

Budget, U.S. Department of the Interior, Washington, DC 20240.

(2) Payment will be made by electronic funds transfer whenever possible. A representative of the Department will contact you for the information the Department needs to process the electronic funds transfer.

(c) If the award is against another agency, you must submit the material required by paragraph (a) of this section to the chief financial officer or other disbursing official of that agency. Agency counsel must promptly inform you of the title and address of the appropriate official.

(d) The Department or other agency will pay the amount awarded to you within 60 days of receiving the material required by this section.

[FR Doc. 06-1146 Filed 2-7-06; 8:45 am]

BILLING CODE 4310-79-P

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

45 CFR Part 1180

RIN 3137-AA16

Institute of Museum and Library Services; Technical Amendments To Reflect the New Authorizing Legislation of the Institute of Museum and Library Services

AGENCY: Institute of Museum and Library Services (IMLS), NFAH.

ACTION: Final rule.

SUMMARY: The Institute of Museum and Library Services has amended its grants regulations by removing outdated regulations and making certain technical amendments to reflect Congress' reauthorization of the Institute of Museum and Library Services under The Museum and Library Services Act of 2003. The amendments also reorganize certain sections to provide greater clarity for agency applicants and grantees.

EFFECTIVE DATE: February 2, 2006.

FOR FURTHER INFORMATION CONTACT: Nancy E. Weiss, General Counsel, Institute of Museum and Library Services, 1800 M Street, NW., Ninth Floor, Washington, DC 20036. E-mail: nweiss@imls.gov. Telephone: (202) 653-4787. Facsimile: (202) 653-4625.

SUPPLEMENTARY INFORMATION:

I. Technical Amendments and Removal of the Institute's Outdated Regulations

The Institute of Museum and Library Services herein removes outdated regulations and makes minor technical amendments to reflect Congress'

reauthorization of the Institute of Museum and Library Services with The Museum and Library Services Act of 2003, Public Law 108-81 (September 25, 2003). These revisions are meant to fulfill the Institute's responsibility to its eligible grant applicants by ensuring that all regulations, policies, and procedures are up-to-date. The regulations removed include regulations relating to programs and requirements no longer in existence at the Institute as a result of both agency practice and The Museum and Library Services Act of 2003. In the interests of economy of administration, and because all of the regulations to be removed are outdated and the technical amendments are minor, they are included in one rulemaking vehicle. The proposed rule was published by the Institute in the **Federal Register** on December 14, 2005. The Institute received no comments suggesting changes to the text of the rule.

II. Matters of Regulatory Procedure

Regulatory Planning and Review (E.O. 12866)

Under Executive Order 12866, the Institute must determine whether the regulatory action is "significant" and therefore subject to OMB review and the requirements of the Executive Order. The Order defines a "significant regulatory action" as one that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

The rule removes a number of outdated regulations and makes technical amendments to reflect Congress' reauthorization of the Institute of Museum and Library Services under The Museum and Library Services Act of 2003, Public Law 108-81 (September 25, 2003). As such, it does not impose a compliance burden on the economy generally or on any person or entity. Accordingly, this rule is not a "significant regulatory action" from an economic standpoint,

and it does not otherwise create any inconsistencies or budgetary impacts to any other agency or Federal Program.

Regulatory Flexibility Act

Because this rule removes outdated regulations and make certain technical amendments, the Institute has determined in Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) review that this rule will not have a significant economic impact on a substantial number of small entities because it simply makes technical amendments and removes outdated regulations.

Paperwork Reduction Act

This rule is exempt from the requirements of the Paperwork Reduction Act, since it removes existing outdated regulations and makes only technical amendments to reflect Congress' reauthorization of the Institute of Museum and Library Services under The Museum and Library Services Act of 2003, Public Law 108-81 (September 25, 2003). An OMB form 83-1 is not required.

Unfunded Mandates Reform Act

For purposes of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. chapter 25, subchapter II), this rule will not significantly or uniquely affect small governments and will not result in increased expenditures by State, local, and tribal governments, or by the private sector, of \$100 million or more as adjusted for inflation) in any one year.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This rule:

a. Does not have an annual effect on the economy of \$100 million or more.

b. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

c. Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

Takings (E.O. 12630)

In accordance with Executive Order 12630, the rule does not have significant takings implications. No rights, property or compensation has been, or will be, taken. A takings implication assessment is not required.

