

DEPARTMENT OF EDUCATION**34 CFR Part 675**

RIN 1840-AC50

Federal Work-Study Programs**AGENCY:** Office of Postsecondary Education, Department of Education.**ACTION:** Final regulations.

SUMMARY: The Secretary amends the regulations governing the Federal Work-Study (FWS) Program authorized under title IV of the Higher Education Act of 1965, as amended (title IV, HEA programs). The Secretary makes these changes in response to the President's "America Reads Challenge" by providing for an additional waiver of the FWS institutional-share requirement for tutors in a family literacy program that provides services to families with preschool age children or children who are in elementary school.

EFFECTIVE DATE: These regulations take effect on July 1, 1998.

FOR FURTHER INFORMATION CONTACT: Nancy Adams, U.S. Department of Education, 600 Independence Avenue SW., Regional Office Building 3, Room 3045, Washington, DC 20202-5447. Telephone: (202) 708-8242. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

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SUPPLEMENTARY INFORMATION:**Part 675—Federal Work-Study Programs**

The Secretary is providing for an additional waiver of the FWS institutional-share requirement in § 675.26. The Secretary will authorize a Federal share of up to 100 percent of the compensation earned by a student during an award year if all of the following criteria are met—

1. The work performed by the student is for the institution itself, for a Federal, State, or local public agency, or for a private nonprofit organization; and

2. The student is employed as a tutor in a family literacy program that provides services to families with preschool age children or children who are in elementary school. "Preschool age children" means children from infancy to the time at which the State provides elementary education.

This regulatory change will provide an institution with additional flexibility needed to respond to the President's "America Reads Challenge," which is mobilizing resources to ensure that all children can read independently and well by the end of the third grade. The "America Reads Challenge" seeks to reinforce the importance of skill-building activities for children starting at infancy and of programs that encourage and support parent or caregiver involvement in these activities.

The Secretary previously added a waiver of the FWS institutional-share requirement for reading tutors of children that is effective for the 1997-98 award year. That previous change was made to provide institutions with the flexibility necessary to respond to the "America Reads Challenge." The new FWS waiver will provide a greater ability for institutions to help children achieve the reading goal by waiving the FWS institutional-share requirement for tutors, working in family literacy programs, who are providing literacy services to children from infancy through elementary school, or to their parents or caregivers. These literacy services may include helping parents or caregivers who need assistance with their own literacy skills.

This new waiver for tutors working in family literacy programs is based on research that shows that children whose parents work with them on literacy skills during early childhood have a significantly better chance of meeting the reading goal for children. Unfortunately, not all parents or caregivers have the literacy skills necessary to work with their children to ensure that each child has the proper foundation for reading skills.

The Secretary is pleased with the positive feedback received from many institutions indicating that they intend to use the FWS Program to respond to the "America Reads Challenge." This investment in our youth is an investment in this country's future. The Secretary has also received comments from organizations that focus on family literacy indicating that the expansion of the waiver of the FWS institutional-share requirement to tutors involved in family literacy programs is very important in meeting the goal of children reading independently and well by the end of the third grade. This regulatory change responds to these requests.

The Secretary strongly encourages all institutions to employ FWS students as reading tutors for children and as tutors in family literacy programs that provide services to families with preschool age

children or children who are in elementary school. The placement of students in these jobs is, in many instances, an important way for institutions to meet the community service expenditure requirement under the FWS Program, serve the needs of the community, and give the FWS students a rewarding and enriching experience. The new waiver of the FWS institutional-share requirement in § 675.26 for tutors in family literacy programs that provide services to families with preschool age children or children who are in elementary school does not require the institution to make a request for a waiver. Also, the institution has the option of still providing an institutional share and determining the amount of that share.

It is important to note that the Secretary continues the current exceptions that authorize a Federal share of 100 percent of the compensation earned by students employed as reading tutors of preschool age children or children who are in elementary school as well as students enrolled at eligible institutions under the Strengthening Institutions Program, the Strengthening Historically Black Colleges and Universities Program, or the Strengthening Historically Black Graduate Institutions Program.

