

(c) For nonconstruction awards, recipients must request in writing prior approval from the Department for one or more of the following program or budget related reasons:

(1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(2) Change in a key person specified in the application or award document.

(3) The absence for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(4) The need for additional Federal funding.

(5) The transfer of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa, approval is required by the Department.

(6) The inclusion, unless waived by the Department, of costs that require prior approval in accordance with OMB Circular A-21, "Cost Principles for Institutions of Higher Education," OMB Circular A-122, "Cost Principles for Non-Profit Organizations," or 45 CFR part 74 appendix E, "Principles for Determining Costs Applicable to Research and Development under Grants and Contracts with Hospitals," or 48 CFR* * *

[FR Doc. 99-55515 Filed 4-22-99; 8:45 am]

BILLING CODE 1505-01-F

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

36 CFR Part 1254

RIN 3095-AA69

Researcher Registration and Research Room Procedures

AGENCY: National Archives and Records Administration (NARA).

ACTION: Final rule and interim rule.

SUMMARY: This rule will make it easier for students to do research in archival records and will reduce the frequency with which researchers must reapply for researcher cards to do research in NARA facilities. The rule also clarifies research room procedures to address conduct issues, to update the types of equipment that researchers can bring into the research room, and to clarify copying procedures. This rule will affect individuals who wish to use NARA research rooms in the National Archives Building and College Park facility in the Washington, DC, area, regional records services facilities, and Presidential libraries.

We are also revising the criteria and procedures for private microfilming projects to provide more specific criteria as to the types of requests that will be approved and conditions on that approval. These changes will affect organizations that wish to prepare microfilm publications from NARA holdings.

DATES: Effective: May 24, 1999.

Comments on § 1254.20(b) through (d), which is adopted as an interim rule, must be received by June 22, 1999.

Comments will only be accepted on these paragraphs. NARA will issue a final rule confirming or further amending these paragraphs after this comment period closes.

ADDRESSES: Comments must be sent to Regulation Comments Desk (NPOL), Room 4100, Policy and Communications Staff, National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740-6001. They may be faxed to 301-713-7270.

FOR FURTHER INFORMATION CONTACT: Nancy Allard at telephone number 301-713-7360, ext. 226, or fax number 301-713-7270.

SUPPLEMENTARY INFORMATION: We published a notice of proposed rulemaking on August 11, 1998 (*Federal Register*, Vol. 63, No. 154, at pp. 42776-42782). Two comments were received. One endorsed the lower age limit for students to use the research room. The other respondent, a microfilm publisher, offered comments on certain proposed or existing requirements in Subpart F, Microfilming Archival Records. We have reviewed the respondent's comments and addressed them as discussed later in this **SUPPLEMENTARY INFORMATION** section.

Interim Final Rule Changes

The proposed rule contained three proposed revisions to § 1254.20 relating to revocation and reinstatement of research privileges:

- Modifying the grounds on which a researcher identification card may be revoked to add verbal and physical harassment of other researchers, NARA employees, volunteers, or contractor employees.
- Clarifying the description of unacceptable behavior to read "actions or language."
- Clarifying that the grounds for revoking privileges and for denying probationary reinstatement include danger to either documents or NARA property.

No comments were received on these proposed changes. In the proposed rule, the provisions were organized by the

type of research privilege (researcher identification card and research privileges at research rooms where no card is required), following the format of the then existing regulations. The conditions under which privileges would be revoked, and appeal and reinstatement procedures were identical.

In drafting this final rule we reorganized the provisions to reflect the steps of the process. We believe that the reorganized format is easier to understand. No substantive changes have been made from the proposed rule. We are issuing these provisions (§ 1254.20(b) through (d)) as an interim final rule, however, to allow public comment in case our rewritten provisions inadvertently did make a change or they raise questions of the clarity on the process.

Review of Comments Made on the Proposed Rule

Conditions for Approving Requests To Microfilm Records

In response to the commenter's request that we reduce the time required to review requests for microfilm projects, we have changed the lead time for approval from 6 months to 4 months. We have also added "a limited number of separate series related by provenance or subject" to the definition of "one microfilming project."

The commenter questioned several of the criteria for approving requests in § 1254.94(a). In particular, the commenter was concerned that we intended to deny project proposals based on our assessment of their research value and that we would deny proposals to film series that may have future accessions (additional records). We have clarified § 1254.94(a) to reflect that potential research value is a criterion only when we are evaluating multiple projects and we cannot accommodate all of them at the same time. We have modified paragraph (a)(2) to state that records with future end-of-series accretions may be approved for filming.

The commenter also raised concerns with existing and proposed requirements in § 1254.94(d) relating to materials the micropublisher would furnish to us as a condition of approval. The commenter concurred with our current policy of making preservation and reference copies of the microfilm available for staff and researcher use in NARA facilities during the first seven years after the microfilming is done, but requested that we revise paragraph (d)(1) to prevent the wholesale reel duplication of the microform during this

period. The current rule adequately addresses this concern and we have made no changes to it.