Federalism (E.O. 13132)

In accordance with Executive Order 13132, this rule does not have federalism implications that warrant the preparation of a federalism assessment.

Civil Justice Reform (E.O. 12988)

In accordance with Executive Order 12988, the Institute has determined that this rule does not unduly burden the judicial system and meets the requirements of sections 3(a) and 3(b)(2) of the Order.

Consultation With Indian Tribes (E.O. 13175)

In accordance with Executive Order 13175, the Institute has evaluated this rule and determined that it has no potential negative effects on federally recognized Indian tribes.

National Environmental Policy Act

This rule does not constitute a major Federal action significantly affecting the quality of the human environment.

List of Subjects in 45 CFR Part 1180

Administrative practice and procedure, Government Contracts, Grant programs—education, Grant programs—Indians, Cooperative agreements, Federal aid programs, Grants administration, Libraries, Museums, Nonprofit organizations, Colleges and universities, Report and recordkeeping requirements, Sunshine Act.

Dated: February 2, 2006.

Nancy E. Weiss,

General Counsel, Institute of Museum and Library Services.

■ For the reasons stated in the preamble and under the authority of 20 U.S.C. 9101 *et seq.*, the Institute of Museum and Library Services amends 45 CFR Part 1180 as follows:

PART 1180—GRANTS REGULATIONS

■ 1. The authority citation for 45 CFR Part 1180 is revised to read as follows:

Authority: 20 U.S.C. 9101–9176.

Subpart A [Revised]

■ 2. Revised Subpart A of Part 1180 to read as follows:

PART 1180—GRANTS REGULATIONS**Subpart A—Definitions and Eligibility**

Sec.

- 1180.1 Scope of this part.
- 1180.2 Definition of a museum.
- 1180.3 Other definitions.
- 1180.4 Museum eligibility and burden of proof—Who may apply.
- 1180.5 Related institutions.

1180.6 Basic materials which an applicant must submit to be considered for funding.

Subpart A—Definitions and Eligibility**§ 1180.1 Scope of this part.**

This part establishes rules for the award of grants from funds appropriated under the Museum and Library Services Act, including rules governing the eligibility of applicant institutions, the type of assistance which may be provided, requirements which applicants must meet and criteria to be used in evaluating applications.

§ 1180.2 Definition of a museum.

For the purpose of this part:

- (a) Museum means a public or private nonprofit institution which is organized on a permanent basis for essentially educational or aesthetic purposes and which, using a professional staff:
 - (1) Owns or uses tangible objects, either animate or inanimate;
 - (2) Cares for these objects; and
 - (3) Exhibits them to the general public on a regular basis.

(i) An institution which exhibits objects to the general public for at least 120 days a year shall be deemed to meet this requirement.

(ii) An institution which exhibits objects by appointment may meet this requirement if it can establish, in light of the facts under all the relevant circumstances, that this method of exhibition does not unreasonably restrict the accessibility of the institution's exhibits to the general public.

(b) Museums include, but are not limited to, the following types of institutions, if they otherwise satisfy the provision of this section:

- (1) Aquariums;
- (2) Arboretums;
- (3) Botanical gardens;
- (4) Art museums;
- (5) Children's museums;
- (6) General museums;
- (7) Historic houses and sites;
- (8) History museums;
- (9) Nature centers;
- (10) Natural history and anthropology museums;

(c) For the purposes of this section, an institution uses a professional staff if it employs at least one staff member, or the fulltime equivalent, whether paid or unpaid primarily engaged in the acquisition, care, or exhibition to the public of objects owned or used by the institution.

(d)(1) Except as set forth in paragraph (d)(2) of this section, an institution

exhibits objects to the general public for the purposes of this section if such exhibition is a primary purpose of the institution.

(2) An institution which does not have as a primary purpose the exhibition of objects to the general public but which can demonstrate that it exhibits objects to the general public on a regular basis as a significant, separate, distinct, and continuing portion of its activities, and that it otherwise meets the requirements of this section, may be determined to be a museum under this section. In order to establish its eligibility, such an institution must provide information regarding the following:

(i) The number of staff members devoted to museum functions as described in paragraph (a) of this section.

