



BILLING CODE 7510-01

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

14 CFR Parts 1260, 1273, and 1274

RIN 2700-AE06

Removal of Procedures for Closeout of Grants and Cooperative Agreements

AGENCY: National Aeronautics and Space Administration.

ACTION: Proposed rule.

SUMMARY: NASA is proposing to remove from its regulation agency procedures for closeout of grants and cooperative agreements. Simultaneous with removal of the closeout procedures from the regulation, NASA will issue non-regulatory closeout procedures.

DATES: Interested parties should submit comments to NASA at the address identified below on or before [Insert 60 days from the Federal Register Publication Date] to be considered in formulation of the final rule.

ADDRESSES: Interested parties may submit comments, identified by RIN 2700- AE06, via the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments. Comments may also be submitted to Leigh Pomponio (Mail Stop 2P77), NASA Headquarters, Office of Procurement, Contract Management Division, Washington, DC 20546. Comments may also be submitted by email to: leigh.pomponio@nasa.gov.

FOR FURTHER INFORMATION CONTACT: Leigh Pomponio, NASA Headquarters, Office of Procurement, Contract Management Division (Room 2P77); Telephone: (202) 358-0592; Email: leigh.pomponio@nasa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Several decades ago, the Agency published the NASA Grant and Cooperative Handbook, codifying all agency policy, practices and procedures related to grants and cooperative agreements at 14 CFR parts 1260, 1273, and 1274. NASA was not required to publish them, but did so as a matter of agency practices. In retrospect, NASA's Grant and Cooperative Agreement Handbook contains internal agency operating procedures that do not have a significant impact on the general public or grant and cooperative agreement recipients and are also not regulatory in nature. Because internal operating procedures are not regulatory and should not be in the regulation, NASA is beginning an effort to remove agency internal policy, practices, and procedures from the regulation that do not have an impact on the public. As each part is considered for removal from the regulation, NASA will publish it in the Federal Register for comment. The public's comments will be considered in the final rule

This rule covers NASA's closeout procedures that provide internal guidance to NASA grant officers and project officers and will be the first in a series of internal operating procedures which NASA is deregulating.

Consistent with regulatory guidance, including Executive Orders 12866 and 13563, agencies should only issue regulations that are required by law, are necessary to interpret the law, or are made necessary by compelling public need. NASA's internal operating policy, practices, and procedures do not meet the standard for regulatory implementation. In accordance with Executive Order 13563 efforts to improve regulations and regulatory review, retrospective analysis of existing rules, agencies were also encouraged to perform retrospective analysis, reviewing existing regulation for outmoded, ineffective, insufficient, or excessively burdensome requirements, and to modify, streamline, expand, or repeal such regulation, as appropriate. Therefore, the Agency is hereby deleting, from the regulation at 14 CFR parts 1260, 1273, and

1274, internal closeout procedures that impose no burden and have no significant impact on grant and cooperative agreement recipients. The administrative policy, practices, and procedures by which NASA employees close out grants and cooperative agreements do not impact grant and cooperative agreement recipients and are not subject to the formal rulemaking process, and public comment is not required. Nonetheless, to promote transparency of process, simultaneous with the removal from the regulation, NASA will issue non-regulatory grant and cooperative agreement closeout procedures which will be publically posted on NASA's website at:

https://prod.nais.nasa.gov/pub/pub_library/grcover.htm.

II. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 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). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

III Regulatory Flexibility Act

NASA certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because this proposed rule does not impose any additional requirements on small entities and, more importantly, the proposed rule serves to deregulate internal agency operating procedures which will eliminate unnecessary regulation.

IV. Paperwork Reduction Act

The Paper Reduction Act (Pub. L. 104-13) is not applicable because the removal of the closeout procedures does not require the submission of any information by recipients that requires the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 14 CFR Parts 1260, 1273, and 1274

Colleges and universities, Business and Industry, Grant programs, Grants administration, Cooperative agreements, State and local governments, Non-profit organizations, Commercial firms, Recipients, Closeout procedures, Recipient reporting

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Acting Assistant Administrator for Procurement

Accordingly, 14 CFR parts 1260, 1273, and 1274 are proposed to be amended as follows:

PART 1260--GRANTS AND COOPERATIVE AGREEMENTS

1. The authority citation for 14 CFR part 1260 is revised to read as follows:

Authority: 51 U.S.C. 20113(e), Pub. L. 97-258, 96 Stat. 1003 (31 U.S.C. 6301, *et seq.*), and 2 CFR Part 215 (formerly OMB Circular No. A-110).

§ 1260.77 [Removed and Reserved]

2. Section 1260.77 is removed and reserved.

PART 1273--UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERNMENTS

3. The authority citation for 14 CFR part 1273 is revised to read as follows:

Authority: 51 U.S.C. 20113(e), Pub. L. 97-258, 96 Stat. 1003 (31 U.S.C. 6301, *et seq.*), and OMB Circular A-102.

§§ 1273.50 and 1273.51 [Removed and Reserved]

4. Sections 1273.50 and 1273.51 are removed and reserved.

PART 1274--COOPERATIVE AGREEMENTS WITH COMMERCIAL FIRMS

5. The authority citation for 14 CFR part 1274 is revised to read as follows:

Authority: 51 U.S.C. 20113(e), Pub. L. 97-258, 96 Stat. 1003 (31 U.S.C. 6301, *et seq.*).

§§ 1274.803 and 1274.804 [Removed and Reserved]

6. Sections 1274.803 and 1274.804 are removed and reserved.

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