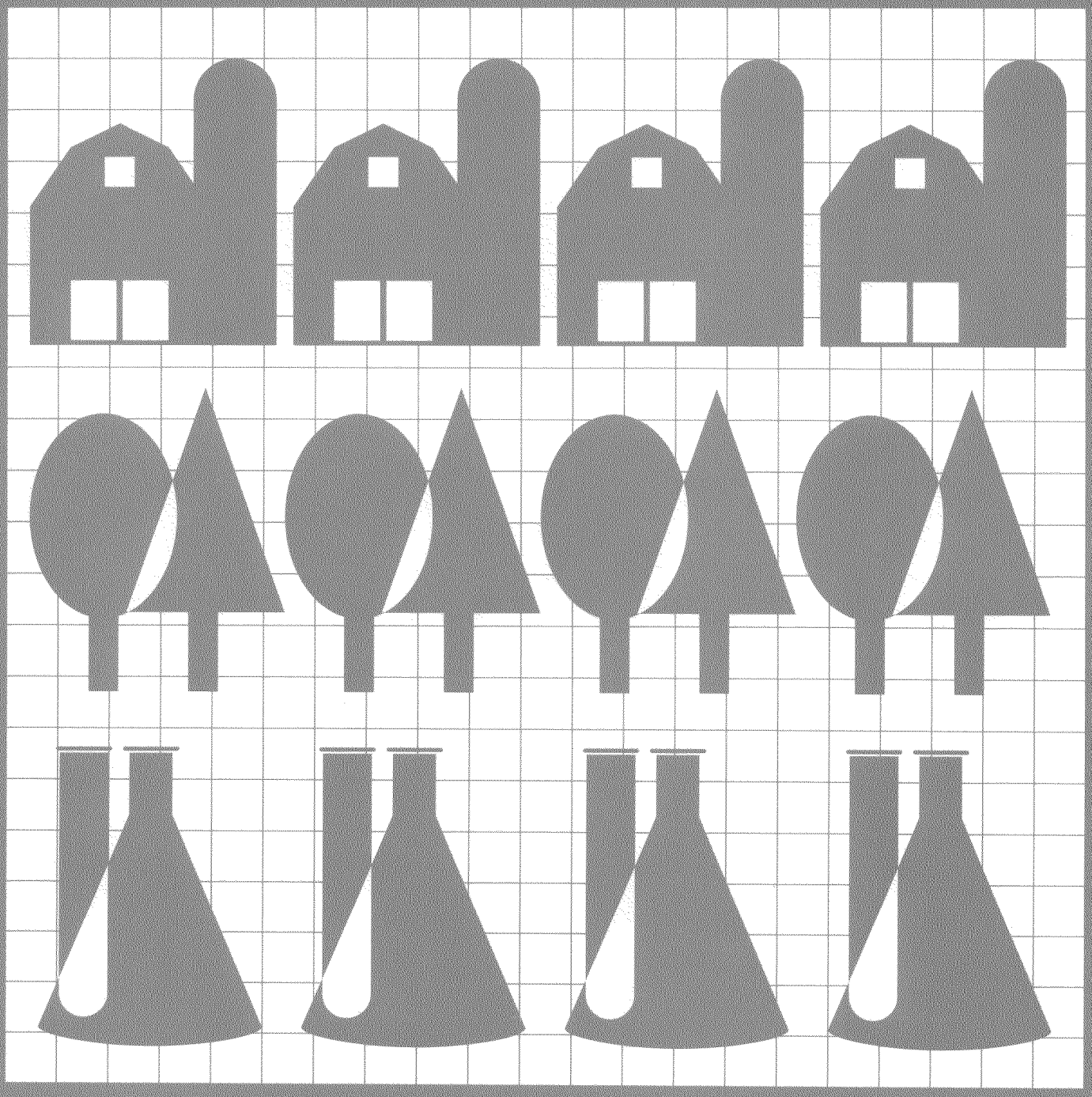
United States
Department of
Agriculture

Cooperative State
Research, Education,
and Extension Service

Administrative Manual for the Hatch (Experiment Station) Act as Amended



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ADMINISTRATIVE MANUAL FOR THE HATCH RESEARCH PROGRAM

A. GENERAL REQUIREMENTS

1. Purpose

This manual sets forth administrative guidelines governing the use of funds allocated to the States under the provisions of the Hatch Act of 1887, as amended (7 U.S.C. 361a-i) (Appendix A, Hatch Act) for the conduct of agricultural research by the State Agricultural Experiment Stations. This manual supersedes the "Administrative Manual for the Hatch (Experiment Station) Act as Amended, Science and Education Administration, Agricultural Handbook 381, November, 1980.

2. Applicability of General Provisions and Regulations

Except as otherwise provided herein, funds allotted under the Hatch Act are subject to the provisions of 7 CFR Part 3015 (Appendix B, 7 CFR 3015) and OMB Circular A-21 (Appendix E).

3. Definitions

a. The term "Administrative Project" means a component of the Eligible Institution's Research Program specifically authorizing expenditure of Hatch funds for research planning, and other activities directly associated with the effective administration and direction of the Hatch program.

b. The term "Approved Project" means a research or administrative project for which documentation has been submitted and approved by the Cooperative State Research Service (CSRS) for the expenditure of Hatch funds.

c. The term "Committee of Nine" means the committee of nine persons, elected by and representing the directors of the State Agricultural Experiment Stations and approved by the Secretary of Agriculture, established pursuant to the provisions of 7 U.S.C. 361c(c)3. to recommend projects to be funded by Regional Research Funds.

d. The term "Cooperative State Research Service (CSRS)" means an agency of the United States Department of Agriculture that administers Federal funds appropriated for forestry and agricultural research at State Agricultural Experiment Stations, Forestry Schools, 1890 Universities and Tuskegee University, and selected Veterinary Schools.

e. The term "Current Research Information System (CRIS)" refers to an automated system for storing and retrieving information on current research sponsored or conducted by the USDA, State Agricultural Experiment Stations, Forestry Schools, 1890 Institutions and Tuskegee University, Schools of Veterinary Medicine and other institutions receiving Competitive or Special Grants.

f. The term "Department of Agriculture" means the United States Department of Agriculture.

g. The term "Director" means the chief administrative officer of the State Agricultural Experiment Station.

h. The term "Eligible Institution" means State Agricultural Experiment Stations of the 1862 land grant Universities in each of the 50 states, Guam, the Virgin Islands, Puerto Rico, the District of Columbia, American Samoa, Micronesia and Commonwealth of the Northern Mariana Islands.

i. The term "Fiscal Year" means the period of 12 months from October 1 of each year through September 30 of the following year.

j. The term "Hatch Act" means the Hatch Act of March 2, 1887, as amended (7 U.S.C. 361a-361i).

k. The term "Hatch funds" means those funds appropriated by Congress to be distributed to the States in accordance with the formula prescribed by 7 U.S.C. 361c(b), 361c(c)1, and 361c(c)2, subject to the matching requirements of 7 U.S.C. 36lc(d).

l. The term "Legal Custodian" means the Treasurer or other officer appointed by the Eligible Institution to receive and account for all allotments of Hatch funds.

m. The term "Letter of Authorization" means a certified authorization under which allocations of Hatch funds are made available to an Eligible Institution for immediate disbursement needs in accordance with the provisions of Treasury Circular No. 1075.

n. The term "Manual for Cooperative Regional Research" means the document published by Cooperative State Research Service to guide in the development and conduct of the Regional Research program. The document identification is CSRS-OD-1082.

