

LEGAL SERVICES CORPORATION**45 CFR Parts 1610 and 1611****Use of Funds From Sources Other Than the Corporation; Eligibility****AGENCY:** Legal Services Corporation.**ACTION:** Withdrawal of Proposed Rules.

SUMMARY: This document withdraws proposed amendments to regulations which govern recipients' use of non-LSC funds and which set guidelines for eligibility for LSC-funded legal assistance. This withdrawal is intended to reflect congressional intent that LSC grantees not be subject to any amendments to these regulations that were not in operational effect on October 1, 1988.

DATES: The proposed rules are withdrawn on April 21, 1993.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION: On January 3, 1989, the Legal Services Corporation published proposed revisions to 45 CFR part 1610 on use of non-LSC funds, 54 FR 46 (Jan. 3, 1989); and to 45 CFR part 1611 on eligibility, 54 FR 48 (Jan. 3, 1989). Public comments were received and considered. The LSC Board of Directors ("Board") Committee on Operations and Regulations ("Committee") held public hearings on the proposed regulations at its meeting in Atlanta, Georgia, on March 2, 1989, and in Alexandria, Virginia, on April 13, 1989. At the Virginia meeting, the Committee voted to recommend to the LSC Board the proposed revisions with amendments. On April 14, 1989, the Board voted to accept the committee recommendations.

The amendments were never published as final, largely due to a congressional prohibition against their implementation that first appeared in LSC's Fiscal Year 1990 appropriations act, Pub. L. 101-162, 103 Stat. 1036-37 (1989). This prohibition, which has been retained in all subsequent

appropriations acts for LSC, provides that LSC grants and contracts shall not be subject to any amendments to regulations relating to the use of private funds (45 CFR parts 1610 and 1611) that were not in operational effect on October 1, 1988. See Pub. L. 102-395, 106 Stat. 1875 (1992), incorporating Pub. L. 101-515, 104 Stat. 2153 (1990).

Due to the consistent use of this restriction in LSC's appropriations acts, the Corporation gave notice of and requested public comment on its proposal to withdraw the proposed revisions to the rule as published at 54 FR 46 (Jan. 3, 1989) and 54 FR 48 (Jan. 3, 1989). See 57 FR 33698 (July 30, 1992).

LSC received and reviewed written public comments. In addition, public hearings were held variously by the Committee and the Board in Minneapolis, Minnesota (Sept. 24, 1992), Washington, DC (October 19, 1992), Lake Buena Vista, Florida (December 7, 1992), Washington, DC (Jan. 29, 1993) and Phoenix, Arizona (February 22, 1993).

The Board voted on February 22, 1993, to withdraw the proposed amendments to the rules in order to conform to Congress' intent that LSC grants and contracts not be subject to any amendments to regulations relating to the use of private funds (45 CFR parts 1610 and 1611) that were not in operational effect on October 1, 1988. Therefore, for the foregoing reasons, LSC is withdrawing the proposed amendments to the rules as published at 54 FR 46 (Jan. 3, 1989) and 54 FR 48 (Jan. 3, 1989).

Dated: April 14, 1993.

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General Counsel.

[FR Doc. 93-9077 Filed 4-20-93; 8:45 am]

BILLING CODE 7050-01-P

RECEIVED APR 23 1993