

due. At this point, it is too late to withhold payment on the existing grant. Consistent with §§ 1260.122(h) and 1260.162(a), NASA may suspend or terminate advance payments from recipients that fail to comply with reporting requirements.

(e) To remedy failure to furnish timely reports, special condition at § 1260.56, Withholding, should be used when awarding a new grant or modifying an existing grant with non-responsive organizations. Special condition at § 1260.56 allows NASA to suspend or terminate advance payments under an institution's letter of credit pending receipt of the satisfactorily completed reports required in § 1260.75.

(f) The NASA Financial Management Office, notifying the Grant Officer, shall take action to either suspend or terminate a recipient's advance payments when—

(1) A recipient organization is unwilling or unable to establish a financial management system that meets the requirements of advance payments as evidenced by an audit report or failure to comply with the NASA requirements;

(2) A recipient organization is unwilling or unable to report, on an accurate and timely basis, cash disbursements or cash balances as required by NASA. Advance payments shall be temporarily suspended when two (2) successive quarterly reports are late or when two (2) reports are late in a fiscal year; or

(3) A recipient organization has demonstrated an unwillingness or inability to establish procedures that will minimize time elapsing between drawdowns and related disbursements.

(g) In addition to the situations delineated in paragraph (f) of this section, the NASA Grant Officer may direct the NASA Financial Management Office to either suspend or terminate a recipient's advance payments under circumstances where a recipient has otherwise failed to comply with the project objectives, the terms and conditions of the award, or NASA reporting requirements.

(h) The Financial Management Office (for the cases set forth in paragraph (f) of this section) or the Grant Officer (for all other cases) may resume advance payments and may release any previously withheld amounts when the recipient has taken corrective action that makes suspension or withholding no longer necessary. To release for payment amounts they have previously withheld, grant officers shall send a memorandum to the Financial Management Office. The Financial Management Office shall likewise

coordinate any release of withheld payments with the grant officer.

■ 6. Section 1260.152 is amended by revising paragraph (b) and adding paragraph (c) to read as follows:

**§ 1260.152 Financial reporting.**

\* \* \* \* \*

(b) Recipients are required to submit the report electronically to the Department of Health and Human Services' Payment Management System (DHHS/PMS) within 15 working days following the end of each Federal fiscal quarter. Reports are required for each quarter whether or not advances have been made during that quarter.

(c) Additionally, recipients shall submit a final SF 272 in paper form to the NASA Financial Management Office, and shall furnish a copy of the final SF 272 to the appropriate grant officer.

[FR Doc. 03-21437 Filed 8-20-03; 8:45 am]

BILLING CODE 7510-01-P

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

#### 15 CFR Parts 732, 740, 744, 750, 752, 754, 758, 770, and 772

[Docket No. 030728186-3186-01]

RIN 0694-AC81

#### Export Clearance—Conformance of Export Administration Regulations With Foreign Trade Statistics Regulations

**AGENCY:** Bureau of Industry and Security, Commerce.

**ACTION:** Final rule.

**SUMMARY:** This rule amends the Export Administration Regulations (EAR) to add references to the Automated Export System (AES) and to conform the EAR to certain provisions of the Foreign Trade Statistics Regulations (FTSR) including provisions related to AES promulgated on July 17, 2003. It also conforms some terminology in part 750 to that found elsewhere in the EAR and updates references to another government agency to reflect a name change.

**DATES:** This rule is effective September 22, 2003.

**FOR FURTHER INFORMATION CONTACT:** For information on the relationship of this rule to the export of crude oil or unprocessed Western Red Cedar (15 CFR part 754), contact Eugene Lewis, Acting Director, Deemed Exports and Short Supply Division,

*elewis@bis.doc.gov* or (202) 482-6109. For other information concerning this rule, contact Thomas W. Andrukonis, Director, Office of Enforcement Analysis, *tandruko@bis.doc.gov* or (202) 482-4255.

#### SUPPLEMENTARY INFORMATION:

##### Background

The Foreign Trade Statistics Regulations (FTSR) (15 CFR part 30) require submission to the government of certain information regarding exports either through a Shipper's Export Declaration (SED) or the Automated Export System (AES). On July 17, 2003 (68 FR 42534), the Census Bureau amended these regulations to require, *inter alia*, filing via AES rather than an SED for all exports of items listed on the Commerce Control List when a filing under the FTSR is required. The EAR (15 CFR Subchapter C) also provide rules that complement the FTSR for transactions that are subject to the EAR. This rule amends the EAR by revising two sections in part 758 to conform more closely to the Foreign Trade Statistics Regulations (FTSR) and by revising one such to conform to terminology used elsewhere in the EAR. This rule also amends parts 732, 740, 744, 752, 754, 758, 770, and 772 to add references to AES in places where references to SEDs appear. These amendments are needed because, without them, the EAR would appear to require that an SED be filed even when the FTSR requires that the filing take place via AES. Additionally, in parts 740 and 744 this rule replaces statements that an SED must be filed with the carrier with statements that the SED or AES must be filed in accordance with the requirements of the FTSR. This rule replaces the phrase "U.S. Customs Service" with "Bureau of Customs and Border Protection" and, in one instance, with "Bureau of Customs and Border Protection or Bureau of Immigration and Customs Enforcement" to reflect the names of the agencies that currently perform the functions formerly performed by the U.S. Customs Service. The specific changes made by this rule are described below.

This rule amends section 732.5 and paragraph 740.1(d) by adding references to AES to their headings. This rule amends paragraph 732.3(n)(1) to add a reference to AES immediately following the reference to SEDs and to replace the phrase "U.S. Customs Service" with "Bureau of Customs and Border Protection."

This rule amends paragraph 740.1(d) to remove a reference to paragraph 758.2 because paragraph 758.1 describes the requirements of AES. This rule amends