o. The term "Matching Funds" means non-Federal funds and the value of qualified in-kind contributions made available for research and for the establishment and maintenance of facilities necessary for the prosecution of such research as required by 7 U.S.C. 361c(d).

p. The term National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended, means Title XIV of the Food and Agriculture Act of 1977, 7 U.S.C. 1281, P. L. 95-113.

q. The term "Regional Project" means a project which is recommended by the Committee of Nine and approved by CSRS for expenditure of Hatch Regional Research Funds.

r. The term "Regional Research Funds" means those funds appropriated by Congress to be allotted in accordance with the provisions of 7 U.S.C. 361c(c)3.

s. The term "Research Program" or "Hatch Research Program" means a set of approved projects which defines the research to be conducted by an Eligible Institution with Hatch fund support within a given fiscal year.

t. The term "Research Project" means a component of the Eligible Institution's Research Program having specific objective(s), defined research procedures, specific date of initiation, and a projected date of completion.

u. The term "Revised Project" means a CSRS approved revision of an approved project.

v. The term "Secretary" means the Secretary of Agriculture of the United States Department of Agriculture.

w. The term "State" or "States" for purposes of the Hatch Program means the 50 United States, Guam, the Virgin Islands, Puerto Rico, the District of Columbia, American Samoa, Micronesia, and Northern Mariana Islands.

x. The terms "State Agricultural Experiment Station" and "Station" mean an organization established under direction of the college or university or agricultural departments of the college or university in each State in accordance with the act approved July 2, 1862 (7 U.S.C. 301 et seq.); or such other substantially equivalent arrangements as any State shall determine.

y. The term "State Funds" means all funds which the State makes available from non-Federal sources for agricultural research performed by the Eligible Institution.

B. POLICY

1. General

The scope of agricultural research which may be conducted under the Hatch Act is very broad. It includes research on all aspects of agriculture, including soil and water conservation and use; plant and animal production, protection, and health; processing, distributing, safety, marketing, and utilization of food and agricultural products; forestry, including range management and range products, multiple use of forest and rangelands, and urban forestry; aquaculture; home economics and family life, human nutrition; rural and community development; sustainable agriculture; molecular biology; and biotechnology. Research may be conducted on problems of local, State, regional, or national concern.

State Agricultural Experiment Stations are expected to propose and conduct research projects, supported with Hatch formula and matching funds, which comply with the purposes of the Hatch Act and the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended, which have relevance to the special conditions and needs of the respective States. Consideration of the priorities and objectives of the Joint Council on Food and Agricultural Sciences and the National ESCOP/CSRS Strategic Plan is to be included in the project selection process. To maximize the research effort, States and parent institutions are encouraged to supplement Federal allotments and the required State matching funds whenever possible.

2. Cooperative State Research Service (CSRS)

The Secretary of Agriculture is responsible for the proper administration of the provisions of the Hatch Act. This function has been delegated to the Cooperative State Research Service.

Among the responsibilities of CSRS are the following:

a. Issuing necessary administrative guidelines;

b. Allocating funds to the Eligible Institution;

c. Ensuring that Hatch and matching funds are utilized to carry out the purposes of the Hatch Act; and

d. Providing advice and assistance to the Eligible Institution as necessary to promote the purposes of the Hatch research program.

3. State Agricultural Experiment Stations

State Agricultural Experiment Stations authorized to receive funds under the Hatch Act must have a chief administrative officer who carries the title of Director. The Director shall be responsible to the head of the institution with which the station is affiliated and to its governing body within the State. They shall not be considered a Federal employee for any purpose.

The responsibilities of the Director include the following:

(a) Determining the research to be conducted by the station using Hatch funds subject to the approval of CSRS and matching State funds.

(b) Utilizing Hatch funds and matching State funds for carrying out the purposes of the Hatch Act. All appropriate documents authorizing expenditure of these funds shall bear the signature of the Director or his designee.

(c) Complying with the rules and regulations applicable to the conduct of the Hatch research program.

4. Legal Custodian

Each Eligible Institution shall have a legal custodian or other officer appointed by the governing board of the station to receive and account for all Hatch funds allocated to the institution. On or before December 31 of each year, the legal custodian with the approval of the Director shall report receipts and disbursements of Hatch funds to the Secretary of Agriculture on Standard Form 269 (Appendix L, Financial Reports) and according to 7 CFR 3015.82 (Appendix B).

C. PROGRAM ADMINISTRATION

1. Annual Research Program Development and Operations

To receive its annual allocation of Hatch funds, each Eligible Institution must first submit its annual research program to CSRS for approval. This research program is due in CSRS by August 15 of each year for the fiscal years starting in October. An Eligible Institution's annual Research Program shall consist of a listing of all approved projects including administrative projects and regional research projects which will be supported by Hatch funds during the year. To facilitate the process, CSRS will provide each Eligible Institution with computer listings of 1) current projects which have received agency approval, 2) new projects currently in the approval/review process and 3) projects that have exceeded their estimated completion date but for which a termination report (CRIS Form AD-421) has not been received. The current project listing will serve as the annual research program document with the appropriate additions, deletions and/or corrections.

In addition, a certification that sufficient State funds are available to meet matching requirements of 7 U.S.C. 361(c)d is required.

Upon receipt of station research programs, CSRS will review their content for compliance with the Hatch Act. An approved Research Program and an approved certification of matching funds will serve as the basis upon which Hatch funds will be provided by Letter of Authorization. When deficiencies in a proposed Research Program are found, CSRS may approve a portion of the Program thereby permitting funds to be released for the funding of the approved segment only. The balance of the Program may be approved as the identified deficiencies are corrected.

An annual Research Program may be revised at any time during the fiscal year upon written request to CSRS. In view of the continuing nature of the Hatch Act and its Research Program, funds are allocated on a program basis and individual project budgets are not required to be submitted for CSRS approval. Accordingly, require-ments of 7 CFR 3015.110 (Appendix B) regarding revision of financial plans are not applicable to the Hatch Research Program. However, the following requirements must be observed:

a. All projects on which it is proposed to expend Hatch formula funds during the fiscal year must be identified on the annual Research Program.

b. All projects on which it is proposed to expend Regional Research Funds during the fiscal year must be identified on the annual Research Program.

c. The approved Hatch and Regional Research projects included in an approved annual Research Program constitute the Research Program upon which Hatch funds may be expended.

d. Hatch formula funds may be assigned or reassigned to approved Hatch projects at the discretion of the Director.

e. New projects, project revisions, or project extensions, when approved, will automatically be added by CSRS to the approved annual Research Program as of the effective date as indicated on CSRS Form 166 (Appendix O).

f. Allocations of Regional Research Funds to specific Regional Research projects are recommended by the Committee of Nine and approved by CSRS. Interinstitutional transfer of allocated Regional Research Funds requires appropriate recommendations and approval action by the Committee of Nine and CSRS, respectively. Individual Directors may reassign Regional Research Funds to approved Regional projects within their respective stations, provided CSRS is promptly notified of each transfer. This provision for transfer within an institution does not apply to transfer of Trust Funds or similarly restricted funds, except as specifically authorized by the Committee of Nine and CSRS.

2. Submission and Review of Proposed Projects

a. Project Proposals

An example of a flow plan for project review and approval is found in Appendix J. Project proposals shall be written in the format set forth in Appendix F - "Essentials of a Project Proposal", and shall be supported by a certification that the project proposal was developed pursuant to the Eligible Institution's approved procedure. Project proposals may be submitted to CSRS for approval at any time.

b. Project Approval Procedures

-- Merit Review

The Eligible Institution shall have the primary responsibility for determining the need, priority, and scientific feasibility of the projects proposed. Each Director, therefore, shall develop a procedure, subject to CSRS approval. for project documentation, merit review, and selection. This procedure should assure that the research project proposals are scientifically sound, relevant to society's agricultural and food needs, not duplicative of efforts undertaken elsewhere, and have been evaluated in terms of the National priorities.