The commenter agreed to the provision requiring detailed roll lists, but objected strongly to the proposed provisions requiring the micropublisher to furnish paper and electronic copies of any subject indexes, name indexes or other finding aids to its version of the microfilm, and that the electronic version should be in a form that can run easily on NARA's internal and external computer network(s). The commenter argued that this requirement was not technically feasible, and would seriously compromise the company's intellectual property rights. The finding aids are produced with proprietary software and represent significant value-added components to its microform products. We had proposed this requirement to enhance the ability of our reference staff to assist researchers using the microfilmed records. We recognize the validity of these comments and have modified the provision significantly. First, providing any finding aids other than the detailed microfilm roll lists is no longer a condition for approval of the project. Second, if a micropublisher wishes to provide other finding aids to NARA, the finding aids would be donated to us under a deed of gift which would restrict NARA's use of these products under mutually acceptable terms.

The commenter also objected to the proposed § 1254.94(k), which stated that NARA would not approve requests for microfilming records if we had insufficient staff to provide support, training, and monitoring services. The commenter stated that we should not use budgetary problems as justification for denying projects that achieve NARA goals of both preserving records and enhancing broad public access to the historical record. We believe the commenter's position is unreasonable and we have retained this provision.

Fees for Microfilm Preparation and Training Services

The commenter questioned the fees for several services covered by §§ 1254.96 and 1254.100. He stated that the declassification and reintegration of previously declassified materials to the files is a fundamental NARA function, and costs should not be imposed on microfilm publishers. We agree and have eliminated the following activities from the list of microfilm preparation activities in § 1254.96 for which a fee will be assessed: verifying or correcting the arrangement of documents after withdrawn items are reviewed and refilled when appropriate, screening

documents for possible restrictions on use, declassifying security classified documents, and restoring recently declassified records to the files. The commenter stated that the assessment of fees to review document preparation work by NARA supervisors and senior staff is an effort to unfairly and disproportionately shift costs normally borne by NARA to micropublishers. Since quality control is a service that the microfilmer would expect to be included in document preparation, we have eliminated review by supervisors or senior staff as a separate fee item.

The commenter also stated his view that the training in proper document handling required by § 1254.100 did not have to be provided by NARA staff. If we provide the training, however, he urged that the program be more clearly defined and strengthened to provide for a certification renewal. We disagree with these comments. A primary goal of the training is to ensure that all persons working directly with original records receive the same information, adapted as appropriate to their specific tasks and responsibilities. Most of our training is tailored, focusing on procedures for handling specific types of records included in specific filming projects. Additional training may be required if microfilm operators work on subsequent projects involving different types of records. We believe the current description of the training is clear in conveying its purpose that "documents are not damaged during copying and so that their original order is maintained." We also see no need for a formal certification program.

Equipment Standards

The commenter noted that the proposed § 1254.98(a) needlessly restricted the use of non-table top models and emerging newer, more technologically advanced cameras. We agree with this comment and have revised the section to allow free standing/floor models if permission is first received from the relevant NARA unit. A sentence has also been added stating that new or improved camera types not specified in this section will be approved for use on a case-by-case basis.

Fees for NARA Support Services

The commenter expressed concerns with the fees to be charged for support services such as document preparation, document handling training, and monitoring of microfilm projects. While the commenter supported a "processing" fee that is fair and equitable, he did not support paying for monitoring and document preparation

services that are provided for free to our on-site contractor and to individual researchers. He also noted that the proposed rule did not address how monitoring costs will be assessed when more than one project has undertaken microfilming operations in the same area.

We believe the changes in this final rule removing document review and declassification as document preparation services partially address this comment. We note, however, that the commenter misunderstands the relationship that we have with our on-site microfilm contractor. That contractor is operating as a NARA agent in producing NARA microfilm or fee reproductions for our customers, so we would not charge the contractor these fees. The archival handling component of the fee that the customer pays for a fee reproduction includes document preparation costs that we incur for that order. Similarly, the archival handling component of self-service electrostatic copying includes the cost of monitoring that work.

We have clarified § 1254.100(b) to specify that when more than one project shares the same space, monitoring costs will be divided equally among the projects. If we determine that the microfilm project can be located in a research room that monitors researchers who are not copying records, we will not assess a monitoring charge for monitoring that is already being provided.

We also disagree with the commenter's view that we have not provided a formula for the fees to be assessed for document preparation, training, and monitoring. The proposed rule states that fees will be based on direct salary costs (including benefits). We have clarified in § 1254.94(l) of the final rule that we will provide a detailed estimate of the fees for each specific project based on this formula in our letter providing tentative approval of the project. We have also deleted the proposed § 1254.100(l), which conflicted with this provision.

Information Collections Subject to the Paperwork Reduction Act

The information collections in §§ 1254.71(e), and 1254.92 are subject to the Paperwork Reduction Act. Under this Act, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The information collection in § 1254.92 has been approved by OMB with the control number 3095-0017. The information collection in § 1254.71(e) has been approved by OMB with the control number 3095-0035.

Plain Language

This regulation was published as a notice of proposed rulemaking prior to January 1, 1999. We will rewrite it in the plain language format required by the Presidential memorandum of June 1, 1998, Plain Language in Government Writing, at a future time.

This rule is not a significant regulatory action for the purposes of Executive Order 12866 and has not been reviewed by the Office of Management and Budget at the final rule stage. As required by the Regulatory Flexibility Act, it is hereby certified that this rule will not have a significant impact on small entities.