(ii) The period of time that such museum functions have been carried out by the institution over the course of the institution's history.

(iii) Appropriate financial information for such functions presented separately from the financial information of the institution as a whole.

(iv) The percentage of the institution's total space devoted to such museum functions.

(v) Such other information as the Director requests.

(3) The Director uses the information furnished under paragraph (d)(2) of this section in making a determination regarding the eligibility of such an institution under this section.

(e) For the purpose of this section, an institution exhibits objects to the public if it exhibits the objects through facilities which it owns or operates.

§ 1180.3 Other definitions.

The following other definitions apply in this part:

Act means The museum and Library Services Act, Pub. L. 104–208 (20 U.S.C. 9101–9176), as amended.

Board means the National Museum and Services Board established by The Museum and Library Services Act of 2003, Pub. L. 108–81 (20 U.S.C. 9105a).

Collection includes objects owned, used or loaned by a museum as well as those literary, archival and documentary resources specifically required for the study and interpretation of these objects.

Director means the Director of the Institute of Museum and Library Services.

Foundation means the National Foundation on the Arts and the Humanities.

Grantee means the recipient of a grant under the Act.

Institute or *IMLS* means the Institute of Museum and Library Services established under Section 203 of the Act.

Museum services means services provided by a museum, primarily exhibiting objects to the general public, and including but not limited to preserving and maintaining its collections, and providing educational and other programs to the public through the use of its collections and other resources.

§ 1180.4 Museum eligibility and burden of proof—Who may apply.

(a) A museum located in any of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federal States of Micronesia, and the Republic of Palau may apply for a grant under the Act.

(b) A public or private nonprofit agency which is responsible for the operation of a museum may, if necessary, apply on behalf of the museum.

(c) A museum operated by a department or agency of the Federal Government is not eligible to apply.

(d) An applicant has the burden of establishing that it is eligible for assistance under these regulations.

§ 1180.5 Related Institutions.

(a) If two or more institutions are under the common control of one agency or institution or are otherwise organizationally related and apply for assistance under the Act, the Director determines under all the relevant circumstances whether they are separate museums for the purpose of establishing eligibility for assistance under these regulations. See § 1180.4.

(b) IMLS regards the following factors, among others, as showing that a related institution is a separate museum:

- (1) The institution has its own governing body;
- (2) The institution has budgetary autonomy; and
- (3) The institution has administrative autonomy.

§ 1180.6 Basic materials which an applicant must submit to be considered for funding.

(a) *Application.* To apply for a grant, an applicant must submit the designated application form containing all information requested. Failure to submit information required by the application at the time of filing can subject an applicant to rejection of the application without consideration on its merits.

(b) *IRS letter.* An applicant applying as a private, nonprofit institution must submit a copy of the letter from the Internal Revenue Service indicating the applicant's eligibility for nonprofit status under the applicable provision of the Internal Revenue Code of 1954, as amended.

- 3. Amend § 1180.30 as follows:
 - a. Revise the section heading for § 1180.30 to read as set forth below; and
 - b. Remove the phrase “in the **Federal Register**”.

§ 1180.30 Publication of application notices; content of notices.

* * * * *

- 4. Revise § 1180.31 to read as follows:

§ 1180.31 Information in application notices.

Application notices generally include:

- (a) How an applicant can get an application packet containing detailed information about the program including an application form;
- (b) Where an applicant must send its application;
- (c) The amount of funds for which an applicant may apply;
- (d) Any priorities established by the Institute for that year; and
- (e) A reference to the applicable regulations.

- 5. Amend § 1180.32 as follows:
 - a. Amend paragraph (a) introductory text by removing “deadline” and adding in its place “the deadline”; and
 - b. Add a new paragraph (d) to read as follows:

§ 1180.32 Deadline date for applications.

* * * * *

(d) The Director of IMLS may publish, in applicable application notices and program guidelines, additional ways in which an application can be submitted to the agency electronically.

§ 1180.34 [Removed and Reserved]

- 6. Remove and reserve § 1180.34.

§ 1180.35 [Amended]

- 7. Amend § 1180.35 as follows:
 - a. Amend paragraph (a), (b) introductory text, and (e) introductory text by removing “museums” and adding in its place “applicants”; and
 - b. Amend paragraph (b)(2) by removing “museum” and adding in its place “applicant”;

§ 1180.38 [Removed and Reserved]

- 8. Remove and reserve § 1180.38.