A merit review process for Hatch research proposals at a participating institution should accomplish the following:

1. Insure completeness of project proposal (all items in Appendix F should be included).
2. Evaluate relevance of the proposed research.
3. Evaluate quality and scientific value of the proposed research.
4. Consider opportunities for cooperation with other individuals or units.
5. Provide opportunity for the project leader to interact with reviewers and make adjustments as appropriate.
6. Provide CSRS with an indication, project by project, that the process was followed.

--CSRS Review

To ensure compliance with the purposes of the Hatch Act and the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended, and to provide technical assistance where appropriate, each project to be funded with Hatch funds, including administrative projects, must be approved by CSRS before inclusion in the Eligible Institution's Research Program and expenditure of Hatch funds thereon.

1. CSRS will review project proposals for compliance with the provisions of the Hatch Act. CSRS will review project proposals for scientific and technical adequacy, when an Eligible Institution has not provided an adequate system for internal documentation and merit review. CSRS will also review classification coding of projects as they are approved to insure accurate identification and recording of those that address National research priorities.

2. Along with the project proposal. the following forms must be completed and submitted to CSRS:

   - transmittal letter with merit review statement
   - CRIS Form AD-416, (Appendix H)
   - CRIS Form AD-417, (Appendix H)
   - CSRS Form 662 "Assurance Statements", (Appendix I)

3. CSRS will notify the Director of approval or disapproval of each proposed project and of any deficiencies which preclude approval.

4. Hatch funds may be expended on a project as of the effective date as indicated on CSRS Form 166 (Appendix O). Appropriate amendment of the

Eligible Institution's annual Research Program will be made by CSRS.

c. Life of Project -- Extensions

Hatch formula funded projects will be approved for periods not exceeding five years. Eligible Institutions may extend the life of a project for not more than one year beyond the approved estimated completion date by including the project on the annual Research Program for the succeeding year, or a letter extending the project for one year. To continue the research for more than one year beyond the approved estimated completion date, written justification for each project must be submitted. Disapproval of any proposed extension, and the reasons therefore, will be provided by CSRS to the concerned Director in writing. Upon receipt of notice of disapproval, the Director shall stop expenditure of Hatch funds on the project.

3. Projects Supported with Regional Research Funds

The Regional Research Fund (RRF) is authorized specifically for research "in which two or more State Agricultural Experiment Stations are cooperating to solve problems that concern the agriculture of more than one State". State Agricultural Experiment Stations, U.S. Department of Agriculture research agencies, and other public agencies may cooperate on problems of broad interest by pooling their physical resources and technical knowledge.

Projects to receive Regional Research Fund support are recommended by the Committee of Nine and approved by CSRS in accordance with guidelines established in the "Manual for Cooperative Regional Research", copies of which may be obtained from CSRS upon request.

No project contributing to a Regional Research project may be approved as part of an annual research program for a station until the station's participation in a Regional Research project has been documented and approved in accordance with procedures established in the "Manual for Cooperative Regional Research."

A research effort begun as a part of a Regional project may be extended as a Hatch formula-funded project for 1 year beyond the termination date of the Regional project by including the project on the annual Research Program. If there is a need to continue the research beyond one additional year, a new project must be submitted in accordance with the station's regular procedure for Hatch funded projects.

D. FINANCIAL ADMINISTRATION

1. Planning and Direction

Hatch funds may be used to pay the necessary expenses of administrative planning and direction of research which is to be supported by Hatch funds. Likewise, such funds may be used in paying the necessary expenses involved in planning research authorized under the Hatch Act in cooperation with other appropriate agencies and individuals that may contribute to the planning process. Separate administrative projects designed to provide for the payment of the costs of such administrative planning and direction shall be transmitted to CSRS for approval and included in the Eligible Institution's Research Program. Only State Agricultural Experiment Stations established in accordance with the provisions of the Hatch Act are eligible

to receive Hatch funds.

2. **Obligations Limited to the Fiscal Year**

Obligations incurred by an Eligible Institution in any one fiscal year to be paid from Hatch funds cannot exceed the amounts allocated to the station for that year. Hatch funds are available for obligation only during the fiscal year for which appropriated. The accounts are closed for obligation on September 30. Funds obligated as of that date which represent unliquidated (unpaid) obligations remain available for subsequent payment. Any unobligated balance shall be deducted from the next succeeding annual allotment.

3. **Regional Research Fund Allotments**

Regional Research Fund allotments are available only for expenditure in support of regional research projects recommended by the Committee of Nine and approved by CSRS. See Manual for Cooperative Regional Research, CSRS-OD-1082 for details.

4. **Matching Requirements**

The matching requirements of the Hatch Act are set out in 7 U.S.C. 361c(d) and reported on the Certification of Offset and Entitlement form (Appendix N).

7 CFR 3015.50-56 (Appendix B) prescribes the standards applicable to determining the allowability of cash and in-kind contributions for matching. The Hatch program is exempt from the indirect cost provisions of OMB Circular A-21 (Appendix E). Accordingly, indirect costs are not allowable as contributions in satisfying the matching requirements.

Directors may, at their discretion, expend matching funds to support research projects approved and/or to support other research projects and facilities which fall within its purposes of the Hatch Act. In the event that a Director elects to expend all or a part of the matching funds on a research project which has not received prior approval in CSRS, the decision to do so should be supported by (1) evidence that the project has cleared the Eligible Institution's approved procedure for project documentation, scientific review, and selection, and (2) the project furthers the objectives of the Hatch Act. Matching funds may not be expended on research projects which have been disapproved by CSRS for the expenditure of Hatch funds.

Funds obtained under Section 7 U.S.C. 361c(c)3 of the Hatch Act, designated the "Regional Research Fund, State Agricultural Experiment Stations", need not be matched with expenditures of non-Federal funds.

The Hatch Act provides for the reapportionment of Hatch formula funds which are not matched. The reapportionment of unmatched funds shall be made to other states on the basis of the distribution formula for Hatch Act funds.

5. **Financial Management and Accounting Operations**

The standards for financial management systems applicable to the recipients of Hatch funds are prescribed in 7 CFR 3015.60-61 (Appendix B). Accountability shall be based on the total annual Hatch program conducted by each station, rather than on individual projects. Accordingly, Directors may assign or reassign formula funds to projects included in the Station's approved Research Program as necessary to carry out the research objectives. Examinations in the form of audits or internal

audits are required to occur not less than every two years. Generally, such examinations conducted on a university wide basis to test the fiscal integrity of financial transactions, as well as compliance with the terms and conditions of Federal grants and other agreements, will meet the requirements of 7 CFR 3015.77 (Appendix B).

6. Payment Requirements

The standards prescribed by 7 CFR 3015.100-105 (Appendix B) shall apply to the Hatch program.

All stations that meet the minimum annual funding level for issuance of a Letter of Authorization will receive Hatch payments via the Department of Health and Human Services-Payment Management System (DHHS-PMS). A Letter of Authorization for each fiscal year's research program will be issued effective October 1 in an amount equal to the first quarter's payment. It will be amended quarterly to reflect subsequent quarterly payments in accordance with the provisions of the Hatch Act. It may include payments authorized under other CSRS programs, in which the amounts available for each program will be specified. See Appendix K for further information on the DHHS-PMS. Requests for payment under the DHHS-PMS should be timed to meet immediate disbursement needs. In addition, a copy of the CSRS-OD-1088, Distribution of Hatch Act Funds will be sent to all Eligible Institutions during the first quarter of each fiscal year.

