

**DEPARTMENT OF EDUCATION**

[CFDA No.: 84.224C]

**Office of Special Education and Rehabilitative Services; National Institute on Disability and Rehabilitation Research; Notice Inviting Applications for Fiscal Year (FY) 2001 for New Awards for the Alternative Financing Program and a Pre-Application Meeting**

**ACTION:** Notice inviting applications for fiscal year (FY) 2001 for new awards for the Alternative Financing Program and a pre-application meeting.

**SUMMARY:** We invite applications for new grant awards for FY 2001 for the Alternative Financing Program authorized under title III of the Assistive Technology Act of 1998 (AT Act).

*Purpose of the Program:* The Alternative Financing Program (AFP) created a new Federal program to pay a share of the cost of the establishment or expansion, and administration of, an alternative financing program for assistive technology (AT). We take this action in order to award one year grants or cooperative agreements to States and outlying areas to establish or maintain alternative financing projects to increase access AT for individuals with disabilities. Currently, major service programs such as Medicaid, special education, vocational rehabilitation, and to a limited extent, Medicare, provide AT devices and services for eligible individuals. In some instances, individuals with disabilities purchase AT with private funds however, many individuals and their families do not have the necessary resources to obtain the AT they need. Loan programs offer individuals with disabilities attractive options that significantly enhance their access to AT.

This competition focuses on projects designed to meet a priority that we have chosen from allowable activities specified in the program statute (see 34 CFR 75.105(b)(2)(v)) and sections 301–305 of the Assistive Technology Act of 1998 (29 U.S.C. 3051–3055).

**National Education Goals**

The eight National Education Goals focus the Nation's education reform efforts and provide a framework for improving teaching and learning.

This notice addresses 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.

*Deadline for Transmittal of Applications:* August 14, 2001.  
*Application Available:* June 15, 2001.  
*Project Period:* 12 months.  
*Estimated Number of Awards:* 20.  
*Award Amount:* Program minimum: none; Program maximum: none.

**Note:** The total amount available in FY 2001 for the AFP is \$14.7 million. We are no longer required to award a minimum of \$500,000 to States, outlying areas are no longer restricted to a maximum of \$105,000, nor are we required to distribute any remaining funds among those States based on population and density. In order for NIDRR to have increased flexibility and to insure a greater number of funding options within the total allocation for this program, NIDRR encourages applicants to submit and clearly identify in the application, multiple and alternative budgets. Applicants should include the required matching funds and the necessary materials for each of the different amounts proposed.

*Matching Requirement:* The Federal share of the cost of the Alternative Financing Program must not be more than 75 percent. Therefore, applicants must match at least 25 percent of the total program cost. A State is no longer required to receive a minimum award of \$500,000; an outlying area is no longer restricted to a maximum award of \$105,000. The State or outlying area must provide the non-Federal share of the cost of the AFP in cash, from State, local, or private sources.

**Background**

*Technical Assistance:* In FY 2000, NIDRR funded a technical assistance project to provide information and technical assistance to States and outlying areas including assistance in preparing applications for grants under this Act. Applicants are encouraged to contact RESNA at 703–524–6686 ext. 301 or through e-mail; [nmeidenbauer@resna.org](mailto:nmeidenbauer@resna.org) for assistance with their applications.

*Eligible Applicants:* Parties eligible to apply for the AFP are States and outlying areas that receive or have received grants under the AT State Grant Program (section 101 of the AT Act).

*Applicable Regulations:* The Education Department General Administrative Regulations (EDGAR), 34 CFR Parts 74, 75, 77, 81, 82, 85, and 86.

*Pre-Application Meeting:* Interested parties are invited to participate in a pre-application meeting to discuss the funding priorities for the AFP and to receive technical assistance through individual consultation and information about the funding priority. The pre-application meeting will be held on July 10, 2001. You may attend either in

person or by conference call at the Department of Education, Office of Special Education and Rehabilitative Services, Switzer Building, Room 3065, 330 C St. SW, Washington, DC between 10:00 a.m. and 12 noon. NIDRR staff will also be available at this location from 1:30 p.m. to 4:00 p.m. on that same day to provide technical assistance through individual consultation and information about the funding priority. For further information or to make arrangements to attend contact Donna Nangle, Switzer Building, room 3414, 400 Maryland Avenue, SW, Washington, DC 20202. Telephone (202) 205–5880. If you use a telecommunication device for the deaf (TDD), you may call (202) 205–4475.

**Assistance to Individuals With Disabilities at the Public Meetings**

The meeting site is accessible to individuals with disabilities, and a sign language interpreter will be available. If you need an auxiliary aid or service other than a sign language interpreter in order to participate in the meeting (e.g., other interpreting service such as oral, cued speech, or tactile interpreter; assistive listening device; or materials in alternate format), notify the contact person listed in this notice at least two weeks before the scheduled meeting date. Although we will attempt to meet a request we receive after this date, we may not be able to make available the requested auxiliary aid or service because of insufficient time to arrange it.