§ 1180.44 [Amended]

- 9. Amended § 1180.44 as follows:
 - a. Remove reserved paragraphs (b) through (c);

- b. Redesignate paragraph (d) as paragraph (b); and
- c. Amend redesignated paragraph (b) by removing “of museums”.

§ 1180.45 [Removed and Reserved]

- 10. Remove and reserve § 1180.45.
- 11. Remove undesignated center heading “RECORDS” from before § 1180.56 and revise § 1180.56 to read as follows:

§ 1180.56 Allowable costs.

(a) Determination of costs allowable under a grant is made in accordance with government-wide cost principles in applicable OMB circulars.

(b) No costs shall be allowed for the purchase of any object to be included in the collection of a museum, except library, literary, or archival material specifically required for a designated activity under a grant under the Act.

- 12. Revise § 1180.57 to read as follows:

§ 1180.57 Use of consultants.

(a) Subject to Federal statutes and regulations, a grantee shall adhere to its general policies and practices when it hires, uses, and pays a consultant as part of the staff.

(b) The grantee may not use its grant to pay a consultant unless:

- (1) There is a need in the project for the services of that consultant; and
- (2) The grantee cannot meet that need through using an employee rather than a consultant.

- 13. Revise § 1180.58 to read as follows:

§ 1180.58 Duration of grants.

The grantee may use grant funds during the period specified in the grant document unless the grant is suspended or terminated. If the grantee needs additional time to complete the grant, the grantee may apply for an extension of the grant period without additional funds. The Director or the Director's designee may approve this extension at his or her discretion.

- 14. Add undesignated center heading “RECORDS” before § 1180.59; and revise § 1180.59 to read as follows:

§ 1180.59 Records related to grant funds.

A grantee shall, in accordance with applicable OMB circulars, keep records that show accurately and in full:

- (a) The amount of funds awarded under the grant;
- (b) The exact uses of the funds;
- (c) The total amount expended under the grant;
- (d) The amount expended under the grant during the grant period provided from non-Federal sources; and

(e) Other records necessary to facilitate an effective audit.

■ 15. Add § 1180.60 to read as follows

§ 1180.60 Records related to compliance.

A grantee shall, in accordance with applicable OMB circulars, keep accurate and full records to show its compliance with specific requirements set forth in the regulations and published notices, or contained in the grant award documents.

■ 16. Add § 1180.61 to read as follows:

§ 1180.61 Records related to performance.

(a) A grantee shall keep records demonstrating the progress and results under the grant and shall provide such records to the Institute upon request.

(b) The grantee shall use the records created pursuant to paragraph (a) of this section to:

(1) Determine progress in accomplishing objectives; and

(2) Revise those objectives, if necessary and authorized under the grant.

■ 17. Revise Subpart D to read as follows:

Subpart D—Museum Conservation Assessment Program

Sec.

1180.70 Guidelines and standards for museum conservation projects.

Subpart D—Museum Conservation Program

§ 1180.70 Guidelines and standards for museum conservation projects.

(a) *Scope.* The guidelines and standards in this subpart apply to all aspects of the IMLS conservation grant program including the submission of applications by museums for conservation grants, to the award, review and approval of such applications by IMLS, and to the carrying out of conservation grants awarded by IMLS.

(b) *Applicability of regulations.*

Except as otherwise provided in these guidelines, subparts A–C of this part, as amended, apply to the IMLS conservation grant program.

(c) *Definition.* As used in these guidelines, the term conservation includes, but is not limited to, the following functions, as applied to art, history, natural history, science and technology, and living collections:

(1) Technical examination of materials and surveys of environmental and collection conditions;

(2) Provision, insofar as practicable, of optimum environmental conditions for housing, exhibition, monitoring, reformatting, nurturing and transportation of objects;

(3) Physical treatment of objects, specimens and organisms, for the purpose of stabilizing, conserving and preserving their condition, removal of inauthentic additions or accretions, and physical compensation for losses; species survival activities; and

(4) Research and training in conservation.

(d) *Applicants.* A museum may apply for and receive only one conservation grant under this program in a fiscal year.