7. Program Income

The standards prescribed by 7 CFR 3015.40-46 (Appendix B) are applicable to income related to projects financed in whole or in part with Hatch funds, except as provided below:

a. Royalties received from copyrights or patents resulting from research conducted with Hatch funds are not considered to be program income and represent no obligation to the Federal Government.

b. Proceeds from the sale of real and/or personal property purchased in whole or in part with Hatch funds should be handled in accordance with Section E of this Manual.

c. All other program income shall be retained by the stations and used to further Hatch program objectives.

d. Generally, program income resulting from Hatch research will not be acceptable for use as matching funds.

8. Allowable Costs

-- General

Requisitions, vouchers, schedules, or other evidence presented to the legal custodian for payment shall bear the signature of the station Director or his designee. The cost principles prescribed by OMB Circular A-21 (Appendix E) are applicable for determining the allowability of costs charged to Hatch funds except as provided below.

-- Indirect Costs and Tuition Remission

Indirect costs and tuition remission are not allowable under the Hatch Program; and therefore may not be charged against Hatch funds.

-- Joint Employment

Hatch Act funds cannot be used for paying salaries or wages for activities other than authorized research activities of the State Agricultural Experiment Stations as specified in the act. The distribution of salaries and wages of professorial or professional staff will be based on either a system of monitored workload or a system of personnel activity reports. The personnel-activity reports must be used for nonprofessional employees. Standards for providing auditable support for salaries and wages charged under these two systems are specified in Sections J8c and J8d of OMB Circular A-21 (Appendix E).

The institution's accounting system must be able to show allocability to a particular funded program or objective.

The monitored workload system requires a budgeted or assigned workload, modified to reflect any significant changes which occur in the workload over the reporting period. Such changes are documented and signed by a responsible official. Under this system, at least annual confirmation of reasonable changes is required. The personnel-activity system reflects an after-the-fact reporting of the percentage of activity of each employee. A personnel activity report, signed by the employee or a responsible official, is required each academic term, but not less frequently than every 6 months for professorial, and professional staff and not less frequently than monthly for other individuals.

-- Employer Contributions to Retirement Systems

Under the provisions of an act of March 4, 1940 P. L. 422 (7 U.S.C. 331) (Appendix H, Public Law 422 (76th Congress)), employer contributions to Land-Grant college retirement systems from Hatch Act funds are limited to 5 percent of that portion of the salaries paid, from Hatch funds, to employees who participate in the system. Contributions from Hatch funds may not exceed those contributions from non-Federal sources made by or on behalf of the individual concerned.

-- Employer Contributions to Social Security (Old Age Survivors Insurance) and Other Faculty and Staff Benefits'

Hatch funds may be used to pay employer contributions toward old age and survivors insurance on that portion of salary paid from Hatch funds to any employee subject to the Federal Insurance Contributions Act. These employer contributions may be in addition to the 5 percent limitation on use of Hatch funds for retirement imposed by the act of March 4, 1940. Payment of employer contributions from Hatch Act funds for other faculty and staff benefits is authorized as specified in Section J-15 of OMB Circular A-21 (Appendix E, pp. 31-33).

-- Travel

The Department recognizes the global dimension of agriculture and the importance of international exchange of scientific information. The Department deems domestic and foreign travel to be an important part of the Hatch program. Approval of domestic and foreign travel is delegated to the Director.

Hatch funds may be used to support domestic and foreign travel that will benefit the research progress or report results of the Hatch project on which the scientist is working.

Hatch funds may be used to support travel of prospective employees. In cases where the prospective employee will be employed jointly by the station and in other units of the institution with which the station is connected, it is expected that a fair and equitable division of travel costs will be made. Such costs may be charged directly to the research project on which the prospective employee will be engaged or to the Director's approved administrative project.

-- Prohibition Against Lobbying

It is illegal for any Federal funds to be used directly or indirectly to pay for any lobbying activity. (18 U.S.C. 1913).

-- Branch Stations

Research at a branch station may be supported by Hatch funds if it is related to an approved project. The Director of the State Agricultural Experiment Station is equally as responsible for the use of these funds as for those used at the main station.

-- Publications

Publication and distribution costs associated with projects approved for Hatch funds may be paid from those funds. Where the publication is based upon more than one project and not all projects reported upon are approved for Hatch funds, the costs may be reasonably prorated. Expenses associated with providing editorial assistance are considered legitimate publication costs, where an editorial staff is maintained for the purpose of providing assistance in outstanding results of Hatch and Regional Research projects and for other purposes. Hatch funds may be assessed a reasonable share of the common cost. The printing and distribution of only those publications that will record the research and experimental work supported by Hatch funds may be paid from such funds. Whenever results are published with other materials as, for instance, in the annual report of a station, a prorated share of the cost of publication may be charged to the Hatch funds. State funds used for publishing the results of agricultural research are acceptable for matching purposes.

-- Capital Expenditures for Special and General Purpose Equipment

CSRS, as a part of each year's program approval, delegates to the Director the authority to make capital expenditures as direct charges to Hatch funds for special purpose equipment having a unit cost of $1,000 or more, and for the renovation of existing facilities and general purpose equipment.

This delegation is subject to the following provisions:

a. The Director or his designee must exercise the prior approval responsibility on an item-by-item basis.

b. The need for equipment and for the renovation of research facilities for Hatch research is determined to the satisfaction of the Director or his/her designee.

c. The costs are reasonable and allocable to an approved Hatch project or projects within an approved program.

d. Such purchases are made in accordance with procurement policies and procedures of the institution and standards established in 7 CFR 3015.180-184 (Appendix B).

e. Procedures for management of such equipment are in accordance with the provisions of 7 CFR 3015.160-175 (Appendix B).

All capital expenditures for purchase or construction of new buildings and purchase of land require prior approval of CSRS. Rental of land is allowable under the annual delegation.

9. Cash Depositories

The standards prescribed by 7 CFR 3015.10-13 (Appendix B) shall apply to the use of banks and other institutions as depositories for Hatch Funds.

E. PROPERTY REQUIREMENTS

1. Property Management Standards

The standards prescribed by 7 CFR 3015.160-175 (Appendix B) shall apply to the Hatch program, except as provided below:

a. Title to real property purchased in whole or part with Hatch funds shall vest in the State or parent university for the use and benefit of the State Agricultural Experiment Station. Authority is delegated to the Director for approval of use of the real property in other projects when the Director determines that the property is no longer needed for the Hatch research program. When the real property is no longer needed for other projects, the disposition provisions cited in 7 CFR 3015.168 (Appendix B) are applicable.

b. Title to nonexpendable personal property purchased with Hatch Funds shall be vested in the station upon acquisition as set forth in 7 CFR 3015.165-166 (Appendix B) and the stations shall have no other obligation or accountability to the Federal Government for its use or disposal, except that the property must be utilized on the project for which it was purchased and that proceeds from the disposal shall be applied to further Hatch program objectives.

2. Patents, Inventions and Copyrights

a. Patents and Inventions. The clause found in 37 CFR 401.14, Rights to Inventions Made by Nonprofit Organizations and Small Business Firms is incorporated by reference. Copies of this regulation can be obtained from:

Coordinator, National Patent Program
Agricultural Research Service, USDA
Room 401, Building 005, BARC-West
Beltsville, Maryland 20705

Further, this clause shall be incorporated into all subcontracts or other subawards, regardless of tier, for experimental, developmental, or other research work.