List of Subjects in 36 CFR Part 1254

Archives and records, Confidential business information, Freedom of information, Micrographics, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, NARA is amending part 1254 of title 36, Code of Federal Regulations, as follows:

PART 1254—AVAILABILITY OF RECORDS AND DONATED HISTORICAL MATERIALS

1. The authority citation for part 1254 continues to read:

Authority: 44 U.S.C. 2101–2118; 5 U.S.C. 552; and E.O. 12600, 52 FR 23781, 3 CFR, 1987 Comp., p. 235.

2. Section 1254.1 is amended by revising paragraph (d) to read:

§ 1254.1 General provisions.

* * * * *

(d) A Regional Administrator, a director of a Presidential Library, or a director of a Washington, DC, area research unit may require that researchers under the age of 14 years be accompanied by an adult researcher who agrees in writing to be present when the documents are used and to be responsible for compliance with the research room rules set forth in Subpart B.

* * * * *

3. Section 1254.2 is amended by revising paragraph (a) to read:

§ 1254.2 Location of documents and hours of use.

(a) Researchers should identify the location of the documents needed. Information about the location of records may be obtained by writing to the National Archives and Records Administration (NWCCR1), Washington, DC 20408; by sending an e-mail message to INQUIRE@NARA.GOV; sending a fax

request to (301) 713–6920; or calling (202) 501–5400 or (301) 713–6800.

* * * * *

4. Section 1254.6 is revised to read:

§ 1254.6 Researcher identification card.

An identification card is issued to each person whose application is approved to use records other than microfilm. Cards are valid for 3 years. Cards may be renewed upon application. Cards are valid at each facility. Cards are not transferable and must be presented if requested by a guard or research room attendant.

§ 1254.8 [Amended].

5. In paragraphs (b) and (c) of § 1254.8, remove the phrase “the Director of the Legal Services Staff (NXL) or his designee” and add in its place the phrase “the General Counsel (NGC) or his/her designee”.

6. Section 1254.10 is revised to read:

§ 1254.10 Registration.

Researchers must register each day they enter a research facility, furnishing the information on the registration sheet or scanning a bar-coded researcher identification card, and may be asked to provide additional personal identification.

7. Section 1254.12 is amended by revising paragraph (a) to read:

§ 1254.12 Researcher's responsibility for documents.

(a) The research room attendant may limit the quantity of documents delivered to a researcher at one time. The researcher must sign for the documents received and may be required to show his/her researcher identification card. The researcher is responsible for the proper handling of and prevention of damage to all documents delivered to him/her until he/she returns them. When the researcher is finished using the documents, the documents must be returned to the research room attendant. The reference service slip that accompanies the documents to the research room must not be removed. If asked to do so, the researcher must return documents as much as 15 minutes before closing time. Before leaving a research room, even for a short time, a researcher must notify the research room attendant and place all documents in their proper containers.

* * * * *

8. Section 1254.14 is amended by revising paragraph (b) to read:

§ 1254.14 Restrictions on using microfilm readers.

* * * * *

(b) The number of researchers in the microfilm research room in the National Archives Building may be limited, for fire safety reasons, to those researchers assigned a microfilm reader.

* * * * *

9. Section 1254.16 is amended by revising paragraphs (d) and (e) to read:

§ 1254.16 Prevention of damage to documents.

* * * * *

(d) Documents must be identified for reproduction only with a paper tab provided by NARA. Documents may not be identified with paper clips, rubber bands, self-stick notes or similar devices.

(e) Microfilm must be carefully removed from and returned, rewound, to the proper microfilm boxes. Care must be taken loading and unloading microfilm from microfilm readers. Damaged microfilm must be reported to the research room attendant as soon as it is discovered.

* * * * *

10. Section 1254.20 is revised to read:

§ 1254.20 Conduct.

(a) *Regulations.* Researchers are subject to the provisions of part 1280 of this chapter and to all rules and regulations issued and posted or distributed by a facility director supplementing Subpart B of this part, including rules on the use of NARA equipment. Eating, drinking, chewing gum, or using smokeless tobacco products in a research room are prohibited. Smoking is prohibited in all NARA facilities. Loud talking and other activities likely to disturb other researchers are also prohibited. Persons desiring to use typewriters, computers, sound recording devices, or similar equipment must work in areas designated by the research room attendant, when so required.

(b) *Revocation of research privileges.* Researchers who refuse to comply with the rules and regulations of a NARA facility, or by their actions or language demonstrate that they present a danger to documents or NARA property, or present a danger to or verbally or physically harass or annoy other researchers, NARA or contractor employees, or volunteers may have their research privileges revoked by NARA for up to 180 days. The revocation of research privileges means that a researcher loses research privileges at all NARA research rooms nationwide and, if the researcher holds a valid researcher identification card, the loss of the card. All NARA facilities will be notified of the revocation of research privileges. A researcher whose research

privileges have been revoked will be sent a written notice of the reasons for the revocation within 3 work days of the action.

