National Institute of Food and Agriculture (NIFA) is publishing a final rule for the Veterinary Services Grants Program. NIFA's development of these regulations serves to enhance its accountability and to standardize procedures across the Federal assistance programs it administers while providing transparency to the public.

DATES: This final rule is effective on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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SUPPLEMENTARY INFORMATION:

I. Background and Summary

Authority

The Veterinary Services Grant Program (VSGP) is authorized under section 7104 of the Agricultural Act of 2014 (Pub. L. 113-79), 7 U.S.C. 3151b.

Organization of 7 CFR Part 3430

A primary function of NIFA is the fair, effective, and efficient administration of Federal assistance programs implementing agricultural research, education, and extension programs. The awards made under the above authority are subject to the NIFA assistance regulations at 7 CFR part 3430, Competitive and Noncompetitive Non-formula Federal Assistance Programs – General Award Administrative Provisions. NIFA's development and publication of this part serve to enhance its accountability and to standardize procedures across the Federal assistance programs it administers while providing transparency to the public. NIFA published 7 CFR part 3430 with subparts A through E as an interim final rule on September 4, 2009 [74 FR 45736-45752]. These regulations apply to all Federal assistance programs administered by NIFA except for the capacity grant programs identified in 7 CFR 3430.1(f), the Small Business Innovation Research programs, with implementing regulations

at 7 CFR part 3403, and the Veterinary Medicine Loan Repayment Program, with implementing regulations at 7 CFR part 3431.

NIFA organized part 3430 as follows: subparts A through E provide administrative provisions for all competitive and noncompetitive non-capacity Federal assistance programs. Subparts F and thereafter apply to specific NIFA programs.

NIFA is, to the extent practical, using the following subpart template for each program authority: (1) applicability of regulations; (2) purpose; (3) definitions (those in addition to or different from § 3430.2); (4) eligibility; (5) project types and priorities; (6) funding restrictions; and (7) matching requirements. Subparts F and thereafter contain the above seven components in this order. Additional sections may be added for a specific program if there are additional requirements or a need for additional rules for the program (e.g., additional reporting requirements). Through this rulemaking, NIFA is adding subpart Q for the administrative provisions that are specific to the VSGP program.

II. Administrative Requirements for the Rulemaking

Executive Order 12866 and Executive Order 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This action has been determined to be not significant for purposes of Executive Order 12866. The rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; nor will it 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. Further, 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 Director of NIFA certifies that this final rule will not have a significant economic impact on a substantial number of small entities. 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. The Department concludes that this final rule does not impose any new information requirements or increase the burden hours. In addition to the SF-424 form families (i.e., Research and Related and Mandatory) and the SF-425 Federal Financial Report (FFR) No. 0348-0061, NIFA has three currently approved OMB information collections associated with this rulemaking: OMB Information Collection No. 0524-0042, NIFA REEport; No. 0524-0041, NIFA Application Review

Process; and No. 0524-0026, Assurance of Compliance with the Department of Agriculture Regulations Assuring Civil Rights Compliance and Organizational Information.

Catalog of Federal Domestic Assistance

This final rule applies to the following Federal financial assistance programs administered by NIFA: CFDA No. 10.336 Veterinary Services Grant Program.

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 and the Unfunded Mandates Reform 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, or tribal governments, or by the private sector, the Department has not prepared a budgetary impact statement.

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 7 CFR Part 3430

Administrative practice and procedure; Agricultural Research, Education, Extension; Federal assistance; Veterinarians.

Accordingly, 7 CFR part 3430 is amended as set forth below:

**PART 3430 - COMPETITIVE AND NONCOMPETITIVE NON-FORMULA
FEDERAL ASSISTANCE PROGRAMS - GENERAL AWARD ADMINISTRATIVE
PROVISIONS**

1. The authority citation for part 3430 continues to read as follows:

Authority: 7 U.S.C. 3316; Pub. L. 106-107 (31 U.S.C. 6101 note).

2. Add subpart Q to read as follows:

Subpart Q - Veterinary Services Grant Program

Sec.

3430.1200 Applicability of regulations.
3430.1201 Purpose.
3430.1202 Definitions.
3430.1203 Eligibility.
3430.1204 Project types and priorities.
3430.1205 Funding restrictions.
3430.1206 Matching requirements.
3430.1207 Coordination preference.
3430.1208 Special requirements for Rural Practice Enhancement grants.
3430.1209 Duration of awards.

Subpart Q - Veterinary Services Grant Program

§ 3430.1200 Applicability of regulations.

The regulations in this subpart apply to the Veterinary Services Grant Program authorized under section 7104 of the Agricultural Act of 2014 (Pub. L. 113-79).

§ 3430.1201 Purpose.

The purpose of VSGP is to administer a competitive grant program to develop, implement, and sustain veterinary services and relieve veterinarian shortage situations (see § 3430.1202 for definition) in the U.S., which includes insular areas (see § 3430.1202 for a definition of "insular area"). A qualified entity may use funds provided by a grant awarded under this section to relieve veterinarian shortage situations and support veterinary services for any of the following purposes:

- (a) To promote recruitment (including for programs in secondary schools), placement, and retention of veterinarians, veterinary technicians, students of veterinary medicine, and students of veterinary technology.
- (b) To allow veterinary students, veterinary interns, externs, fellows, and residents, and veterinary technician students to cover expenses (other than

the types of expenses described in 7 U.S.C.