Under these provisions, the research performer may retain the entire rights throughout the world, of the invention in question. No further patent agreement is required. However, each such invention must be disclosed in writing to CSRS and the Federal government shall have a paid-up license for its use of the invention.

b. Disclosures. Disclosure statements shall be made via the annual CRIS form AD-421 Progress report. If applicable, enter the following information on the bottom of the form.

1. If a patent has already been issued, provide the Patent number and the issue date.

2. If a patent has been applied for but not yet issued, provide the patent application serial number and the filing date.

3. If disclosure information has not been submitted prior to the termination of the project, please include it on the AD-421 Termination Report.

c. Central Point of Contact.

Deputy Assistant General Counsel for Patents
Research and Operations Division
Office of the General Counsel, USDA
Room 2332, South Building
14th and Independence Avenue, S.W.
Washington, DC 20250-1400

d. Copyrights. The provisions of 7 CFR 3015.175(b) (Appendix B) are applicable to copyrights.

F. PROCUREMENT REQUIREMENTS

1. Procurement Standards

The standards prescribed by 7 CFR 3015.180-184 (Appendix B) shall apply to the Hatch program, with the following exception:

Departmental regulation 7 CFR 3015.180-184 (Appendix B) requires prior approval of the sponsoring agency of any sole source contract, or one where only one bid or proposal is received, in which the aggregate expenditure is expected to exceed $5,000. The authority to exercise CSRS's discretion in this regard is delegated to the Director. The Director may approve such contracts when the award complies with the institution's procurement policies and procedures and the procurement standards of 7 CFR 3015.180-184 (Appendix B).

2. Bonding and Insurance

The standards prescribed by 7 CFR 3015.15-18 (Appendix B) shall apply to the Hatch program.

G. REPORTS, RECORDS, AND RETENTION

1. Program Monitoring and Reporting

The applicable standards for program monitoring and reporting are set out in 7 CFR 3015.90-95 (Appendix B). These standards shall be applied to the Hatch Program as follows:

a. Eligible Institutions shall submit annual Progress Reports on CRIS Form AD-421. Reports from Eligible Institutions reporting on a calendar year are due by February 15. Reports from Eligible Institutions reporting on a Federal fiscal year are due by December 1. A report is required for each project included in the institution's approved Program for the Federal fiscal year.

b. Administrative Advisors to Regional Research Technical Committees shall submit consolidated performance (progress) reports by March 15 of each year for each regional project conducted the previous fiscal year.

c. A Termination Report, CRIS Form AD-421, shall be submitted to CSRS for each completed or terminated Hatch or Regional project. Such reports shall be submitted at the same time as are progress reports on active projects and should include a brief summary of accomplishments for the entire life of the project. For those projects completed or terminated too late for inclusion with the annual progress reports, the final reports should be submitted with the annual Research Program (August 15).

d. A Research Funds and Staff Support Report, CRIS Form AD-419, shall be submitted to CSRS annually for all Hatch and Regional projects.

Reports shall be made on a Federal fiscal year basis and are to be submitted by December 1 of each year.

e. Other special reports and on-site reviews, as needed, are used to supplement program-monitoring procedures and to provide data for program planning and coordination.

Information describing CRIS is included as Appendix H.

2. Financial Reporting Requirements

The standards for financial reporting prescribed by 7 CFR 3015.80-85 (Appendix B) are applicable to the Hatch program. The instructions for preparing the Federal Cash Transactions Report (SF-272) and the Fiscal Financial Status Report (SF-269) are included in Appendix L.

3. Retention and Custodial Requirements for Records

The standards prescribed by 7 CFR 3015.20-25 (Appendix B) shall apply to the Hatch program.

H. CLOSE-OUT PROCEDURES

The procedures prescribed by 7 CFR 3015.120 (Appendix B) shall apply to closing out annual Research Programs. Each year's Research Program shall be closed out as of September 30. Documentation to support the close-out will include:

1. A Financial Status Report (Standard Form 269) (Appendix L) covering the total Hatch Research Program as of September 30 which will be submitted by the legal custodian with the approval of the Director on or before December 31 (7 U.S.C. 361E).

2. Either a CRIS Annual Progress Report or Termination Report should be submitted for each project included in the annual Research Program. CRIS Form AD-421 will be used for either report.

3. A consolidated report for each Regional project is required only from Regional Research Project Administrative Advisers.

I. GENERAL PROVISIONS

1. Research Involving Recombinant DNA or RNA Molecules

If a project involves the use of recombinant DNA or RNA molecules, the recipient shall assume primary responsibility for complying with both the intent and procedures of the NIH "Guidelines for Research Involving Recombinant DNA Molecules," as revised (see 7 CFR 3015.205(b)(3)). This responsibility includes:

a. Ensuring that a standing Institutional Biosafety Committee (IBC) is maintained in accordance with Part IV of the NIH guidelines and also ensuring that the research plan is reviewed and approved by the IBC prior to commencing substantive work under the project. IBC action must be documented in Section A of the Form CSRS-662 (Appendix I).

Failure to include documentation of approval by the IBC interrupts and can add two to four weeks to the approval for all Hatch funded research involving recombinant DNA.

b. Registering with the IBC all experiments involving recombinant DNA and RNA molecules conducted with funds provided under the project and complying with the containment requirements specified in Part III of the NIH Guidelines. Records of this research must be kept in a form that is available to USDA upon request.

In addition, the recipient must report the following to USDA and to the reviewing IBC:

a. New technical information relating to risks and safety procedures.

b. Serious accidents or releases involving recombinant DNA or RNA.

c. Serious illness of a laboratory worker which may be project related.

d. Other safety problems.

The completed and signed Form CSRS-662 "Assurance Statements" is required with a new or revised projects submitted to CSRS for approval.

2. Animal Care

The responsibility for the humane care and treatment of animals used in any research project supported with federal funds provided by CSRS rests with the performing organization. If a project involves research using animals, all key personnel identified in the approved project and all endorsing officials of the recipient's organization are required to comply with the Animal Welfare Act (Pub. L. NO. 89-544, 1966, as amended, Pub. L. NO. 94-279, and Pub. L. NO. 99-198, 7 U.S.C. 2131 et and the regulations promulgated thereunder by the Secretary of Agriculture in 9 CFR Parts 1, 2, 3, and

4 pertaining to the care, handling, and treatment of vertebrate animals held or used for research, teaching, or other activities supported by Federal awards. In the case of animals used or intended for use in CSRS-administered research, the recipient shall adhere to the principles enunciated in the Guide for the Care and Use of Laboratory Animals, described in NIH Publication NO. 86-23 (Revised, 1985), and to the USDA regulations and standards issued under the public laws stated above. In case of conflict, the higher standard shall be used.

All Hatch funded projects requiring the use of animals should be approved by the Institutional Animal Care and Use Committee (IACUC) before submission to CSRS. This must be documented in Section B of Form CSRS-662. Failure to include documentation of approval by the IACUC interrupts and adds two to four weeks to complete the approval process for all Hatch funded research requiring the use of animals.

The completed and signed Form CSRS-662 "Assurance Statements" is required with all new or revised projects submitted to CSRS for approval.

3. Protection of Human Subjects

The recipient is responsible for protecting the rights and welfare of any experimental human subjects involved in research and related activities. If a project involves the use of human subjects, the recipient agrees to comply with the Department of Health and Human Services' regulations on the protection of human subjects as set forth in 45 CFR Part 46 and USDA requirements as set forth in Secretary's Memorandum NO. 1755 and 7 CFR 3015.205(b)(1).