(e) *Types of conservation projects funded.* IMLS considers applications to carry out conservation projects such as:

(1) Projects to develop improved or less costly methods of conservation, or to maintain or improve conservation with respect to one or more collections, including—

(i) Projects involving surveys of conservation needs and

(ii) Projects to establish or maintain optimum environmental conditions.

(2) Projects to conduct research in conservation (including developmental and basic research).

(3) Projects to conduct or obtain training in conservation (including training of persons for careers as professional conservators; training or upgrading of practicing conservators and conservation technicians in the use of new materials and techniques; and training of persons to become conservation technicians).

(4) Projects related to museum conservation needs not regularly addressed by other Federal funding agencies.

(5) Projects to meet the conservation needs of museums which are unable to maintain their own individual conservation facilities. Because grants are made only to museums, organizations which operate regional conservation centers but which are not museums are ineligible for a direct grant. However, a museum or a group of museums may use a grant to obtain services from such a center.

(6) Projects to conserve particular objects in a museum's collection (including plants and animals) or to meet the conservation needs of a particular museum (through such activities as the employment of conservators and the procurement of conservation services or equipment).

(f) *Limits for Federal funding.* (1) The normal amount of a Conservation Project Support grant will be established in the applicable program guidelines. Unless otherwise provide by law, if the Director determines that exceptional circumstance warrant, the Director may award a conservation grant which obligates an amount in Federal funds in excess of the normal maximum award.

IMLS may establish a maximum award level for exceptional project grants for a particular fiscal year through information made available in guidelines or other material distributed to all applicants.

(2) IMLS makes conservation grants only on a matching basis. This means that at least 50 percent of the costs of a conservation project must be met from non-federal funds. Principles in applicable OMB circulars regarding costs sharing or matching apply.

(g) *Application requirements; priorities; survey required in certain cases.* (1) Application requirements in § 1180.6(a) and (b) apply. An application shall describe when, during the term of the grant, the applicant plans to complete each objective or phase of the project. Where appropriate, IMLS may require an applicant to submit a dissemination plan.

(2) The Director, by notice published in the **Federal Register**, may establish priorities with respect to all or part of the funds available to IMLS for conservation for a fiscal year among the types of projects specified in paragraph (e) of this section.

(3) The Director may, to the extent appropriate, require (by instructions in the application materials) that an applicant which proposes a project to conserve particular objects must show that, prior to the submission of the application, it has carried out a general survey of its conservation needs and priorities and that the project in question is consistent with such survey. In exceptional circumstances, the Director may adjust this requirement. The Director may also (through such instructions) require an applicant for a conservation project to submit additional information, material, or undertakings to carry out the purposes of this part.

(h) *Procedures for review of applications* (1) IMLS uses the procedures stated in this paragraph to review applications for conservation projects.

(2) IMLS evaluates all eligible applications for conservation projects in accordance with applicable criteria. (See paragraph (i) of this section.) The Director expects to use panels of experts to review at least a portion of the applications for conservation grants. Depending upon the number of applications received as well as other factors, the Director may also use field reviewers to evaluate applications before submission of applications to the panels. In addition, the Director may use technical experts to provide technical advice regarding certain applications.

(i) *Criteria.* This paragraph sets forth the general criteria which IMLS uses in evaluating and reviewing applications for conservation projects.

(1) The following programmatic criteria apply to the evaluation and review of conservation grants:

(i) What is the importance of the object or objects to be conserved? What is the significance of the object or objects to the museum's collection and/or audience?

(ii) What is the need for the project, including the relationship of the project to the conservation needs and priorities of the applicant museum as reflected in a survey of conservation needs or similar needs assessment?

(iii) What are the applicant's plans to use and maintain the anticipated results or benefits of the project after the expiration of Federal support?

(iv) Does the applicant plan to devote adequate financial and other resources to the project without inhibiting its ongoing activities?

(2) The following technical criteria apply to the evaluation and review of applications for conservation grants:

(i) What is the nature of the proposed project with respect to project design and management plan?

(ii) To what extent does the application exhibit knowledge of the technical area to which the conservation project relates and employ the most promising or appropriate methods or techniques of conservation? To what extent is the conservation project likely to use, develop or demonstrate improved, more efficient, or more economic methods of conservation?

(iii) Does the project have an adequate budget to achieve its purpose? Is the burden reasonable and adequate in relation to the objectives of the project?

