

DEPARTMENT OF DEFENSE**Department of the Navy****Notice of Availability of Government-Owned Invention; Available for Licensing****AGENCY:** Department of the Navy, DOD.**ACTION:** Notice.

SUMMARY: The invention listed below is assigned to the United States Government as represented by the Secretary of the Navy and is available for licensing by the Department of the Navy. U.S. Patent No. 6,393,327 entitled "Microelectronic Stimulator Array", Navy Case No. 82,449.

ADDRESSES: Requests for copies of the patent cited should be directed to the Naval Research Laboratory, Code 1004, 4555 Overlook Avenue, SW., Washington, DC 20375-5320, and must include the Navy Case number.

FOR FURTHER INFORMATION CONTACT: Catherine M. Cotell, Ph.D., Head, Technology Transfer Office, NRL Code 1004, 4555 Overlook Avenue, SW., Washington, DC 20375-5320, telephone (202) 767-7230. Due to temporary U.S. Postal Service delays, please fax (202) 404-7920, E-Mail: cotell@nrl.navy.mil or use courier delivery to expedite response.

Authority: 35 U.S.C. 207, 37 CFR part 404

Dated: July 12, 2002.

R.E. Vincent II,

Lieutenant Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

[FR Doc. 02-18202 Filed 7-18-02; 8:45 am]

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DEPARTMENT OF EDUCATION**Local Flexibility Demonstration Program: Office of Elementary and Secondary Education, Department of Education; Notice Inviting Applications for the Local Flexibility Demonstration Program**

Purpose of the Program: To provide local educational agencies (LEAs) with high-quality local flexibility demonstration proposals an opportunity to enter into local flexibility demonstration agreements ("Local-Flex" agreements) with the Secretary. The LEAs that the Secretary selects to participate in the Local-Flex program will have the flexibility to consolidate certain Federal formula grant funds in order to assist them in meeting the State's definition of adequate yearly progress and the LEA's specific measurable goals for improving student

achievement and narrowing achievement gaps.

Eligible Applicants: LEAs in the following States are eligible to apply for Local-Flex: Alaska, Arkansas, California, Connecticut, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

By statute, the Secretary may enter into Local-Flex agreements with no more than three LEAs in a State. Therefore, any consortium that seeks a Local-Flex agreement may include no more than three LEAs. Furthermore, only LEAs that receive formula grant funds from their State educational agency (SEA) under the Federal programs subject to consolidation may seek Local-Flex authority.

LEAs in the following States may not apply at this time because their SEA indicated, by May 8, 2002, an intent to apply for State-Flex authority: Alabama, Arizona, Colorado, Delaware, Florida, Illinois, Massachusetts, Nebraska, Pennsylvania, Tennessee, and Texas. In addition, the District of Columbia, Hawaii, Puerto Rico, and the outlying areas are not eligible to apply for Local-Flex because, for purposes of this program, the legislation considers a state-wide LEA to be an SEA.

Under the legislation, a State generally cannot receive State-Flex authority if one of its LEAs has entered into a Local-Flex agreement with the Secretary. If an LEA enters into a Local-Flex agreement with the Secretary, its SEA may subsequently seek State-Flex authority only if that LEA agrees to be part of the SEA's State-Flex proposal.

Applications Available: September 17, 2002.

Deadline for Transmittal of Applications: September 17, 2002.

Notification of Intent to Apply for Local-Flex: We will be able to develop a more efficient process for reviewing Local-Flex applications if we have a better understanding of the number of LEAs that intend to seek participation in the program. Therefore, we strongly encourage each potential applicant to send, by August 19, 2002, a notification of its intent to apply for participation in the Local-Flex program to the following address: LocalFlex@ed.gov.

The notification of intent to apply for participation in Local-Flex is *optional* and should not include information regarding the potential applicant's

Local-Flex proposal. LEAs that fail to provide the notification may still submit an application by the application deadline.

SUPPLEMENTARY INFORMATION: Sections 6151 through 6156 of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (P.L. 107-110), authorize the Secretary of Education to enter into local flexibility demonstration agreements ("Local-Flex" agreements) with up to eighty LEAs. The Secretary will select Local-Flex LEAs on a competitive basis in accordance with the selection criteria contained in a notice published elsewhere in this issue of the **Federal Register**. The application requirements and a description of the application process are also provided in that notice.

The Secretary intends to select up to forty LEAs for participation in Local-Flex under this competition, and will select the remaining LEAs in a subsequent competition.

FOR FURTHER INFORMATION CONTACT: Ms. Milagros Lanaue. Telephone: (202) 401-0039 or via Internet:

LocalFlex@ed.gov.

If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339. Individuals with disabilities may obtain this notice in an alternative format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed above.

Applications: You may obtain a copy of the application on the Department's Web site at: <http://www.ed.gov/flexibility/#prog>.

You may also obtain a copy of the application from the contact person identified under **FOR FURTHER INFORMATION CONTACT**.

Electronic Access to This Document

You may view this document, as well as other Department of Education documents published in the **Federal Register** in text or Adobe Portable Document Format (PDF) on the Internet at the following site: www.ed.gov/legislation/FedRegister.

To use PDF you must have Adobe Acrobat Reader, which is available free at this site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll-free, at 1-888-293-6498; or in the Washington DC, area at (202) 512-1530.

Note: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official version of the **Federal Register** and the Code of Federal Regulations is available on GPO

access at: www.access.gpo.gov/nara/index.html.

Program Authority: Sections 6151 through 6156 of the ESEA, as amended by the No Child Left Behind Act of 2001 (P.L. 107-110).