The completed and signed Form CSRS-662 "Assurance Statements" is required with all new or revised projects submitted to CSRS for approval. If sub-heading (b) within Section C of Form CSRS-662 is checked, a revised Form CSRS-662 is required, with either subheading (a) or (c) checked, before research involving human subjects can be conducted. In some cases, where sub-heading (a) is checked, documentation may be required.

4. Nondiscrimination Requirements

The purpose and objective of Title VI of the Civil Rights Act of 1964 is defined broadly in Section 601 as follows:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity of an applicant or recipient receiving Federal financial assistance from the Department of Agriculture or any Agency thereof. This applies to any program supported in whole or in part by funds administered through the CSRS.

Institutions receiving assistance or public funds are required to abide by the following regulations:

USDA Departmental regulations governing the Civil Rights Act of 1964 Title VI - Non discrimination in Federally Assisted Programs and Rules and Regulations as Amended) CFR 7 Part 15): Section 504 of the Rehabilitation Act of 1973, as amended. Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance: Title IX of the Education Amendments of 1972, as amended, prohibits sex discrimination in federally assisted education programs and

activities; and Age Discrimination Act of 1975, prohibits discrimination on the basis of Age in programs and activities receiving Federal financial assistance.

5. Use of U.S. Flag Carriers

If a project involves the use of air transportation to, from, between, or within a country other than the United States, and the cost of such transportation will be assisted in whole or in part by program funds, the grantee is required to use U.S. flag carriers in accordance with the provisions of 7 CFR 3015.205(b)(4).

6. Acknowledgment of Support and Disclaimer

In accordance with 7 CFR 3015.200 the following acknowledgment of CSRS support must appear in the publication of any material which is based upon or developed under CSRS support:

> "This material is based upon work supported by the Cooperative State Research Service, U.S. Department of Agriculture, under Project NO. (the recipient should enter the applicable project number here)."

In addition, all publications and other materials, except scientific articles or papers published in scientific journals, must contain the following statement:

> "Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the view of the U.S. Department of Agriculture"

7. Data Collection

The provisions of 5 CFR 1320 apply if the project involves the collection of identical information from ten or more non-Federal persons or organizations and the collection of information is sponsored by USDA. A collection of information undertaken by the recipient is considered to be "sponsored" by the Department if:

a. The grantee is collecting information at the specific request of the Department;

b. The terms and conditions of the grant require specific Departmental approval for information collection or collection procedures.

Any data collection activities performed under a project are the responsibility of the recipient, and USDA support of the project does not constitute USDA approval of the survey design, questionnaire content, or data collection procedures. The recipient shall not represent to respondents that such data are being collected for or in association with the U.S. Department of Agriculture or any other Federal Government agencies unless such data are sponsored by the Department. However, this requirement is not intended to preclude mention of USDA support of the project in response to an inquiry or acknowledgment of such support in any publication of this data.

8. Certification of Non-Delinquency

In accordance with OMB Circular A-129, "Managing Federal Credit Programs," and the requirements contained in OMB Memorandum M-87-32, as implemented by 7 CFR Parts 1 and 3, no award of Federal funds may be made to an applicant who is delinquent on a Federal debt until the delinquent account is made current or satisfactory arrangements are made between the affected agency and the debtor except where the award is

required by law or approved by the head of the awarding agency. Therefore, the recipient institution certifies in accepting the funds that it is not delinquent on any Federal debt.

As used herein, delinquency represents the failure to pay an obligation or debt by the date specified in the agency's initial written notification or applicable contractual agreement, unless other satisfactory payment arrangements have been made by that date, or if, at any time thereafter, the debtor fails to satisfy the obligations under a payment agreement with the credit agency. If the debtor fails to pay the debt by the specified date, then the debt is delinquent and the "date of delinquency" is the date given as the payment due date for contractual agreements or the day notification of the debt was mailed, as appropriate.

9. Certification Regarding Drug-Free Workplace Requirements

USDA's implementation of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 is contained in 7 CFR 3017.600 (Appendix C), which requires that a proposed recipient certify that it will make a good faith effort to provide and maintain a drug-free environment by prohibiting illicit drugs in the work-place, providing employees with drug-free policy statements (including penalties for noncompliance), and establishing necessary awareness programs to keep employees informed about the availability of counseling, rehabilitation and related services. This is an overview of the certification only and is not intended or represented to be all inclusive. Exact wording appears in the implementing regulatory language referenced above.

10. Suspension or Termination for Cause

The procedures prescribed by 7 CFR 3015.122-125 (Appendix B) shall apply to suspension or termination of the Hatch annual Research Program or to any of the component projects which, in total, constitute the annual Research Program. The term "for cause" includes:

a. Significant deviation from stated objectives;

b. Progress inconsistent with expenditures;

c. Fiscal irregularities;

d. Any other conditions which make continued support from Hatch funds inappropri ate.

In the event of suspension of termination which results in the withholding of any portion of an allotment, the facts and reasons therefore will be reported by the Department of Agriculture to the Congress, as required by 7 U.S.C. 361g.

11. Debarment or Suspension Requirements

USDA's implementation of Executive Order 12549, Debarment and Suspension, is contained in 7 CFR 3017.510(a), (Appendix C), which requires that a proposed recipient certify that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency, have not recently been convicted or indicated under criminal or civil statutes, etc. Precise wording appears in the implementing regulations referenced above.

In accordance with 7 CFR 3017.510(c), (Appendix C), the recipient shall provide immediate written notice to CSRS if at any time the recipient learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

Additionally, all lower-tier covered transactions or solicitations for lower-tier covered transactions must include certifications as to the lower-tier participants status regarding this requirement. As used herein, lower-tier covered transactions generally include:

a. Any transaction (other than a procurement contract) for goods and services, regard less of type;

b. Any procurement contract for goods and services, regardless of type, that is expected to equal or exceed the Federal cap on small purchases (currently, $25,000); and

c. Any procurement contract for goods and services, regardless of amount, under which the recipient will have a critical influence on or substantive control over the covered transaction (i.e., principal investigators and providers of federally-required audit services).

NOTE: The above paragraphs in this article are intended to highlight certain requirements only. USDA implementing regulations covering debarment and suspension (7 CFR 3017, Subparts A-E) contain precise language and requirements (Appendix C).

12. Certification Regarding Lobbying

Section 319 of Pub. L. NO. 101-121 (31 U.S.C. 1352) effective December 23, 1989, imposes new prohibitions and requirements for disclosure and certification related to lobbying on recipients of Federal contracts, grants, cooperative agreements, and loans.

Current and prospective recipients (and their subtier contractors and/or subgrantees) are prohibited from using Federal funds, other than profits from a Federal contract, for lobbying Congress or any Federal agency in connection with the award of a particular contract, grant, cooperative agreement or loan. In addition, for each award action in excess of $100,000 ($150,000 for loans) recipients and their subtier contractors and/or subgrantees must:

(1) certify that they have neither used nor will use any appropriated funds for payment to lobbyists,

(2) disclose the name, address, payment details, and purpose of any agreements with lobbyists for whom recipients or their subtier contractors and/or subgrantees have paid or will pay with profits or nonappropriated funds on or after December 23, 1989; and

(3) file quarterly updates about the use of lobbyists if material changes have occurred. The law establishes civil penalties for noncompliance.

USDA Regulations implementing Section 319 of Pub. L. 101-121 are contained in 7 CFR 3018 (Appendix D).

13. Stevens Amendment

The institution shall clearly state in all requests for proposals, bid solicitations, press releases, statements, and other documents describing this project, (1) the percentage of the total cost of the project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project [638 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991 (P.. No. 101-506)].