**Priority**

Under 34 CFR 75.105(c)(3) and sections 301–305 of title III of the AT Act, we consider only applications that meet the priority. We will establish the AFP in order to provide assistance to States and to outlying areas so that individuals with disabilities of all ages and their family members, guardians, advocates, and authorized representatives will have increased access to funding for AT devices and services through alternative financing mechanisms (loans). Consistent with sections 301–305 of the Act, the requirements are as follows:

(a) Each grantee must enter into a contract with a community-based organization (including a group of such organizations), such as Centers for Independent Living, that has individuals with disabilities involved in organizational decision making at all organizational levels, to administer the alternative-financing program. The contract must: (1) Include a provision requiring that the program funds, including the Federal and non-Federal

shares of the cost of the program, be administered in a manner consistent with the provisions of this title; (2) include provisions for oversight and evaluation to protect Federal financial interests; and (3) require the community-based organization to enter into a contract with a commercial lending institution or State or outlying area financing agency.

(b) Each grantee and any community-based organization that enters into a contract with the State or outlying area, must submit, 12 months after receipt of the fiscal year 2001 award, each of the following policies, procedures, data, and information: (1) A procedure to review and process in a timely manner requests for financial assistance for immediate and potential technology needs, including consideration of methods to reduce paperwork and duplication of effort, particularly relating to need, eligibility, and determination of the specific AT device or service to be financed through the project; (2) a policy and procedure to assure that access to the AFP shall be given to consumers regardless of type of disability, age, income level, location of residence in the State or outlying area, or type of AT device or AT service for which financing is requested through the program; and (3) a procedure to assure consumer-controlled oversight of the program.

(c) Each grantee must provide the following information: (1) The ratio of funds provided by the State for the AFP to funds provided by the Federal Government; (2) the type of alternative financing mechanism used and the community-based organization with which the State or outlying area entered into a contract; (3) the following information concerning each disabled individual served by the project: The amount of assistance, type of AT device or AT service financed through the project, type of disability, age, gender, race, ethnicity, socioeconomic status, primary language, geographic location within the State or outlying area, employment status, whether the consumer is part of an underrepresented population or rural population, and whether the consumer tried to secure financial support from other sources and, if so, a description of those sources.

(d) Each grantee must provide one or a combination of the following: (1) A low-interest loan fund; (2) an interest buy-down program; (3) a revolving loan fund; (4) a loan guarantee or insurance program; (5) a program operated by a partnership among private entities for the purchase, lease, or other acquisition of AT devices or AT services; or (6) another mechanism that meets the

requirements of this program and is described in an application, peer reviewed and approved by the Department.

(e) Each grantee must provide matching funds so that the Federal share of the cost of the AFP is not more than 75 percent. A State is no longer required to receive a minimum award of \$500,000; an outlying area is no longer restricted to a maximum award of \$105,000; the State or outlying area match must be at least 25 percent of the total program cost.

(f) Each applicant must provide the following assurances in its application: (1) The State or outlying area will provide the non-Federal share of the cost of the AFP in cash, from State, local, or private sources; (2) the State or outlying area will continue the AFP after Federal funding has terminated on a permanent basis; (3) the State or outlying area will provide information describing the manner in which, the program will expand and emphasize consumer choice and control; (4) the State or outlying area will supplement and not supplant other Federal, State, and local public funds expended to provide any currently operating AFP in the State or outlying area. The State or outlying area must use new State-level or outlying area-level funds to match the Federal share. The State or outlying area may not use existing spending, such as Title I AT Act funds, that are used to support an existing AFP, to match the Federal grant; (5) the State or outlying area will place all funds that support the AFP, including funds repaid during the life of the program, in a permanent separate account, apart from any other fund; (6) the State's or outlying area's community-based organization will invest funds in low-risk securities in which a regulated insurance company may invest under the law of the State or the outlying area if the organization administering funds invests funds within this account; (7) the State's or outlying area's community-based organization will administer the funds with the same judgement and care that a person of prudence, discretion, and intelligence would exercise in the management of the financial affairs of such person; (8) funds comprised of the principal and interest from the State or outlying area account for this activity will be available to support the AFP; (9) any interest or investment income that accrues on or derives from such funds after such funds have been placed under the control of the organization administering the AFP, but before those funds are distributed for purposes of supporting the program, will be the property of the organization

administering the program; and (10) the State or outlying area will limit the indirect costs of the total amount available for the AFP to 10 percent, including both the Federal and State or outlying area funds.

In addition, the project must:

(a) Provide in accessible formats materials that can be used by potential loan applicants and lending institutions to obtain, share and disseminate information on loan availability, eligibility requirements and procedures and general loan related updates;

(b) Coordinate and share information, resources and with the State and outlying area AT Act projects; and

(c) Conduct and submit to NIDRR and the AFTAP an annual evaluation of its activities using the data collection instrument developed by the Alternative Financing Technical Assistance Project.