Dated: July 15, 2002.

Susan B. Neuman,

Assistant Secretary for Elementary and Secondary Education.

[FR Doc. 02-18306 Filed 7-18-02; 8:45 am]

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DEPARTMENT OF EDUCATION

Local Flexibility Demonstration Program

AGENCY: Office of Elementary and Secondary Education, Department of Education.

ACTION: Notice of final application requirements, selection criteria, and application process.

SUMMARY: The Secretary announces final application requirements, selection criteria, and the application process for the Local Flexibility (Local-Flex) Demonstration Program.

EFFECTIVE DATE: August 19, 2002.

SUPPLEMENTARY INFORMATION: On February 22, 2002, we published in the *Federal Register* (67 FR 8442-8444) a notice of proposed application requirements, selection criteria, and application process for the Local-Flex program, which is authorized under sections 6151 through 6156 of the Elementary and Secondary Education Act (ESEA), as amended by the No Child Left Behind Act of 2001 (Pub. L. 107-110). This notice announces final application requirements, selection criteria, and the application process for the program.

Note: This notice does not solicit applications. A notice inviting applications under the Local-Flex competition is published separately in this issue of the *Federal Register*.

Analysis of Comments and Changes

Four parties submitted various comments in response to the notice of proposed application requirements, selection criteria, and application process.

Comment: One commenter suggested that we revise the language concerning the baseline academic data that local educational agencies (LEAs) would submit with their applications. This commenter suggested that LEAs should provide as their baseline the results under their adequate yearly progress (AYP) definition under the predecessor ESEA.

Discussion: Recognizing that States are in the process of developing State AYP definitions to meet the requirements in the reauthorized ESEA we are requesting LEAs to submit the best available disaggregated baseline data. These data should be based on assessments consistent with section 1111(b)(3) of the predecessor ESEA.

Changes: We have clarified that, in submitting baseline academic data, LEAs must provide student achievement data from assessments consistent with section 1111(b)(3) of the predecessor ESEA.

Comment: One commenter suggested that after revising its goals based on the State's new AYP definition, an LEA should be required to submit its revised goals to the Secretary.

Response: The Secretary had intended that an LEA be required to submit these revised goals as part of a proposed amendment to its Local-Flex agreement.

Changes: We have clarified that an LEA must not only revise its goals, as necessary, after the State develops the State AYP definition, but that it must also submit the revised goals to the Secretary as part of a proposed amendment to its Local-Flex agreement. We have also clarified that LEAs must submit any revised strategies for reaching those goals.

Comment: Two commenters expressed concern about the relationship between LEAs that have entered into Local-Flex agreements and State educational agencies (SEAs) that subsequently seek State-Flex authority under sections 6141 through 6144 of the ESEA. One of the commenters indicated that an SEA seeking State-Flex authority should not be required to incorporate Local-Flex agreements into its State-Flex proposal, and the other commenter said that an LEA should not be forced to incorporate its Local-Flex agreement into its SEA's State-Flex proposal.

Response: Under the legislation, the Secretary may enter into Local-Flex agreements only with LEAs in States that do not have State-Flex authority. Furthermore, if an SEA notified the Secretary, by May 8, 2002, that it intended to apply for State-Flex authority, an LEA in that State is precluded from applying for Local-Flex until the Department makes a final determination concerning the SEA's State-Flex application. The May 8, 2002 notification deadline essentially gave SEAs an opportunity to seek State-Flex before permitting their LEAs to seek Local-Flex authority.

The application process that we described in the February 28, 2002 *Federal Register* notice is consistent with the statutory provisions. Under

this process, an SEA initially decided whether it intended to apply for State-Flex authority and to preclude its LEAs from entering into Local-Flex agreements with the Secretary. If an SEA chose not to notify the Department, by May 8, 2002, that it intended to apply for State-Flex, its LEAs may participate in the Local-Flex competition.

Once an LEA in a State has entered into a Local-Flex agreement, an SEA may subsequently receive State-Flex authority only if any LEA in the State with a Local-Flex agreement agrees to be part of the SEA's State-Flex proposal.

Changes: In the notice inviting applications published elsewhere in this issue of the *Federal Register*, we have clarified that if an LEA has entered into a Local-Flex agreement with the Secretary and its SEA later seeks to apply for State-Flex authority, the SEA may not force the LEA to be part of the State-Flex proposal. The SEA may seek State-Flex only if each of its LEAs that has a Local-Flex agreement with the Secretary agrees to be part of the SEA's submission. SEAs and LEAs are encouraged to work cooperatively to minimize potential disputes regarding the implementation of State-Flex and Local-Flex.

Comment: One commenter suggested that applicants be required to submit the following information to enable the Secretary to evaluate whether they are focusing on serving the needs of students most at risk of educational failure: (1) The number and percentage of schools in the district that qualify for schoolwide programs; (2) The amount of local education funds spent per pupil at Title I schools compared to the per-pupil spending at non-Title I schools; and (3) Any formula the district would use to target consolidated Federal funds to students most at risk of education failure.

Discussion: An applicant must submit detailed baseline academic data and specific measurable goals, with annual objectives, that it seeks to achieve by consolidating and using funds in accordance with the terms of its proposed agreement. The goals must relate to raising student achievement and narrowing achievement gaps relative to the baseline data that are submitted. In addition, the applicant must propose specific strategies for reaching the stated goals. On the basis of the application requirements and the selection criteria that will be used for this competition, we will be able to focus Local-Flex agreements on LEAs serving the need of students most at risk of educational failure competition.

Changes: None.