14. National Historic Preservation Act of 1966

The institutions will assist CSRS in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archaeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) as follows:

(a) by consulting with the State Historic Preservation Officer on the conduct of investigations as necessary to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying CSRS of the existence of any such properties, and

(b) by complying with all requirements established by CSRS to avoid or mitigate adverse effects upon such properties.

15. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970

The institution will comply with the requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. 4601 et. seq.) which provides for fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs.

16. Environmental Requirements

a. National Environmental Policy Act

It is the policy of CSRS to comply with the provisions of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et. seq.), and implementing regulations established by he Council on Environmental Quality at 40 CFR Parts 1500-1508, as adopted and supplemented by USDA at 7 CFR Part 1b and by CSRS at 7 CFR Part 3407. To assist CSRS in carrying out its responsibilities, institutions may be required to furnish environmental documentation prior to the award/expenditure of project funds. Additional information is contained in 7 CFR Part 3407 (Appendix M).

b. Flood Disaster Protection Act

Institutions will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234 (42 U.S.C. 4001 et. seq.). Section 102(a) requires, on or after March 1, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards.

c. The Clean Air Act (42 U.S.C. 7401 et. seq.) and the Water Pollution Control Act (33 U.S.C. 1251 et. seq.)

Institutions will assure that the facilities under its ownership, lease, or supervision which shall be utilized in the accomplishment of research supported by Hatch and/or Regional funds are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify CSRS of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in such research is under consideration for listing by the EPA.

The provisions listed in this section are intended as summaries only and may not contain the exact language required by or stated in the relevant statutes or regulations. The recipient is encouraged to review all laws and regulations applicable to this Program.

HATCH ACT
Act of March 2, 1887;[1] ch. 314, 24 Stat. 440, 7 U.S.C. 361a et seq.

Chap. 314.--AN ACT To establish agricultural experiment stations in connection with the colleges established in the several States under the provisions of an act approved July second, eighteen hundred and sixty-two, and of the acts supplementary thereto

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.[2] It is the policy of Congress to continue the agricultural research at State agricultural experiment stations which has been encouraged and supported by the Hatch Act of 1887, the Adams Act of 1906, the Purnell Act of 1925, the Bankhead-Jones Act of 1935, and title I, section 9, of that Act as added by the Act of August 14, 1946, and Acts amendatory and supplementary thereto, and to promote the efficiency of such research by a codification and simplification of such laws. As used in this Act, the terms "State" or "States" are defined to include the several States, including the District of Columbia,[3] Alaska, Hawaii, Puerto Rico, Guam and the Virgin Islands.[4] As used in this Act , the term "State agricultural experiment station" means a department which shall have been established, under direction of the college or university or agricultural departments of the college or university in each State in accordance with an Act approved July 2, 1862 (12 Stat. 503), entitled "An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic acts";[5] or such other substantially equivalent arrangements as any State shall determine.

SEC. 2.[6] It is further the policy of the Congress to promote the efficient production, marketing, distribution, and utilization of products of the farm as essential to the health and welfare of our peoples and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum employment and national prosperity and security. It is also the intent of Congress to assure agriculture a position in research equal to that of industry, which will aid in maintaining an equitable balance between agriculture and other segments of our economy. It shall be the object and duty of the State agricultural experiment stations through the expenditure of the appropriations hereinafter authorized to

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[1] The Hatch Act was amended in its entirety by the Act of August 11, 1955, ch. 790, 68 Stat. 671.

[2] 7 U.S.C. 361a.

[3] Amended by Public Law 93-471, 88 Stat. 1429, which defined State to include the District of Columbia.

[4] Amended by Public Law 92-318, 86 Stat. 351, which defined State to include Guam and the Virgin Islands. Section 9(c) of Public Law 99-396, 100 Stat. 840, amends Section 1361(c) of Public Law 96-374, 94 Stat. 1502, to strike "American Samoa and in Micronesia" and inserts in lieu thereof "American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)". Section 1361(c) of Public Law 96-374 now states "Any provision of any Act of Congress relating to the operation of or provision of assistance to a land grant college in the Virgin Islands or Guam shall apply to the land grant college in American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)".

[5] First Morrill Act.

[6] 7 U.S.C. 361b.

conduct original and other researches, investigations, and experiments bearing directly on and contributing to the establishment and maintenance of a permanent and effective agricultural industry of the United States, including researches basic to the problems of agriculture in its broadest aspects, and such investigations as have for their purpose the development and improvement of the rural home and rural life and the maximum contribution by agriculture to the welfare of the consumer, as may be deemed advisable, having due regard to the varying conditions and needs of the respective States.

SEC. 3.[7] (a) There are hereby authorized to be appropriated for the purposes of this Act such sums as Congress may from time determine to be necessary.

(b)(1)[8] Out of such sums each State shall be entitled to receive annually a sum of money equal to and subject to the same requirement as to use for marketing research projects as the sums received from Federal appropriations for State agricultural experiment stations for the fiscal year 1955, except as the "Regional research fund, Office of Experiment Stations" shall continue to be available for the support of cooperative regional projects as defined in subsection 3(c)(3), and the said fund shall be designated "Regional research, State agricultural experiment stations", and the Secretary of Agriculture shall be entitled to receive annually for the administration of this Act, a sum not less than that available for this purpose for the fiscal year ending June 30, 1955: *Provided,* That if the appropriations hereunder available for distribution in any fiscal year are less than those for the fiscal year 1955 the allotment to each State and the amounts for Federal administration and the regional research fund shall be reduced in proportion to the amount of such reduction.

(2) There is authorized to be appropriated for the fiscal year ending June 30, 1973, and for each fiscal year thereafter, for payment to the Virgin Islands and Guam, $100,000 each, which sums shall be in addition to the sums appropriated for the several States of the United States and Puerto Rico under the provisions of this section. The amount paid by the Federal Government to the Virgin Islands and Guam pursuant to this paragraph shall not exceed during any fiscal year, except the fiscal years ending June 30, 1971, and June 30, 1972, when such amount may be used to pay the total cost of providing services pursuant to this Act, the amount available and budgeted for expenditure by the Virgin Islands and Guam for the purposes of this Act.

(c) Any sums made available by the Congress in addition to those provided for in subsection (b) hereof for State agricultural experiment station work shall be distributed as follows:

1. Twenty per centum shall be allotted equally to each State,

2. Not less than 52 per centum of such sums shall be allotted to each State, as follows: One-half in an amount which bears the same ratio to the total amount to be allotted as the rural population of the State bears to the total rural population of all the States as determined by the last preceding decennial census current at the time each such additional sum is first appropriated; and one-half in an amount which bears the same ratio to the total amount to be allotted as the farm population of the State bears to the total farm population of all the States as determined by the last preceding decennial census current at the time such additional sum is first appropriated;

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[7] 7 U.S.C. 361c. This section was modified by the National Agricultural Research, Extension, and Teaching Policy Act of 1977, Public Law 95-113, sec. 1463(b), 91 Stat. 1017; the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981, Public Law 97-98, Sec. 1437, 95 Stat. 1314; the Food Security Act of 1985, sec. 1422(b), 99 Stat. 1552, and further modified by the Food, Agriculture, Conservation, and Trade Act of 1990, sec. 1601(b)(3).

[8] The Act of June 23, 1972, Public Law 92-318, Title V, sec. 506, 86 Stat. 351, designated existing provisions as par. (b)(1) and added par. (b)(2).