(c) *Reinstatement of research privileges.* The researcher has 30 calendar days after the date of revocation to appeal the action in writing and seek reinstatement of research privileges. Appeals should be mailed to the Archivist of the United States (address: National Archives and Records Administration (N), 8601 Adelphi Road, College Park, MD 20740-6001). The Archivist has 30 calendar days from receipt of an appeal to decide whether to reinstate research privileges. The response will be made in writing and sent to the researcher whose research privileges have been revoked. If the revocation of privileges is upheld or if no appeal is made, the researcher may request reinstatement of research privileges no earlier than 180 calendar days from the date the privileges were revoked. This request may include application for a new researcher identification card. The reinstatement of research privileges applies to all research rooms, except that in the case of a new researcher identification card, the researcher will be issued a card for a probationary period of 60 days. At the end of the probationary period, the researcher may apply for a new, unrestricted identification card, which will be issued if the researcher's conduct during the probationary period has been in accordance with the rules of conduct set forth in this part and in 36 CFR part 1280.

(d) *Extending the revocation period.* If the reinstatement of research privileges would pose a threat to the safety of persons, property, or NARA holdings, or if, in the case of a probationary identification card, the researcher has failed to comply with the rules of conduct for NARA facilities, NARA may extend the revocation of privileges for 180-day periods. Researchers will be sent a written notice all such extensions within 3 work days of NARA's decision to continue the revocation of research privileges. The researcher has 30 calendar days after the decision to extend the revocation of research privileges to appeal the action in writing. Appeals should be mailed to the Archivist at the address given above. The Archivist has 30 calendar days from receipt of an appeal to decide whether to reinstate research privileges. The response will be made in writing and sent to the researcher.

11. Section 1254.24 is amended by adding new paragraph (d) to read:

§ 1254.24 Locker use policy.

* * * * *

(d) NARA may charge a replacement fee for lost locker keys.

12. Section 1254.26 is amended by revising paragraphs (a) through (d), the introductory text of paragraph (e), paragraphs (e)(2) and (e)(3), paragraph (g), the introductory text of paragraph (h), and paragraphs (h)(2)(i), (h)(2)(ii), (h)(5), and (h)(6) to read:

§ 1254.26 Additional rules for use of certain research rooms in NARA facilities in the Washington, DC, area.

(a) Admission to research rooms in the National Archives Building and the National Archives at College Park facility is limited to individuals examining and/or copying documents and other materials in the custody of the National Archives and Records Administration. Children under the age of 14 will not be admitted to these research rooms unless they have been granted research privileges or are granted an exception to this provision to view specific documents that a parent or other accompanying adult researcher is using. The exception will be granted by the Chief of the Archives I or Archives II Research Room Services Branch for a child who is able to read and who will be closely supervised by the adult researcher while in the research room. Normally, such a child will be admitted only for the short period required to view the documents. Unless otherwise permitted, persons without a researcher card may not actively participate in research activities, e.g., removing, copying, or refiling documents. Students under the age of 14 who wish to perform research on original documents must apply in person to the Chief of the Research Room Services Branch where the documents are located and present a letter of reference from a teacher. Such students may contact NARA by phone or letter in advance of their visit to discuss their eligibility for research privileges. Students under the age of 14 who have been granted research privileges will be required to be accompanied in the research room by an adult with similar privileges, unless the Chief of the Archives I or Archives II Research Room Services Branch specifically waives this requirement with respect to individual researchers.

(b) The procedures in paragraphs (d) through (g) of this section apply to all research rooms in the National Archives Building (except the Microfilm Research Room) and in the National Archives at College Park facility. These procedures are in addition to the procedures specified elsewhere in this part.

(c) Researchers bringing personal computers, tape recorders, cameras, and other equipment into the National Archives Building must complete the Equipment Log at the guard's desk. The log will evidence personal ownership and will be checked by the guard when such equipment is removed from the building.

(d) Researchers must present a valid researcher identification card to the guard or research room attendant on entering the research room. All researchers are required to register their attendance each day. Researchers will also register the time they leave the research area at the end of the visit for that day. Researchers are not required to sign in or out when leaving the area temporarily.

(e) Researchers may not bring into the research rooms overcoats, raincoats, hats, or similar apparel; personal paper-to-paper copiers, unless permitted in accordance with § 1254.71(e) of this part; briefcases, suitcases, day packs, purses, or similar containers of personal property; notebooks, notepaper, note cards, folders or other containers for paper. These items may be stored at no cost in lockers available for researchers. The following exceptions may be granted:

* * * * *

(2) Notes, references, lists of documents to be consulted, and other materials may be admitted if the chief of the branch administering the research room or the senior staff member on duty in the research room determines they are essential to a researcher's work requirements. Materials approved for admission will be stamped, initialed, and dated by a NARA or contractor employee, to indicate that they are the personal property of the researcher;

(3) Personal computers, tape recorders, scanners, cameras, and similar equipment may be admitted by the research room attendant provided such equipment meet the approved standards for preservation set by the NARA Preservation Programs unit. Use of researcher owned equipment may be limited to designated areas within the research rooms. If demand to use equipment exceeds the space available for equipment use, time limits may be imposed. Equipment that could potentially damage documents will not be approved. Scanners and other copying equipment must meet these minimum standards:

(i) Equipment platens or copy boards must be the same size or larger than the records. No part of a record may overhang the platen or copy board.

(ii) No part of the equipment may come in contact with records in a

manner that causes friction, abrasion, or that otherwise crushes or damages records.

(iii) Drum scanners are prohibited.

(iv) Automatic feeder devices on flatbed scanners are prohibited. When using a slide scanner, slides must be checked after scanning to ensure that no damage occurs while the slide is inside the scanner.