3151a(c)(5)) to attend training programs in food safety or food animal medicine.

- (c) To establish or expand accredited veterinary education programs (including faculty recruitment and retention), veterinary residency and fellowship programs, or veterinary internship and externship programs carried out in coordination with accredited colleges of veterinary medicine.
- (d) To provide continuing education and extension, including veterinary telemedicine and other distance-based education, for veterinarians, veterinary technicians, and other health professionals needed to strengthen veterinary programs and enhance food safety.
- (e) To provide technical assistance for the preparation of applications submitted to the Secretary for designation as a veterinarian shortage situation under 7 U.S.C. 3151a.

§ 3430.1202 Definitions.

The definitions applicable to the VSGP grants under this subpart include:

Citizen or national of the United States which means:

(1) A citizen or national of the United States, as defined in 8 U.S.C. 1401; or,

(2) A national of the United States, as defined in the Immigration and Nationality Act, 8 U.S.C. 1101(a)(22), who, though not a citizen of the United States, owes permanent allegiance to the United States.

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.

Qualified entity means an eligible entity (see § 3430.1203 for a list of eligible applicants for each project type) that carries out programs or activities that the Secretary determines will:

- (1) Substantially relieve veterinarian shortage situations;
- (2) Support or facilitate private veterinary practices engaged in public health activities; or
- (3) Support or facilitate the practices of veterinarians who are providing or have completed providing services under an agreement entered into with the Secretary under 7 U.S.C. 3151a(a)(2).

Rural area is defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)).

Veterinarian means a U.S. citizen or national 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 7 CFR part 3431 subpart A, 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 (7 U.S.C. 3151a).

§ 3430.1203 Eligibility.

(a) For Education, Extension, and Training projects, eligible entities are:

(1) A State, national, allied, or regional veterinary organization or specialty board recognized by the American Veterinary Medical Association;

(2) A college or school of veterinary medicine accredited by the American Veterinary Medical Association;

- (3) A university research foundation or veterinary medical foundation;
- (4) A department of veterinary science or department of comparative medicine accredited by the Department of Education;
- (5) A State agricultural experiment station; or
- (6) A State, local, or tribal government agency.

(b) For Rural Practice Enhancement projects, eligible entities are:

- (1) A for-profit or nonprofit entity located in the United States that, or individual who, operates a veterinary clinic providing veterinary services, in a rural area, as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)), and in a veterinarian shortage situation designated under the VMLRP. Eligible veterinarian shortage situation years will be specified in the request for application (RFA).
- (2) [Reserved].

§ 3430.1204 Project types and priorities.

- (a) Education, Extension, and Training. The purpose of the proposed activities must be to substantially relieve rural veterinarian shortage situations, or facilitate or support veterinary practices engaged in public health activities, in the U.S.
- (b) Rural practice enhancement. The purpose will be to support the development and provision of veterinary services to substantially relieve designated rural veterinarian shortage situations in the U.S. Funds may be used to establish or expand veterinary practices, including:
- (1) Equipping veterinary offices;
 - (2) Sharing in the reasonable overhead costs of such veterinary practices, as determined by the Secretary; or
 - (3) Establishing mobile veterinary facilities in which a portion of the facilities will address education or extension needs.

§ 3430.1205 Funding restrictions.

- (a) Construction. Funds made available for grants under this subpart shall not be used for the construction of a new building or facility or the acquisition, expansion, remodeling, or alteration of an existing

building or facility, including site grading and improvement, and architect fees.

- (b) Indirect costs. Subject to § 3430.54, indirect costs are allowable for Education, Extension and Training grants. For Rural Practice Enhancement grants, indirect costs are not allowable; however, overhead costs may be requested, not to exceed 50 percent of the award.

§ 3430.1206 Matching requirements.

There are no matching requirements for grants under this subpart.

§ 3430.1207 Coordination preference.

In selecting recipients of Education, Extension and Training grants, preference will be given to applications providing documentation of coordination with other qualified entities.

§ 3430.1208 Special requirements for Rural Practice Enhancement grants.

- (a) Terms of service requirement. Regardless of award amount, Rural Practice Enhancement (RPE) grant recipients must commit to spending three years

mitigating the veterinarian service shortage applied for, at the full time equivalent percentage described in the shortage nomination forms corresponding to each designated shortage situation. Except in certain extenuating circumstances which NIFA determines to be beyond a grant recipient's control, the three-year term of service must be completed in accordance with all terms and conditions of the award agreement. In the event a recipient feels extenuating circumstances are preventing, or will prevent, him/her from meeting the service obligation, the grantee must contact NIFA for guidance.

- (b) Breach. If a RPE grant recipient fails to complete the period of obligated service incurred under the service agreement, that recipient may be subject to repayment or partial repayment of the grant funds, with interest, to the United States.
- (c) Waiver. The Secretary may grant a waiver of the repayment obligation for breach of contract if the Secretary determines that such qualified entity demonstrates extreme hardship or extreme need.

§ 3430.1209 Duration of awards.

The term of a grant under this subpart may not exceed 5 years. The duration of individual awards may vary as specified in the RFA and is subject to the availability of appropriations.

Done at Washington, D.C., this 15th day of March, 2017.

Sonny Ramaswamy
Director
National Institute of Food and Agriculture
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