3. Not more than 25 per centum shall be allotted to the States for cooperative research in which two or more State agricultural experiment stations are cooperating to solve problems that concern the agriculture of more than one State. The funds available for such purposes, together with funds available pursuant to subsection (b) hereof for like purpose shall be designated as the "Regional research fund, State agricultural experiment stations", and shall be used only for such cooperative regional projects as are recommended by a committee of nine persons elected by and representing the directors of the State agricultural experiment stations, and approved by the Secretary of Agriculture. The necessary travel expenses of the committee of nine persons in performance of their duties may be paid from the fund established by this paragraph.

4.[9] (Repealed)

5. Three per centum shall be available to the Secretary of Agriculture for administration of this Act. These administrative funds may be used for transportation of scientists who are not officers or employees of the United States to research meetings convened for the purpose of assessing research opportunities or research planning.[10]

(d) Of any amount in excess of $90,000 available under this Act for allotment to any State, exclusive of the regional research fund, State agricultural experiment stations, no allotment and no payments thereof shall be made in excess of the amount which the State makes available out of its own funds for research and for the establishment and maintenance of facilities necessary for the prosecution of such research: *And provided further,* That if any State fails to make available for such research purposes for any fiscal year a sum equal to the amount in excess of $90,000 to which it may be entitled for such year, the remainder of such amount shall be withheld by the Secretary of Agriculture and reapportioned among the States.[11]

(e) "Administration" as used in this section shall include participation in planning and coordinating cooperative regional research as defined in subsection 3(c)3.

(f) In making payments to States, the Secretary of Agriculture is authorized to adjust any such payment to the nearest dollar.

(g)[12] If in any year the amount made available by a State from its own funds (including any revenue-sharing funds) to a State agricultural experiment station is reduced because of an increase in the allotment made available under this Act, the allotment to the State agricultural experiment stations from the appropriation in the next succeeding fiscal year shall be reduced in an equivalent amount. The Secretary

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[9] The Food and Agriculture Act of 1977, Public Law 95-113, section 1466, 91 Stat. 1018, repealed (c)4 which read: "Not less than 20 per centum of any sums appropriated pursuant to this subsection for distribution to States shall be used by State agricultural experiment stations for conducting marketing research projects approved by the Department of Agriculture."

[10] The last sentence of paragraph (5) was added by the Food and Agriculture Act of 1977, Public Law 95-113, section 1446, 91 Stat. 1018.

[11] Amended by the Food, Agriculture, Conservation, and Trade Act of 1990, Public Law 101-624, section 1618 (a), 104 Stat. 3733, to add the words "and reapportioned among the States" before the period.

[12] The National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981, Public Law 97-98, section 1442(a), 95 Stat. 1321, added a new subsection (g).

shall reapportion the amount of such reduction to other States for use by their agricultural experiment stations.

SEC. 4.[13] Moneys appropriated pursuant to this Act shall also be available, in addition to meeting expenses for research and investigations conducted under authority of section 2, for printing and disseminating the results of such research, retirement of employees subject to the provisions of an Act approved March 4, 1940 (54 Stat. 39), administrative planning and direction, and for the purchase and rental of land and the construction, acquisition, alteration, or repair of buildings necessary for conducting research. The State agricultural experiment stations are authorized to plan and conduct any research authorized under section 2 of this Act in cooperation with each other and such other agencies and individuals as may contribute to the solution of the agricultural problems involved, and moneys appropriated pursuant to this Act shall be available for paying the necessary expenses of planning, coordinating, and conducting such cooperative research.

SEC. 5.[14] Sums available for allotment to the States under the terms of this Act, excluding the regional research fund authorized by subsection 3(c)3, shall be paid to each State agricultural experiment station in equal quarterly payments beginning on the first day of October of each fiscal year upon vouchers approved by the Secretary of Agriculture. Each such station authorized to receive allotted funds shall have a chief administrative officer known as a director, and a treasurer or other officer appointed by the governing board of the station. Such treasurer or other officer shall receive and account for all funds allotted to the State under the provisions of this Act and shall report, with the approval of the director to the Secretary of Agriculture on or before the first day of December of each year a detailed statement of the amount received under provisions of this Act during the preceding fiscal year, and of its disbursement on schedules prescribed by the Secretary of Agriculture. If any portion of the allotted moneys received by the authorized receiving officer of any State agricultural experiment station shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to such State.

SEC. 6.[15] Bulletins, reports, periodicals, reprints of articles, and other publications necessary for the dissemination of results of the researches and experiments, including lists of publications available for distribution by the experiment stations, shall be transmitted in the mails of the United States under penalty indicia: *Provided, however,* That each publication shall bear such indicia as are prescribed by the Postmaster General[16] and shall be mailed under such regulations as the Postmaster General may from time to time prescribe. Such publications may be mailed from the principal place of business of the station or from an established subunit of said station.

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[13] 7 U.S.C. 361d.

[14] 7 U.S.C. 361e, Act of April 21, 1976, Public Law 94-273, 90 Stat. 373, substituted "October" and "December" for "July" and "September".

[15] 7 U.S.C. 361f.

[16] Public Law 91-375, 84 Stat. 773, Section 4 (a) transferred to the United States Postal Service all the functions, powers, and duties of the Post Office Department and the Postmaster General of the Post Office Department, and the Post Office Department and the office of Postmaster General of the Post Office Department are abolished.

SEC. 7.[17] The Secretary of Agriculture is hereby charged with the responsibility for the proper administration of this Act, and is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its provisions. It shall be the duty of the Secretary to furnish such advice and assistance as will best promote the purposes of this Act, including participation in coordination of research initiated under this Act by the State agricultural experiment stations, from time to time to indicate such lines of inquiry as to him seem most important, and to encourage and assist in the establishment and maintenance of cooperation by and between the several State agricultural experiment stations, and between the stations and the United States Department of Agriculture.

On or before the first day of October in each year after the passage of this Act, the Secretary of Agriculture shall ascertain as to each State whether it is entitled to receive its share of the annual appropriations for agricultural experiment stations under this Act and the amount which thereupon each is entitled, respectively, to receive.

Whenever it shall appear to the Secretary of Agriculture from the annual statement of receipts and expenditures of funds by any State agricultural experiment station that any portion of the preceding annual appropriation allotted to that station under this Act remains unexpended, such amount shall be deducted from the next succeeding annual allotment to the State concerned.

If the Secretary of Agriculture shall withhold from any State any portion of the appropriations available for allotment, the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid, it shall be carried to surplus.

SEC. 8.[18] Nothing in this Act shall be construed to impair or modify the legal relation existing between any of the colleges or universities under whose direction State agricultural experiment stations have been established and the government of the States in which they are respectively located. States having agricultural experiment stations separate from such colleges or universities and established by law, shall be authorized to apply such benefits to research at stations so established by such States: *Provided,* That in any State in which more than one such college, university, or agricultural experiment station has been established the appropriations made pursuant to this Act for such State shall be divided between such institutions as the legislature of such State shall direct.

SEC. 9.[19] The Congress may at any time, amend, suspend, or repeal any or all of the provisions of this Act.

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[17] 7 U.S.C. 361g. Public Law 94-273, 90 Stat. 376, substituted "October" for "July" in second paragraph. the last paragraph of section 7 which required annual reports was repealed by Public Law 86-533, sec. 1(22), 74 Stat. 249.

[18] 7 U.S.C. 361h. Amended by the Act of August 11, 1955, ch. 790, sec. 1, 69 Stat. 674.

[19] 7 U.S.C. 361i. Amended by the Act of August 11, 1955, ch. 790, sec. 1, 69 Stat. 674.