(v) Light sources must not raise the surface temperature of the record being copied. Light sources that generate ultraviolet light must be filtered.

(vi) All equipment surfaces must be clean and dry before being used with records. Cleaning and equipment maintenance activities, such as replacing toner cartridges, may not take place when records are present. Aerosols or ammonia-containing cleaning solutions are not permitted. A 50% water and 50% isopropyl alcohol solution is permitted for cleaning. The chief of the branch administering the research room or the senior staff member on duty in the research room will review the determination made by the research room attendant if requested to do so by the researcher; and

(g) The personal property of all researchers, including notes, electrostatic copies, equipment cases, tape recorders, cameras, personal computers, and other property, will be inspected before removal from the research room. Guards and research room attendants may request that a member of the research room staff examine such personal items prior to their removal from the research room.

(h) In addition to the procedures in paragraphs (c) through (g) of this section, the following procedures apply to the Motion Picture, Sound, and Video Research Room (hereinafter, the "research room") in the College Park facility:

(2) * * *

(i) Personal recording equipment brought into the unrestricted viewing and copying area in the research room may be inspected and tagged by the research room attendant prior to admittance. All equipment and accessory devices must be placed on the carts provided by NARA, except that a tripod holding a video camera may be placed on the floor in front of a film-viewing station. NARA is not responsible for damage to or loss of personal equipment and accessories.

(ii) Researchers shall remain in the research room while their personal equipment is in use at an audio or video viewing station. The film viewing

stations must be attended at all times while in use. Researchers shall remove their personal equipment from the research room when they leave the room for the day.

(5) The NARA-furnished recorder or personal recording device and media may be used to make a copy of unrestricted archival materials in the research room.

(6) Each researcher will be provided a copy of the Motion Picture, Sound, and Video Research Room rules and a warning notice on potential copyright claims in unrestricted titles. The individual making and/or using the copy is responsible for obtaining any needed permission or release from a copyright owner for other than personal use of the copy.

13. Section 1254.27 is amended by revising the section heading and paragraphs (a) and (c)(3) to read:

§ 1254.27 Additional rules for use of certain research rooms in regional records services facilities and Presidential libraries.

(a) When directed by the appropriate regional administrator or library director, the following procedures shall be observed in regional records services facility and Presidential library archival research rooms where original documents are used. These procedures are in addition to the procedures specified elsewhere in this part.

(c) * * *

(3) Typewriters, personal computers, tape recorders, and hand-held cameras may be admitted by the guard or research room attendant provided that they are inspected, approved, and tagged prior to admittance. For a regional records services facility, the regional administrator, the director or other supervisor having responsibility for research room operations in a facility, or the senior attendant on duty will review the determination made by the guard or research room attendant if requested to do so by the researcher. In a Presidential library, the director, or the senior attendant on duty in the research room will review the determination made by the guard or research room attendant if requested to do so by the researcher. In facilities where personal paper-to-paper copiers and scanners are permitted, the researcher must obtain prior written approval from the facility director to bring in the copier or scanner. The request to bring a personal copier or scanner should state the space and

power consumption requirements and the intended period of use; and

14. Section 1254.70 is amended by revising paragraph (a) to read:

§ 1254.70 NARA copying services.

(a) The copying of documents will be done by a contractor or NARA staff with equipment belonging to NARA. NARA reserves the right to make a duplicate, at NARA expense, of any material copied. Such duplicates may be used by NARA to make additional copies for others.

15. Section 1254.71 is amended by revising the section heading, paragraphs (a) through (c)(2), and (d)(1); removing paragraph (g); redesignating paragraphs (e) and (f) as paragraphs (f) and (g); adding new paragraph (e), and revising redesignated paragraph (g) to read:

§ 1254.71 Researcher use of the self-service card-operated copiers in the National Archives Building and the National Archives at College Park.

(a) *General.* Self-service card-operated copiers are located in research rooms in the National Archives Building and the National Archives at College Park. Other copiers set aside for use by reservation are located in designated research areas. Procedures for use are outlined in paragraphs (b) through (h) of this section.

(b) *Limitations and hours of use.* (1) There is a 3-minute time limit on copiers in research rooms when others are waiting to use the copier. Researchers using microfilm reader-printers may be limited to three copies when others are waiting to use the machine. Researchers wishing to copy large quantities of documents should see a staff member in the research room to reserve a copier for an extended time period.

(2) If an appointment must be canceled due to copier failure, NARA will make every effort to schedule a new mutually agreed-upon time. However, NARA will not displace researchers whose appointments are not affected by the copier failure.

(c) *Copying procedures.* (1) Individual documents to be copied shall be tabbed in accordance with the procedures governing the tabbing of documents and; brought to the research room attendant for inspection in the file unit. The research room attendant will examine the documents to determine whether they can be copied on the self-service copier. The chief of the branch administering the research room will review the determination of suitability if asked to do so by the researcher. After

reproduction is completed, documents removed from files for copying must be returned to their original position in the file container, any fasteners removed to facilitate copying must be refastened, and any tabs placed on the documents to identify items to be copied must be removed.

(2) Researchers using the reserved copier must submit the containers of documents to the attendant for review prior to the appointment. The review time required is specified in each research room. Research room attendants may inspect documents after copying.