*Selection criteria:* In evaluating an application for a new grant under this competition, we use selection criteria chosen from the selection criteria in 34 CFR 75.210. The maximum score for all criteria is 100 points. The selection criteria to be used for this competition will be provided in the application package for this competition.

#### **Application Procedures**

**Note:** Some of the procedures in these instructions for transmitting applications differ from those in the Education Department General Administrative Regulations (EDGAR) (34 CFR 75.102). Under the Administrative Procedure Act (5 U.S.C. 553) the Department generally offers interested parties the opportunity to comment on proposed regulations. However, these amendments make procedural changes only and do not establish new substantive policy. Therefore, under 5 U.S.C. 553(b)(A), the Secretary has determined that proposed rulemaking is not required.

#### **Pilot Project for Electronic Submission of Applications**

The U.S. Department of Education is expanding its pilot project of electronic submission of applications to include certain formula grant programs, as well as additional discretionary grant competitions. The Alternative Financing Program—CFDA 84.224C is one of the programs included in the pilot project. If you are an applicant under the Alternative Financing Program, you may submit your application to us in either electronic or paper format.

The pilot project involves the use of the Electronic Grant Application System (e-APPLICATION, formerly e-GAPS) portion of the Grant Administration and Payment System (GAPS). We request your participation in this pilot project. We shall continue to evaluate its

success and solicit suggestions for improvement.

If you participate in this e-APPLICATION pilot, please note the following:

- Your participation is voluntary.
  - You will not receive any additional point value or penalty because you submit a grant application in electronic or paper format.
  - You can submit all documents electronically, including the Application for Federal Assistance (ED 424), Budget Information—Non-Construction Programs (ED 524), and all necessary assurances and certifications.
  - Fax a signed copy of the Application for Federal Assistance (ED 424) after following these steps:
    1. Print ED 424 from the e-APPLICATION system.
    2. Make sure that the institution's Authorizing Representative signs this form.
    3. Before faxing this form, submit your electronic application via the e-APPLICATION system. You will receive an automatic acknowledgement, which will include a PR/Award number (an identifying number unique to your application).
    4. Place the PR/Award number in the upper right hand corner of ED 424.
    5. Fax ED 424 to the Application Control Center within three working days of submitting your electronic application. We will indicate a fax number in e-APPLICATION at the time of your submission.
  - We may request that you give us original signatures on all other forms at a later date.
- You may access the electronic grant application for the Alternative

Financing Program at: <http://e-grants.ed.gov>.

We have included additional information about the e-APPLICATION pilot project (see Parity Guidelines between Paper and Electronic Applications) in the application package.

*For Applications Contact:* Education Publications Center (ED Pubs), P.O. Box 1398, Jessup, MD 20794-1398. Telephone (toll free): 1-877-433-7827. FAX: (301) 470-1244. If you use a telecommunications device for the deaf (TDD), you may call (toll free): 1-877-576-7734.

You may also contact ED Pubs via its Web site: <http://www.ed.gov/pubs/edpubs.html> or its E-mail address ([edpubs@inet.ed.gov](mailto:edpubs@inet.ed.gov)). If you request an application from ED Pubs, be sure to identify this competition as follows: CFDA number 84.224C.

Individuals with disabilities may obtain a copy of the application package in an alternative format by contacting the Grants and Contracts Services Team, U.S. Department of Education, 400 Maryland Avenue, SW., room 3317, Switzer Building, Washington, DC 20202-2550. Telephone: (202) 205-8351. If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Services (FIRS) at 1-800-877-8339. However, the Department is not able to reproduce in an alternative format the standard forms included in the application package.

**FOR FURTHER INFORMATION CONTACT:**

Donna Nangle, U.S. Department of Education, 400 Maryland Avenue, S.W., room 3414, Switzer Building, Washington, D.C. 20202-2645.

Telephone: (202) 205-5880. Individuals who use a telecommunications device for the deaf (TDD) may call the TDD number at (202) 205-4475. Internet: [Donna.Nangle@ed.gov](mailto:Donna.Nangle@ed.gov).

Individuals with disabilities may obtain this document in an alternative format (e.g., Braille, large print, or computer diskette) on request to the contact person listed in the preceding paragraph.

**Electronic Access to This Document**

You may review this document, as well as all other Department of Education documents published in the **Federal Register**, in text or Adobe Portable Document Format (PDF) on the Internet at the following site: [www.ed.gov/legislation/FedRegister](http://www.ed.gov/legislation/FedRegister).

To use PDF you must have Adobe Acrobat Reader, which is available free at the previous site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll free, at 1-888-293-6498; or in the Washington, D.C., area at (202) 512-1530.

**Note:** The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPO access at: <http://www.access.gpo.gov/nara/index.html>.

**Program Authority:** 29 U.S.C. 3051-3058.

Dated: June 7, 2001.

**Francis V. Corrigan,**

*Deputy Director, National Institute on Disability and Rehabilitation Research.*

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