

changes. Since these changes are nothing more than restatements of statutes, they do not require notice and comment under 5 U.S.C. 553.

DATES: Effective Date: This final rule is effective October 17, 2003.

Applicability Dates. The revisions to the various sections of the Code of Federal Regulations amended in this final rule are applied retroactively to conform to the effective date of the underlying statutory provisions. See **SUPPLEMENTARY INFORMATION** for further information about applicability dates.

FOR FURTHER INFORMATION CONTACT: Ms. Lynn M. Cossette, Education Advisor (225C), Education Service, Veterans Benefit Administration, 810 Vermont Avenue, NW., Washington, DC, (202) 273-7294.

SUPPLEMENTARY INFORMATION: Before enactment of the Veterans Education and Benefits Expansion Act of 2001 ("Act"), VA could provide Montgomery GI Bill—Selected Reserve (MGIB—SR) benefits for independent study only when the independent study course was accredited and a part of a standard college degree program. The Act now allows VA to provide MGIB—SR benefits for accredited independent study courses that lead to a certificate that reflects educational attainment. This provision applies only to certificate programs offered by institutions of higher learning and for enrollments after December 26, 2001. We revised our regulations to reflect this change.

We are further revising regulations to comply with changes in title 10, U.S.C. The National Defense Authorization Act for Fiscal Year 1998 (Pub. L. 105-85) removed the language "during the Persian Gulf War" from section 16133(b)(4), title 10, United States Code (U.S.C.). By removing the language, Selected Reserve members ordered to active duty in support of contingency operations, not just in support of the Persian Gulf War, became eligible for the extension of their eligibility period. We revised our regulations to comply with the Act, and the language in title 10, U.S.C.

In addition, the Act removed "during the Persian Gulf War" from section 16131(c)(3)(B)(i), title 10, U.S.C. Section 16131(c)(3)(B)(i) restores MGIB—SR entitlement to Selected Reserve members who discontinue their education course(s) due to being ordered to active duty in support of contingency operations. By removing the language "in connection with the Persian Gulf War," Selected Reserve members who are ordered to active duty in support of contingency operations, not just in support of the Persian Gulf

War, are eligible for restoration of entitlement. Generally, most individuals are eligible for 36 months of full-time MGIB—SR benefits. We refer to the 36 months of benefits as 36 months of "entitlement". For each day of full-time benefits that we pay, we deduct 1 day of entitlement. If an individual is called to active duty as indicated above, and has to withdraw from his or her course(s), VA will pay benefits up to the date of withdrawal. Under these circumstances, however, we will not deduct any entitlement if the individual received no credit for the course(s). For example, if an individual started a course with 36 months of benefits available and we paid for 2 months of benefits before the individual discontinued the course, we would charge 2 months of entitlement, leaving the individual 34 months of benefits remaining. Under restoration of entitlement provisions, we give back the 2 months of entitlement. So, although the individual received benefits for 2 months, he or she has the same amount of benefits remaining as before the course started. We are revising the pertinent regulations to make them conform to the Act.

Moreover, the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Pub. L. 105-261), amended a provision affecting the eligibility period for certain Selected Reserve members. Generally, a Selected Reserve member's eligibility period ends when the member leaves the Selected Reserves. Before enactment of Pub. L. 105-261, if an individual ceased to be a member of the Selected Reserves because his or her unit was deactivated, or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 10143(a) of title 10, U.S.C., eligibility could continue beyond the separation date. To qualify, the member must have been involuntarily released during the period beginning October 1, 1991, and ending September 30, 1999. Pub. L. 105-261 extended the ending date from September 30, 1999 to September 30, 2001. Subsequently, the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Pub. L. 106-398) extended the ending date from September 30, 2001 to December 31, 2001. However, we did not update our regulations to reflect the change made by Pub. L. 105-261. We are amending our regulations to reflect the most recent legislation, Pub. L. 106-398.

Since the changes we made merely restate statutes, we are publishing this rule as a final rule without a comment period.

Paperwork Reduction Act

This document contains no provisions constituting a collection of information under the Paperwork Reduction Act (44 U.S.C. 3501-3521).

Unfunded Mandates

The Unfunded Mandates Reform Act requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before developing any rule that may result in an expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any given year. This final rule would have no such effect on State, local, or tribal governments, or the private sector.

Executive Order 12866

This document has been reviewed by the Office of Management and Budget under Executive Order 12866.

Regulatory Flexibility Act

The Secretary of Veterans Affairs, the Secretary of Defense, and the Commandant of the Coast Guard hereby certify that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612. This final rule will directly affect only individuals and will not directly affect small entities. Pursuant to 5 U.S.C. 605(b), this final rule, therefore, is exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604.

Catalog of Federal Domestic Assistance Program Numbers

There is no Catalog of Federal Domestic Assistance number for the program affected by this final rule.

Lists of Subjects in 38 CFR Part 21

Administrative practice and procedure, Armed forces, Civil rights, Claims, Colleges and universities, Conflicts of interest, Defense Department, Education, Employment, Grant programs-education, Grant programs-veterans, Health care, Loan programs-education, Loan programs-veterans, Manpower training programs, Reporting and recordkeeping requirements, Schools, Travel and transportation expenses, Veterans, Vocational education, Vocational rehabilitation.