* * * * *

(d) * * *

(1) Bound archival volumes (except when specialized copiers are provided);

* * * * *

(e) *Use of personal paper-to-paper copiers at the National Archives at College Park facility.* (1) NARA will approve a limited number of researchers to bring in and use personal paper-to-paper copying equipment in the Textual Research Room (Room 2000). Requests must be made in writing to the Chief, Archives II Research Room Services Branch (NWCCR2), National Archives and Records Administration, 8601 Adelphi Rd., College Park, MD 20740-6001. Requests must identify the records to be copied, the expected duration of the project, and the make and model of the equipment.

(2) NARA will evaluate requests using the following criteria:

(i) A minimum of 3,000 pages must be copied;

(ii) The project is expected to take at least 4 weeks, with the copier in use a minimum of 6 hours per day or 30 hours per week;

(iii) The copying equipment must meet the standards for preservation set by NARA's Preservation Programs unit (see § 1254.26(e)(3) of this part); and

(iv) Space is available for the personal copying project. NARA will allow no more than 3 personal copying projects in the research room at one time, with Federal agencies given priority over other users.

(3) Researchers must coordinate with research room management and oversee the installation and removal of copying equipment and are responsible for the cost and supervision of all service calls and repairs. Copying equipment and supplies must be removed within two business days after the personal copying project is completed.

(4) NARA will not be responsible for any personal equipment or consumable supplies.

(5) Each operator must obtain a valid researcher identification card and be

trained by NARA staff on the proper methods for handling and copying archival documents.

(6) Operators must abide by all regulations on copying stated in paragraphs (c), (d) and (f) of this section.

(7) NARA reserves the right to discontinue the privilege of using a personal copier at any time without notice. Conditions under which NARA would discontinue the privilege include: violation of one of the conditions in paragraphs (c), (d), (e), or (f) of this section; a need to provide space for a Federal agency; or a lack of NARA staff to supervise the area.

* * * * *

(g) *Purchasing debit cards for copiers.* Researchers may use cash to purchase a debit card from a vending machine during the hours that self-service copiers are in operation. Additionally, debit cards may be purchased with cash, check, money order, credit card, or funds from an active deposit account from the Cashier's Office located in room G-1 of the National Archives Building, and the researcher lobby of the College Park facility, during posted hours. The debit card will, when inserted into the copier, enable the user to make copies, for the appropriate fee, up to the value on the debit card. Researchers may add value to the debit card by using the vending machine. No refunds will be made. The fee for self-service copiers is found in § 1258.12 of this chapter.

16. Section 1254.90 is revised to read:

§ 1254.90 General.

(a) This subpart establishes rules and procedures governing the use of privately owned microfilm equipment to film accessioned archival records and donated historical materials in the legal and physical custody of the National Archives and Records Administration (NARA) by foreign and domestic government agencies, private commercial firms, academic research groups, and other entities or individuals who request exemption from obtaining copies through the regular fee schedule reproduction ordering system of NARA.

(b) Persons or organizations wishing to microfilm Federal agency records in the physical custody of the Washington National Records Center (WNRC) contact the director, WNRC, about procedures for obtaining permission from the originating agency to film those records. For information about procedures for obtaining permission from the originating agency to film records in the records center operation of one of NARA's regional records services facilities or in the physical custody of the National Personnel

Records Center (NPRC), contact the Regional Administrator of the region in which the records are located, or the director, NPRC, for records in NPRC.

(c) Federal agencies needing to microfilm archival records in support of the agency's mission must contact the appropriate office as specified in § 1254.92 of this part, as soon as possible after the need is identified, for information concerning standards and procedures for microfilming archival records.

17. Section 1254.92 is amended by revising paragraphs (a) and (b) and adding new paragraphs (d)(3) and (d)(4) to read as follows:

§ 1254.92 Requests to microfilm records and donated historical materials.

(a) Requests to microfilm archival records or donated historical materials (except donated historical materials under the control of the Office of Presidential Libraries) in the Washington, DC area must be made in writing to the Assistant Archivist for Records Services—Washington, DC (NW), 8601 Adelphi Rd., College Park, MD 20740-6001. Requests to microfilm archival records or donated historical materials held in a NARA regional records service facility must be made in writing to the Assistant Archivist for Regional Records Services (NR), 8601 Adelphi Rd., College Park, MD 20740-6001. Requests to microfilm records or donated historical materials in a Presidential library or donated historical materials in the Washington area under the control of the Office of Presidential Libraries must be made in writing to the Assistant Archivist for Presidential Libraries (NL), 8601 Adelphi Rd., College Park, MD 20740-6001. OMB control number 3095-0017 has been assigned to the information collection contained in this section.

(b) Requests to use privately owned microfilm equipment should be submitted four months in advance of the proposed starting date of the microfilming project. Requests submitted with less advance notice will be considered and may be approved if adequate NARA space and staff are available and if all training, records preparation and other NARA requirements can be completed in a shorter time frame. Only one project to microfilm a complete body of documents, such as an entire series, a major continuous segment of a very large series which is reasonably divisible, or a limited number of separate series related by provenance or subject, may be included in a request. NARA will not accept additional requests from an individual or

organization to microfilm records in a NARA facility while NARA is evaluating an earlier request from that individual or organization to microfilm records at that facility. NARA will establish the number of camera spaces available to a single project based upon the total number of projects approved for filming at that time.

