FOR FURTHER INFORMATION CONTACT: Robin Biscaia, EPA Region I, One Congress Street, Suite 1100 (CHW), Boston, MA 02114–2023; Telephone: (617) 918–1642.

Dated: March 16, 1999.

John P. DeVillars,

Regional Administrator, Region I.

[FR Doc. 99–7087 Filed 3–23–99; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 1302

RIN 0970–AB98

Head Start Program

AGENCY: Administration on Children, Youth and Families (ACYF), Administration for Children and Families (ACF), HHS.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: The Administration on Children, Youth and Families proposes to amend Head Start regulations governing policies and procedures on selection and funding of grantees. The amendment would remove the section on priority for previously selected Head Start agencies. We propose to remove this section because of increased confusion among existing Head Start grantees about the meaning of ''priority'' as ACYF acts to replace grantees who have been terminated or relinquish their grant. This proposed change will clarify that the ''priority'' provided under the Head Start Act (''Act'') applies to annual refunding of existing grantees and not to competition to select a grantee to serve an unserved area or an area previously served by a grantee no longer with the program. Removal of this section will not affect the ongoing funding or operation of Head Start grantees.

DATES: In order to be considered comments on this proposed rule must be received on or before May 24, 1999.

ADDRESSES: Please address comments to the Associate Commissioner, Head Start Bureau, Administration on Children, Youth, and Families, P.O. Box 1182, Washington, DC 20013. Beginning 14 days after close of the comment period, comments will be available for public inspection on Room 2219, 330 C Street, SW, Washington, DC 20201, Monday through Friday, between the hours of 9:00 a.m. and 4:00 p.m.

FOR FURTHER INFORMATION CONTACT: James Kolb, (202) 205–8580.

SUPPLEMENTARY INFORMATION:

I. Program Purpose

Head Start is authorized under the Head Start Act (42 U.S.C. 9801 *et seq.*). It is a national program providing comprehensive developmental services primarily to low-income preschool children, primarily age three to the age of compulsory school attendance, and their families. To help enrolled children achieve their full potential, Head Start programs provide comprehensive health, nutritional, educational, social and other services. Also, section 645A of the Head Start Act provides authority (authorized in 1994) to fund programs for families with infants and toddlers. Programs receiving funds under the authority of this section are referred to as Early Head Start programs.

Additionally, Head Start programs are required to provide for the direct participation of the parents of enrolled children in the development, conduct, and direction of local programs. Parents also receive training and education to foster their understanding of and involvement in the development of their children. In fiscal year 1998, Head Start served 823,000 children through a network of over 2,000 grantees and delegate agencies.

While Head Start is intended to serve primarily children whose families have incomes at or below the poverty line or who receive public assistance, Head Start policy permits up to 10 percent of the children in local programs to be from families who do not meet these low-income criteria. The Act also requires that a minimum of 10 percent of the enrollment opportunities in each program be made available to children with disabilities. Such children are expected to participate in the full range of Head Start services and activities with their non-disabled peers and to receive needed special education and related services.

II. Discussion of the Proposed Removal of 45 CFR 1302.12

The Administration for Children and Families (ACF) is proposing to delete section 1302.12 entitled ''Priority for previously selected Head Start agencies.'' A number of grantees have been terminated or have relinquished their grant in the past several years because they have been unable to meet quality standards applicable to Head Start grantees. This section has caused confusion as ACF has acted to replace these grantees. Removing this section will reduce confusion and misunderstanding among existing Head Start grantees about the proper application of ''priority.''

[**Note:** The references to Section 641 of the Head Start Act in this Preamble reflect, where appropriate, the recent reauthorization changes made to the Head Start Act in the Coats Human Services Reauthorization Act of 1998, Public Law 105–285, enacted October 27, 1998. The Head Start statutory changes in the Reauthorization Act do not affect the proposed removal of 45 CFR 1302.12.]

Since the Head Start, Economic Opportunity, and Community Partnership Act of 1974 (Pub. L. 93–644) was enacted, the Head Start Bureau has used the ''priority'' referred to in the current Section 641(c) of the Act as the basis for the noncompetitive refunding of existing Head Start grantees. This is effected by making grant awards with an indefinite project period. So long as a grantee meets the programmatic and fiscal requirements of the Act and regulations, it continues to receive priority for refunding. Pursuant to the intent of Congress, this provision has assured continuity of services to children and families, without the disruption that a periodic and routine change of sponsoring agency would entail.

We are proposing to eliminate 45 CFR 1302.12 from the regulations governing the selection of grantees. This change is being proposed to make it clear that the application of the priority provided by section 641(c) of the Head Start Act does not apply to competitions to select a grantee to serve an unserved area or an area previously served by a grantee no longer with the program. The statute as now written provides in section 641(a) that in order to be designated as a Head Start grantee an organization must be within the community to be served. Under section 641(d), a competition for award of Head Start funding is only held where no entity in the community is eligible for a priority. ''Community'' is defined in section 641(b) as ''a city, county, or multicity or multicounty unit within a State, an Indian reservation (including Indians in any off reservation area designated by an appropriate tribal government in the consultation with the Secretary), or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed to operate a Head Start program.'' As the result of the adoption of 45 CFR 1305.3, all grantees must specify in their annual applications for funding the ''service area'' that they plan to serve. They must define it by ''county or sub-county area, such as a municipality, town or census tract or a federally recognized Indian reservation'' and it must not overlap with the service areas where other grantees have been

designated to provide services. A Head Start grantee that is not receiving funding to provide Head Start services in the particular service area would be ineligible for a priority in selection to serve that community under section 641(c) because it is not eligible for selection as a Head Start grantee within the community under section 641(a). Therefore, 45 CFR 1302.12 is no longer needed in the regulation. (The 1998 Head Start reauthorization, however, provides priority to a delegate agency that functioned in the community when the Secretary is designating a Head Start agency but this change would not affect this NPRM.)

