

these proposed amendments will not have a significant economic impact on a substantial number of small entities.

#### *B. Paperwork Reduction Act*

The Paperwork Reduction Act of 1995 ("PRA") imposes certain requirements on federal agencies (including the Commission) in connection with their conducting or sponsoring any collection of information as defined by the PRA. The proposed rule amendments do not require a new collection of information on the part of any entities subject to the proposed rule amendments. Accordingly, for purposes of the PRA, the Commission certifies that these proposed rule amendments, if promulgated in final form, would not impose any new reporting or recordkeeping requirements.

#### **Lists of Subjects in 17 CFR Part 1**

Brokers, Commodity futures, Consumer protection, Reporting and recordkeeping requirements.

### **PART 1—GENERAL REGULATIONS UNDER THE COMMODITY EXCHANGE ACT**

1. The authority citation for Part 1 continues to read as follows:

**Authority:** 7 U.S.C.

2. Section 1.25 is proposed to be amended by revising paragraphs (a)(2) and (b)(5) to read as follows:

#### **§ 1.25 Investment of customer funds.**

(a) \* \* \*

(2)(i) In addition, a futures commission merchant or clearing organization may buy and sell the permitted investments listed in paragraphs (a)(1)(i) through (viii) of this section pursuant to agreements for resale or repurchase of the instruments, in accordance with the provisions of paragraph (d) of this section.

(ii) A futures commission merchant or a clearing organization may sell securities deposited by customers as margin pursuant to agreements to repurchase subject to the following:

(A) Securities subject to such repurchase agreements must meet the marketability requirement of paragraph (b)(1) of this section.

(B) Securities subject to such repurchase agreements must not be "specifically identifiable property" as defined in § 190.01(kk) of this chapter.

(C) The terms and conditions of such an agreement to repurchase must be in accordance with the provisions of paragraph (d) of this section.

(D) Upon the default by a counterparty to a repurchase agreement, the futures commission merchant or

clearing organization must take steps to ensure that the default does not result in any cost or expense to the customer.

(b) \* \* \*

(5) *Time-to-maturity.* (i) Except for investments in money market mutual funds, the dollar-weighted average of the time-to-maturity of the portfolio, as that average is computed pursuant to § 270.2a-7 of this title, may not exceed 24 months.

(ii) For purposes of determining the time-to-maturity of the portfolio, an instrument that is set forth in paragraphs (a)(1)(i) through (vii) of this section may be treated as having a one-day time-to-maturity if the following terms and conditions are satisfied:

(A) The instrument is deposited solely on an overnight basis with a derivatives clearing organization pursuant to the terms and conditions of a collateral management program;

(B) The instrument is one that the futures commission merchant owns or has an unqualified right to pledge, is not subject to any lien, and is deposited by the futures commission merchant into a segregated account at a registered derivatives clearing organization;

(C) The instrument is used only for the purpose of meeting concentration margin or other similar charges assessed by a derivatives clearing organization in addition to the basic margin requirement established by the derivatives clearing organization;

(D) The derivatives clearing organization prices the instrument each day based on the current mark-to-market value; and

(E) The derivatives clearing organization reduces the assigned value of the instrument each day by a haircut of at least 2 percent.

\* \* \* \* \*

Issued in Washington, DC on June 25, 2003, by the Commission.

**Jean A. Webb,**

*Secretary of the Commission.*

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### **DEPARTMENT OF VETERANS AFFAIRS**

#### **38 CFR Part 21**

#### **RIN 2900-AL43**

#### **Administration of VA Educational Benefits—Centralized Certification**

**AGENCY:** Department of Veterans Affairs.

**ACTION:** Proposed rule.

**SUMMARY:** This document proposes to amend the Department of Veterans

Affairs (VA) rules governing certification of enrollment in approved courses for the training of veterans and other eligible persons under education benefit programs VA administers. As part of the approval requirements, educational institutions designate an official of the institution (a VA certifying official) to certify the enrollment of veterans and other eligible persons to VA. As a general rule, VA rules currently require that each branch or extension of an educational institution must perform the certifications and maintain records for veterans and other eligible persons at the branch or extension. The proposed rule would expand current regulations to allow an educational institution to combine the certification functions at one or more of its locations, to include branches and extensions not located within the same State.

**DATES:** Comments must be received on or before August 29, 2003.

**ADDRESSES:** Mail or hand-deliver written comments to: Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW, Room 1154, Washington, DC 20420; or fax comments to (202) 273-9289; or e-mail comments to [OGCRegulations@mail.va.gov](mailto:OGCRegulations@mail.va.gov). Comments should indicate that they are submitted in response to "RIN 2900-AL43". All written comments received will be available for public inspection at the above address in the Office of Regulations Management, room 1158 between the hours of 8 a.m. to 4:30 p.m., Monday through Friday (except holidays).

#### **FOR FURTHER INFORMATION CONTACT:**

Lynn M. Cossette, Education Advisor, Education Service (225C), Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, 202-273-7294.

**SUPPLEMENTARY INFORMATION:** For purposes of background information, educational institutions are required under sections 3675 and 3676, title 38, United States Code (U.S.C.), to maintain certain records in order for their courses to be approved for VA training. Generally, these records contain information about students' grades and progress, prior training, charges for tuition and fees, and other administrative and policy records that show the institution satisfactorily meets all the approval criteria in sections 3675 and 3676. In addition, each institution must make its records and accounts pertaining to eligible veterans and eligible persons who receive educational assistance under chapters