Goals 2000: Educate America Act

The Goals 2000: Educate America Act (Goals 2000) focuses the Nation's education reform efforts on the eight National Education Goals and provides a framework for meeting them. Goals 2000 promotes new partnerships to strengthen schools and expands the Department's capacities for helping communities to exchange ideas and obtain information needed to achieve the goals.

These regulations address the National Education Goals that call for increasing the rate at which students graduate from high school and pursue high quality postsecondary education and for supporting life-long learning. These regulations further address the National Education Goal that every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.

Executive Order 12866

These final regulations have been reviewed in accordance with Executive order 12866. Under the terms of the order the Secretary has assessed the potential costs and benefits of this regulatory action.

The potential costs associated with the final regulations are those resulting from statutory requirements and those determined by the Secretary to be necessary for administering this program effectively and efficiently.

In assessing the potential costs and benefits—both quantitative and qualitative—of these final regulations, the Secretary has determined that the benefits of the final regulations justify the costs.

Potential costs and benefits of the final regulations are discussed elsewhere in this preamble under the following headings: Supplementary Information and Goals 2000: Educate America Act.

Waiver of Proposed Rulemaking

In accordance with the Administrative Procedure Act (5 U.S.C. 553), it is the practice of the Secretary to offer interested parties the opportunity to comment on proposed regulations. However, the Secretary is specifically authorized under section 443(b)(5) of the Higher Education Act of 1965, as amended (42 U.S.C. 2753(b)(5)) to determine, through the promulgation of regulations, that the Federal share of compensation for FWS students may exceed 75 percent if required in furtherance of the purposes of the program. The Secretary has made such a determination in this case. Revising § 675.26(d) will increase institutional flexibility and help to meet an important educational need for tutors in family literacy programs without imposing any burden on the affected parties. For these reasons, the Secretary has determined, pursuant to 5 U.S.C. 553(b)(B), that public comment on the amendment to § 675.26(d) is unnecessary and contrary to the public interest.

Regulatory Flexibility Act Certification

The Secretary certifies that these regulations would not have a significant economic impact on a substantial number of small entities. Small entities affected by these regulations are small institutions of postsecondary education.

The provisions of these regulations provide added flexibility to institutions.

Thus, no significant adverse economic impacts on small entities are expected to occur.

Paperwork Reduction Act of 1995

These regulations have been examined under the Paperwork Reduction Act of 1995 and have been found to contain no information collection requirements.

Intergovernmental Review

The Federal Work-Study Program is not subject to the requirements of Executive Order 12372 and the regulations in 34 CFR part 79.

Assessment of Educational Impact

Based on its own review, the Department has determined that the regulations in this document do not require transmission of information that is being gathered by or is available from any other agency or authority of the United States.

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Note: The official version of this document is the document published in the **Federal Register**.

List of Subjects in 34 CFR Part 675

Loan programs—education, Student aid.

Dated: November 20, 1997.

Richard W. Riley,

Secretary of Education.

(Catalog of Federal Domestic Assistance Number: 84.033 Federal Work-Study Program)

The Secretary amends chapter VI of Title 34 of the Code of Federal Regulations as follows:

PART 675—FEDERAL WORK-STUDY PROGRAMS

1. The authority citation for part 675 continues to read as follows:

Authority: 42 U.S.C. 2751–2756b, unless otherwise noted.

2. Section 675.26 is amended by revising paragraph (d) to read as follows:

§ 675.26 FWS Federal share limitations.

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(d) For each award year, the Secretary authorizes a Federal share of 100 percent of the compensation earned by a student under this part if—

(1) The work performed by the student is for the institution itself, for a Federal, State or local public agency, or for a private nonprofit organization; and

(2)(i) The institution in which the student is enrolled—

(A) Is designated as an eligible institution under the Strengthening Institutions Program (34 CFR part 607), the Strengthening Historically Black Colleges and Universities Program (34 CFR part 608), or the Strengthening Historically Black Graduate Institutions Program (34 CFR part 609); and

(B) Requests that increased Federal share as part of its regular FWS funding application for that year;

(ii) The student is employed as a reading tutor for preschool age children or children who are in elementary school; or

(iii) The student is employed as a tutor in a family literacy program that provides services to families with preschool age children or children who are in elementary school.

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