Eliminating § 1302.12 will clarify that priority applies to the annual refunding of existing grantees providing services within their communities, not to other circumstances such as selection of a replacement grantee. Section 641(a) provides the relevant guidance in these cases by specifying that ''[t]he Secretary is authorized to designate as a Head Start agency any *local* public or private nonprofit or for-profit agency, *within a community* . . .'' (emphasis added). A Head Start agency's approved service area defines the community it is serving. A geographic area outside the grantee's approved service area (e.g., the service area of a grantee that has left the program) would not be within its community and thus priority would not apply.

We want to emphasize that this proposed rule does not affect in any way the annual refunding of existing grantees to continue to provide Head Start services in their approved service area. Grantees will continue to receive this priority for funding without interruption. Only when a grantee is terminated or relinquishes its grant, and the service area thus has no provider, does this proposed rule have an effect.

III. Impact Analysis

Executive Order 12866

Executive Order 12866 require that regulations be drafted to ensure that they are consistent with the priorities and principles set forth in the Executive Order. The Department has determined that the removal of 45 CFR 1302.12 is consistent with these priorities and principles.

Regulatory Flexibility Act of 1980

The Regulatory Flexibility Act (5.U.S.C. Ch. 6) requires the Federal government to anticipate and reduce the impact of rules and paperwork requirements on small businesses. For each rule with a ''significant economic impact on a substantial number of small entities'' an analysis must be prepared describing the rule's impact on small entities. Small entities are defined by the Act to include small businesses, small non-profit organizations and small governmental entities. Removal of section 1302.12 will not affect any Head Start grantees, including those that are small entities. The change brings the regulations into conformity with requirements of the regulations and the statute.

Paperwork Reduction Act

Under the Paperwork Reduction Act (PRA) of 1995, Public Law 104–13, all Departments are required to submit to the Office of Management and Budget (OMB) for review and approval any reporting or record-keeping requirement inherent in a proposed or final rule. The removal of section 1302.12 is not affected by the PRA requirement.

List of Subjects in 45 CFR Part 1302

Education of disadvantaged, Grant programs—social programs.

(Catalog of Federal Domestic Assistance Program Number 93.600, Project Head Start)

Dated: October 19, 1998.

Olivia A. Golden,

Assistant Secretary for Children and Families.

Approved: December 10, 1998.

Donna E. Shalala,

Secretary.

For the reasons set forth in the Preamble, 45 CFR part 1302 is proposed to be amended to read as follows:

PART 1302—POLICIES AND PROCEDURES FOR SELECTION, INITIAL FUNDING, AND REFUNDING OF HEAD START GRANTEES, AND FOR SELECTION OF REPLACEMENT GRANTEES

1. The authority citation for part 1302 is revised to read as follows:

Authority: 42 U.S.C. 9801 *et seq.*

2. Section 1302.12 is removed.

[FR Doc. 99–7220 Filed 3–23–99; 8:45 am]

BILLING CODE 4184–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 51

[CC Docket No. 99–68; FCC 99–38]

Inter-Carrier Compensation for ISP-Bound Traffic

AGENCY: Federal Communications Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: On February 26, 1999, the Commission released a Notice of Proposed Rulemaking (NPRM) in CC Docket No. 99–68 concerning compensation between carriers for the delivery of traffic bound for Internet service providers (ISPs). The NPRM initiates a proceeding to determine, on a prospective basis, a federal inter-carrier compensation mechanism. It tentatively concludes that private negotiations driven by market forces are more likely to lead to efficient outcomes than are rates set by regulation. This document also seeks comment on an alternative proposal under which this Commission would establish rules governing inter-carrier compensation for ISP-bound traffic and resolve disputes through a federal arbitration process.

DATES: Comments are due on or before April 12, 1999 and reply comments are due on or before April 27, 1999.

ADDRESSES: Federal Communications Commission, 445 Twelfth St., S.W., Room TW-A325, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Tamara Preiss, Attorney, Common Carrier Bureau, Competitive Pricing Division, (202) 418–1520.

SUPPLEMENTARY INFORMATION: This summarizes the Commission's Notice of Proposed Rulemaking in CC Docket No. 99–68, Inter-Carrier Compensation for ISP-Bound Traffic, FCC 99–38, adopted February 25, 1999, and released February 26, 1999. The NPRM seeks comment on the tentative conclusion that inter-carrier compensation should be governed prospectively by interconnection agreements negotiated and arbitrated under Sections 251 and 252 of the Act (47 U.S.C. 251, 252). State commissions would arbitrate disputes if parties fail to agree on a compensation mechanism. The file in its entirety is available for inspection and copying during the weekday hours of 9:00 a.m. to 4:30 p.m. in the Commission's Reference Center, room 239, 1919 M St., N.W., Washington D.C., or copies may be purchased from the Commission's duplicating contractor, ITS, Inc.; 1231 20th St., N.W., Washington, D.C. 20036, phone (202) 857–3800.

Analysis of proceeding

A. Discussion

1. The Commission does not have an adequate record upon which to adopt a rule regarding inter-carrier compensation for ISP-bound traffic. It does believe, however, that adopting such a rule to govern prospective compensation would serve the public interest. As a general matter, the Commission tentatively concludes that