* * * * *

(d) * * *

(3) If the original documents are presidential or vice-presidential records as specified in 44 U.S.C. 2201, the requester must agree to include on the film this statement: "The documents reproduced in this publication are presidential records in the custody of the (name of Presidential library or National Archives of the United States). NARA administers them in accordance with the requirements of Title 44, U.S.C. No copyright is claimed in these official presidential records."

(4) If the original documents are records of Congress, the requester must agree to include on the film this statement: "The documents reproduced in this publication are among the records of the (House of Representatives/Senate) in the physical custody of National Archives and Records Administration (NARA). NARA administers them in accordance with the requirements of the (House/Senate).

* * * * *

18. Section 1254.94 is amended by adding paragraphs (a)(1) through (a)(3), (d)(3), (d)(4), (k), and (l), revising the introductory text of paragraph (d), paragraph (d)(1) and paragraph (i), to read as follows:

§ 1254.94 Criteria for granting the requests.

(a) * * *

(1) In considering multiple requests to film at the same time, NARA will give priority to microfilming records that have research value for a variety of studies or that contain basic information for fields of research in which researchers have demonstrated substantial interest.

(2) The records to be filmed should be reasonably complete and not subject to future additions, especially of appreciable volumes, within the original body of records. Records with pending or future end-of-series additions are appropriate for filming.

(3) The records to be filmed should not have substantial numbers of documents withdrawn because of continuing security classification or privacy or other restriction.

* * * * *

(d) NARA will approve only requests which specify that NARA will receive a

first generation silver halide duplicate negative containing no splices made from the original camera negative of the microform record created in accordance with part 1230 of this chapter. NARA may waive any of the requirements of this paragraph at its discretion.

(1) NARA may use this duplicate negative microform to make duplicate preservation and reference copies. The copies may be made available for NARA and public use in NARA facilities and programs immediately upon receipt, subject to the limitation in paragraph (d)(2) of this section.

* * * * *

(3) Detailed roll lists must be delivered with the microfilm. The lists must give the full range of file titles and a complete list of all file numbers on each roll of microfilm. NARA prefers that the list be provided in a fielded, electronic format to facilitate its use by staff and researchers. If the electronic format is a data file with defined or delimited fields, the records layout identifying the fields, any coded values for fields, and explanations of any delimiters should be transferred with the list.

(4) Microfilm projects may donate to NARA additional indexes and/or finding aids. NARA and the microfilm project will execute a deed of gift that will specify restrictions on NARA's use and dissemination of these products under mutually acceptable terms.

* * * * *

(i) NARA will not approve requests to microfilm records in NARA facilities in which there is insufficient space available for private microfilming. NARA also will not approve requests where the only space available for filming is in the facility's research room, and such work would disturb researchers. NARA will not move records from a facility lacking space for private microfilming to another NARA facility for that purpose. When a NARA facility does not have enough space to accommodate all the requests made, NARA may schedule separate projects by limiting the time allowed for each particular project or by requiring projects to alternate in the use of the space.

* * * * *

(k) NARA will not approve requests to microfilm records when there is not enough staff to provide the necessary support services, including document preparation, training of private microfilmmers, and monitoring the filming.

(l) NARA will not approve the start of a project to microfilm records until the requestor has agreed in writing to the

amount and schedule of fees for any training, microfilm preparation, and monitoring by NARA staff that is necessary to support that specific project. NARA's letter of tentative approval for the project will include an agreement detailing the records in the project and the detailed schedule of fees for NARA services for the project. NARA will give final approval when NARA receives the requestor's signed copy of the agreement.

§ 1254.96 [Amended]

19. Section 1254.96 is amended by removing paragraphs (a)(1) through (a)(3) and designating existing paragraphs (a)(4) and (a)(5) as (a)(1) and (a)(2) respectively.

20. Section 1254.98 is amended by revising paragraph (a) to read:

§ 1254.98 Equipment standards.

(a) Because space in many NARA facilities is limited, microfilm/fiche equipment should be operable from a table top unless NARA has given written permission to use free standing/floor model cameras. Only planetary type camera equipment may be used. Automatic rotary cameras and other equipment with automatic feed devices may not be used. Book cradles or other specialized equipment designed for use with bound volumes, oversized documents, or other formats may be approved by NARA on a case-by-case basis. Other camera types not specified in this section may be approved for use on a case-by-case basis.

* * * * *

21. Section 1254.100 is amended by revising paragraphs (b), (c) and (g) to read:

§ 1254.100 Microfilming procedures.

* * * * *

(b) Documents must be handled in accordance with the training and instructions provided by NARA personnel so that documents are not damaged during copying and so that their original order is maintained. Only persons who have attended NARA training will be permitted to handle the documents or supervise microfilming operations. Training will be offered only in Washington, DC. NARA will charge the requester fees for training services and these fees will be based on direct salary costs (including benefits) and any related supply costs. Such fees will be specified in the written agreement required for project approval in § 1254.94(l).

(c) Documents from only one file unit may be microfilmed at a time. After reproduction is completed, documents removed from files for microfilming

must be returned to their original position in the file container, any fasteners removed to facilitate copying must be refastened, and any tabs placed on the documents to identify items to be copied must be removed.

