would require coordination with the contracting office prior to issuance.

Section 600.10 Form and content of applications would be amended to eliminate the requirements pertaining to preapplication content because DOE programs rarely require preapplication submissions. If needed by DOE, the solicitation itself would describe to potential applicants the information required in a preapplication based on specific program needs.

Section 600.11 *Intergovernmental review* would be remain the same.

Section 600.12 *Generally applicable requirements* would be revised for simplicity and clarity.

Section 600.13 Application deadlines would be deleted as being too rigid as a general rule covering all financial assistance applications. Instead, the simplified requirement covered in 600.8 under solicitations specifies that a solicitation must include information specifying due dates and a statement describing the consequences of late submission.

Section 600.14 Unsolicited applications would be deleted and the procedures for noncompetitive financial assistance covered in Section 600.6 procedures will be used. The criteria for acceptance of an unsolicited application would not be changed.

Section 600.15 *Notice of program interest* would be renumbered 600.10 and the coverage revised to eliminate the requirement that a notice contain all the information included in a solicitation.

Section 600.16 *Objective merit review* would be renumbered 600.13 and revised to allow more program office discretion in setting up a system provided the basic standards of a merit review system are met.

Section 600.17 *Conflict of interest* would be renumbered 600.14.

Section 600.18 Authorized uses of information would be renumbered 600.15 and the definitions section deleted as unnecessary.

Section 600.19 Application evaluation and selection would be eliminated since the process is covered under objective merit review.

Section 600.20 Legal authority and effect of an award would be renumbered 600.16 and paragraph (b) eliminated since it is an internal administrative material and not a regulatory requirement.

Section 600.21 *Contents of award* would be renumbered 600.17 and the essential parts of an award document summarized in a short paragraph.

Section 600.22 Recipient acknowledgement of award would be

renumbered 600.18 and reduced to the basic requirements.

Section 600.23 Notification to unsuccessful applicants would be renumbered 600.19 and the requirement stated more concisely.

Section 600.24 *Maximum DOE* obligation would be renumbered 600.20.

Section 600.25 Access to records would be renumbered 600.21 and changed to cross-reference the Governmentwide coverage contained in Subparts B and C.

Section 600.26 *Disputes and appeals* would be renumbered 600.22 and language added to cover alternative dispute resolution.

Section 600.27 Debarment and suspension would be renumbered 600.23.

Section 600.28 *Noncompliance* would be renumbered 600.24.

Section 600.29 Suspension and termination would be renumbered 600.25.

Section 600.30 *Responsible applicant* would be deleted since it doesn't add requirements that are not covered elsewhere.

Section 600.31 Funding would be renumbered 600.26 and the limitations related to 12-month budget periods removed so that budget periods can be more easily tied to meaningful performance phases or activities. Also, provisions regarding retroactive extensions would be deleted since they establish an unnecessary restriction on actions which are within a contracting officer's authority to approve or disapprove on a case-by-case basis.

Section 600.32 Calculation of award would be eliminated since it provides instructions to DOE contracting officials which do not need to be in a regulation. Provisions of interest to recipients pertaining to excess funds notifications and unobligated balances are already covered under the Governmentwide requirements in Subparts B and C.

Section 600.33 Patents, data and copyrights would be renamed "Patent and Data Provisions" and renumbered as 600.27. The patent, data and copyrights requirements for grant and cooperative agreement awards have been streamlined and have been revised to be consistent with the Department's recent updating of patent regulations for contracts (60 FR 11812).

Section 600.34 *New restrictions on lobbying* would be renumbered 600.28, renamed, and cross-reference the lobbying rules at 10 CFR 601.

A new Section 600.29 *Fixed* obligation awards would be added to give DOE the flexibility to make small dollar (\$100,000 or less) financial assistance awards on a fixed amount

basis where there is certainty about the costs and the project accomplishments are readily discernable such as, conferences, workshops, equipment, and travel. This type of award would reduce the administrative requirements placed on recipients and reduce the administrative burden for both DOE and recipients. Fixed obligation awards have been previously authorized by a class deviation from 10 CFR Part 600 which is now being superseded by these provisions.

In Section 600.112 Forms for applying for Federal assistance of Subpart B, paragraph (c) would be revised by changing the cross-references in the parenthetical phrase "(See Section 600.31 (b) and (c))" to read "(See Section 600.26 (b) and (c))."

Section 600.136 Intangible property of Subpart B would be revised to cross-reference the new Section 600.27 and to clarify the coverage for commercial organizations.

Section 600.306 *Cost sharing* of Subpart D would be renumbered 600.30 and applied to grants as well as cooperative agreements since choice of financial assistance instrument is irrelevant to the basic policy of requiring cost sharing for research, development, and demonstration projects.

Subpart D *Cooperative Agreements* would be removed and Subpart E *Audits of State and Local Governments* would be redesignated as Subpart D.

Sections 600.402, 600.403, 600.405, and 600.415 of Subpart E would be amended to correct the references resulting from the proposed streamlining changes.

IV. Review Under Executive Order 12612

Executive Order 12612 requires that regulations, rules, legislation, and any other policy actions be reviewed for any substantial effects on States, on the relationship between the Federal Government and the States, or in the distribution of power and responsibilities among various levels of Government. If there are sufficient substantial direct effects, then the Executive Order requires preparation of a federalism assessment to be used in all decisions involved in promulgating and implementing a policy action. Today's proposed rule would revise certain policy and procedural requirements. However, DOE has determined that this rulemaking will not have a substantial direct effect on the institutional interests or traditional functions of States.