(iv) What are the qualifications of the personnel the applicant plans to use on the project and the proposed time that each person is obligated to commit to the project?

(j) *Grant condition.* An applicant which has received a grant in a prior fiscal year under the IMLS conservation grant program may not receive a grant in a subsequent fiscal year under this section until required reports have been submitted regarding the performance of the previous grant.

(k) *Allowable and unallowable costs.*

(1) Section 1180.56 of the IMLS regulations, which applies to conservation grants, sets forth the rules applicable to determining the allowability of costs under IMLS grants and refers applicants and grantees to the OMB circulars containing applicable cost principles which govern Federal grants generally.

(2) In general such costs as compensation for personal services, costs of materials and supplies, rental costs, and other administrative costs specifically related to a conservation project are allowable under a conservation grant in accordance with applicable cost principles.

(3) Costs of alterations, repairs and restoration to an existing facility are allowable when they are related to a conservation project under a conservation grant in accordance with applicable cost principles.

(4) Costs of equipment are generally allowable if related to a conservation project but do require specific approval as indicated in the grant award document.

(5) A grantee may award a stipend to an individual for training in connection with a conservation project.

(6) Costs of new construction are unallowable. For example, a museum may not use a conservation grant to construct a new building or an addition to an existing building to improve the environment in which its collections are housed.

Subpart E—[Removed]

■ 18. Remove subpart E—Assistance to Professional Museum Organizations, consisting of §§ 1180.77 through 1180.78.

Subpart F—[Removed]

■ 19. Remove reserved subpart F.

Subpart G—[Removed]

■ 20. Remove subpart G—Meetings of the National Museum Services Board, consisting of §§ 1180.80 through 1180.91.

Appendix A to Part 1180 [Removed]

■ 21. Remove Appendix A to Part 1180.

[FR Doc. 06-1124 Filed 2-7-06; 8:45 am]

BILLING CODE 7036-01-M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

45 CFR Part 1182

3137-AA17

Institute of Museum and Library Services; Implementation of the Privacy Act of 1974

AGENCY: Institute of Museum and Library Services (IMLS), NFAH.

ACTION: Final rule.

SUMMARY: The Institute of Museum and Library Services (Institute) has amended

its Privacy Act regulations to reflect administrative changes at the agency and to conform to the President's Memorandum of June 1, 1998—Plain Language in Government Writing. These regulations establish procedures by which an individual may determine whether a system of records maintained by the Institute contains a record pertaining to him or her; gain access to such records; and request correction or amendment of such records. These regulations also establish exemptions from certain Privacy Act requirements for all or part of certain systems of records maintained by the Institute.

EFFECTIVE DATE: February 2, 2006.

FOR FURTHER INFORMATION CONTACT:

Nancy E. Weiss, General Counsel, Institute of Museum and Library Services, 1800 M Street, NW., Ninth Floor, Washington, DC 20036. E-mail: nweiss@imls.gov. Telephone: (202) 653-4787. Facsimile: (202) 653-4625.

SUPPLEMENTARY INFORMATION: The Institute operates as part of the National Foundation on the Arts and the Humanities under the National Foundation on the Arts and the Humanities Act of 1965, as amended (20 U.S.C. 951 et seq.) The corresponding regulations published at 45 CFR Chapter XI, Subchapter A apply to the entire Foundation, while the regulations published at 45 CFR Chapter XI, Subchapter E apply only to the Institute. The proposed rule was published by the Institute in the **Federal Register** on November 23, 2005. The Institute received no comments suggesting changes to the text of the rule.

This final rule adds Privacy Act regulations to Subchapter E (45 CFR part 1182), replacing the existing regulations in Subchapter A (45 CFR part 1115) with regard to the Institute. The new regulations provide additional detail concerning several provisions of the Privacy Act, and are intended to increase understanding of the Institute's Privacy Act policies. The Institute is authorized to propose the new regulations under 5 U.S.C. 552a(f) of the Privacy Act.

I. Matters of Regulatory Procedure

Regulatory Planning and Review (E.O. 12866)

Under Executive Order 12866, the Institute must determine whether the regulatory action is "significant" and therefore subject to OMB review and the requirements of the Executive order. The Order defines a "significant regulatory action" as one that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a