* * * * *

(g) Microfilm equipment may be operated only in the presence of the research room attendant or a designated NARA employee. If NARA places microfilm projects in a common research area with other researchers, the project will not be required to pay for monitoring that is ordinarily provided. If the microfilm project is performed in a research room set aside for copying and filming, NARA will charge the project fees for these monitoring services and these fees will be based on direct salary costs (including benefits). When more than one project share the same space, monitoring costs will be divided equally among the projects. The monitoring service fees will be specified in the written agreement required for project approval in § 1254.94(l).

* * * * *

22. Section 1254.102 is amended by adding paragraph (e) to read:

§ 1254.102 Rescinding permission.

* * * * *

(e) If the person or organization fails to pay NARA fees in the agreed to amount or on the agreed to payment schedule.

Dated: April 16, 1999.

John W. Carlin,

Archivist of the United States.

[FR Doc. 99-10063 Filed 4-22-99; 8:45 am]

BILLING CODE 7515-01-P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 36

RIN 2900-A192

Loan Guaranty: Requirements for Interest Rate Reduction Refinancing Loans

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends our loan guaranty regulations concerning the requirements for Interest Rate Reduction Refinancing Loans (IRRRLs). Under the final rule, generally to obtain an IRRRL the veteran's monthly mortgage payment must decrease. Also, the final rule provides that the loan being refinanced must not be delinquent or the veteran seeking the loan must meet certain credit standard provisions.

We believe these changes are necessary to ensure that IRRRLs provide a real benefit to veterans and protect the financial interest of the Government.

DATES: Effective Date: May 24, 1999.

FOR FURTHER INFORMATION CONTACT: R.D. Finneran, Supervisory Loan Specialist (264), Loan Guaranty Service, Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 273-7369.

SUPPLEMENTARY INFORMATION: Under the authority of 38 U.S.C. chapter 37, VA guarantees loans made by lenders to eligible veterans to purchase, construct, improve, or refinance their homes (the term veteran as used in this document includes any individual defined as a veteran under 38 U.S.C. 101 and 3701 for the purpose of housing loans). This document amends VA's loan guaranty regulations by revising the requirements for VA-guaranteed IRRRLs.

The IRRRL program was established by Public Law 96-385, October 7, 1980. IRRRLs are designed to assist veterans by allowing them to refinance an outstanding VA-guaranteed loan with a new loan at a lower rate. The provisions of 38 U.S.C. 3703(c)(3) and 3710(e)(1)(C) allow the veteran to do so without having to pay any out-of-pocket expenses. The veteran may include in the new loan the outstanding balance of the old loan plus reasonable closing costs, including up to two discount points.

In a document published in the **Federal Register** on June 3, 1998 (63 FR 30162), we proposed to amend the loan guaranty regulations concerning the requirements for IRRRLs. Under the proposal, generally to obtain an IRRRL the veteran's monthly mortgage payment must decrease. Also, if the loan being refinanced is delinquent the lender must submit the proposed IRRRL to VA for prior approval of the veteran's creditworthiness. With respect to the proposal, we provided a 60-day comment period, which ended August 3, 1998. In the proposal, we also stated that we would consider comments submitted in response to a rescinded interim rule (62 FR 52503, 63454) which addressed the same issues that were addressed in the proposal. We received many thousands of comments, most of which were groups of identical responses in form letters. The issues raised in the comments are discussed below.

Based on the rationale set forth in the proposed rule and in this document, we are adopting the provisions of the proposed rule as a final rule without

change except for nonsubstantive changes for purposes of clarity.

Monthly Payment Reduction

The final rule generally requires that the monthly payment (principal and interest) on the new loan be lower than the monthly payment on the loan being refinanced. A number of commenters supported this change. Some commenters stated that they generally opposed any changes regarding IRRRLs and one commenter raised specific objections regarding the issue of monthly payment reduction. This commenter submitted an alternative to the proposal which would allow 10 percent of a lender's volume of IRRRLs closed during any calendar month to exceed the previous monthly payment on the loan being financed while not simultaneously reducing the term of the loan, and provide for sanctions if the 10 percent threshold were exceeded.

We believe that with the four exceptions discussed below, there is no legitimate reason for allowing the monthly payment (principal and interest) on the new loan to be as high or higher than the monthly payment on the loan being refinanced. The final rule is intended to prevent the veteran's monthly payment from increasing because of extensive costs added to the loan (including closing costs), even though the interest rate is lowered slightly. This is consistent with the Congressional intent of the IRRRL program as expressed in the House Report (H. Rep. No. 96-1165, July 21, 1980, at p. 3) which states: "[T]he bill is * * * intended to assist veterans by allowing their monthly payments to be reduced. * * *"

The final rule also provides that the monthly payment reduction requirement would not apply to four limited situations where VA believes that other factors offset the risk of loss from an increase in monthly payment. These four situations are cases in which an adjustable rate mortgage (ARM) is being refinanced with a fixed-rate loan; cases in which the term of the new loan is shorter than the term of the loan being refinanced; cases in which the increase in monthly payment is attributable to the inclusion of energy efficient improvements, as provided in § 36.4336(a)(4); and cases in which the Secretary approves the new loan, on a case-by-case basis, in order to prevent an imminent foreclosure. We reaffirm the following rationale which was stated in the proposal (63 FR 30163) for establishing these four exceptions:

"With regard to ARMs, there is already a possibility that the monthly payment will increase in future years.