paragraphs (c) (13) and (14) to read as follows:

§ 3411.4 How to apply for a grant. (c) * * * (1) Application for Funding form.

(4) Facilities and equipment. * * * In addition, requested items of nonexpendable equipment necessary to conduct and successfully conclude the proposed project should be listed (including dollar amounts), and, if funds are requested for their acquisition, justified on a separate sheet of paper and attached to the budget.

(8) *Budget.* * * * Equipment grants may not exceed 50 percent of the cost of the equipment to be acquired. Equipment grant funds also may not be used for installation, maintenance, warranty, or insurance expenses. Indirect costs are not permitted on Equipment grants.

(9) Research involving special considerations.

(i) Recombinant DNA and RNA *molecules.* * * * In the event a project involving recombinant DNA and RNA molecules results in a grant award, a qualified Institutional Biosafety Committee must approve the research before CSREES funds will be released.

(ii) Human subjects at risk. * * * In the event a project involving human subjects results in a grant award, funds will be released only after a qualified Institutional Committee has approved the project.

(iii) Experimental vertebrate animal. * * In the event a project involving the use of living vertebrate animals results in a grant award, funds will be released only after a qualified

Institutional Animal Care and Use Committee has approved the project.

(13) National Environmental Policy Act. As outlined in CSREES's implementing regulations of the National Environmental Policy Act of 1969 (NEPA) at 7 CFR Part 3407, environmental data or documentation for the proposed project is to be provided to CSREES in order to assist CSREES in carrying out its responsibilities under NEPA. These responsibilities include determining whether the project requires an Environmental Assessment or an Environmental Impact Statement or whether it can be excluded from this requirement on the basis of several categorical exclusions listed in 7 CFR Part 3407. In this regard, the applicant should review the categories defined for exclusion to ascertain whether the proposed project may fall within one or more of the exclusions, and should indicate if it does so on the National **Environmental Policy Act Exclusions** Form (Form CSRS-1234) provided in the NRICGP Application Kit.

(14) Even though the applicant considers that a proposed project may fall within a categorical exclusion, CSREES may determine that an Environmental Assessment or an Environmental Impact Statement is necessary for a proposed project should substantial controversy on environmental grounds exist or if other extraordinary conditions or circumstances are present that may cause such activity to have a significant environmental effect.

9. Newly redesignated section 3411.6 is amended by adding paragraph (f) as follows:

§3411.6 Grant awards.

* * * *

(f) Current Research Information Service (CRIS). For each project funded, CRIS Form AD-416, "Research Work Unit/Project Description-Research Resume'' and CRIS Form AD-417, "Research Work Unit/Project Description-Classification of Research" and specific instructions for their completion will be sent to the grantee for completion and return. Grant funds will not be released until the completed forms are received in CSREES.

10. Newly redesignated section 3411.8 is amended by adding the following additional applicable regulation:

§3411.8 Other Federal statutes and regulations that apply. *

* *

7 CFR part 3051-Audits of Institutions of Higher Education and Other Nonprofit Institutions.

11. Newly redesignated section 3411.12 is amended by redesignating the current paragraph as paragraph (a) and by adding a new paragraph (b) as follows:

§3411.12 Conflicts of Interest.

*

(b) Reviewers may not review proposals submitted by institutions or other entities with which they have an affiliation or in which they have an interest. For the purposes of determining whether such a conflict exists, an institution shall be considered as an organization if it possesses a significant degree of academic and administrative autonomy, as specified in the annual program solicitation.

Done at Washington, D.C., this 1st day of December 1995.

Colien Hefferan.

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Acting Administrator, Cooperative State Research, Education, and Extension Service. [FR Doc. 95-29787 Filed 12-7-95; 8:45 am] BILLING CODE 3410-22-M