**Article I**

Subject to the exceptions provided in Articles II, IV, and V, the Commission shall discontinue, as of the effective date of this Agreement, the regulatory authority of the Commission in the State under chapters 6, 7, and 8, and section 161 of the Act with respect to the following materials:

A. Byproduct materials as defined in section 11e. (1) of the Act;

B. Source materials;

C. Special nuclear materials in quantities not sufficient to form a critical mass.

**Article II**

This Agreement does not provide for discontinuance of any authority and the Commission shall retain authority and responsibility with respect to:

A. The regulation of the construction and operation of any production or utilization facility or any uranium enrichment facility;

B. The regulation of the export from or import into the United States of byproduct, source, or special nuclear material, or of any production or utilization facility;

C. The regulation of the disposal into the ocean or sea of byproduct, source, or special nuclear material wastes as defined in the regulations or orders of the Commission;

D. The regulation of the disposal of such other byproduct, source, or special nuclear material as the Commission from time to time determines by regulation or order should, because of the hazards or potential hazards thereof, not be so disposed without a license from the Commission;

E. The evaluation of radiation safety information on sealed sources or devices containing byproduct, source, or special nuclear materials and the registration of the sealed sources or devices for distribution, as provided for in regulations or orders of the Commission;

F. The regulation of the land disposal of byproduct, source, or special nuclear material waste received from other persons;

G. The extraction or concentration of source material from source material ore and the management and disposal of the resulting byproduct material.

**Article III**

With the exception of those activities identified in Article II, paragraphs A through D, this Agreement may be amended, upon application by the State and approval by the Commission, to include the additional areas specified in Article II, paragraphs E, F and G, whereby the State can exert regulatory authority and responsibility with respect to those activities and materials.

**Article IV**

Notwithstanding this Agreement, the Commission may from time to time by rule, regulation, or order, require that the manufacturer, processor, or producer of any equipment, device, commodity, or other product containing source, byproduct, or special nuclear material shall not transfer possession or control of such product except pursuant to a license or an exemption from licensing issued by the Commission.

**Article V**

This Agreement shall not affect the authority of the Commission under subsection 161b or 161i of the Act to issue rules, regulations, or orders to protect the common defense and security, to protect restricted data, or to guard against the loss or diversion of special nuclear material.

**Article VI**

The Commission will cooperate with the State and other Agreement States in the formulation of standards and regulatory programs of the State and the Commission for protection against hazards of radiation and to assure that Commission and State programs for protection against hazards of radiation will be coordinated and compatible. The State agrees to cooperate with the Commission and other Agreement States in the formulation of standards and regulatory programs of the State and the Commission for protection against hazards of radiation and will assure that the State's program will continue to be compatible with the program of the Commission for the regulation of materials covered by this Agreement.

The State and the Commission agree to keep each other informed of proposed changes in their respective rules and regulations, and to provide each other the opportunity for early and substantive contribution to the proposed changes.

The State and the Commission agree to keep each other informed of events, accidents, and licensee performance that may have generic implication or otherwise be of regulatory interest.

**Article VII**

The Commission and the State agree that it is desirable to provide reciprocal recognition of licenses for the materials listed in Article I licensed by the other party or by any other agreement state. Accordingly, the Commission and the State agree to develop appropriate rules, regulations, and procedures by which such reciprocity will be accorded.

**Article VIII**

The Commission, upon its own initiative after reasonable notice and opportunity for hearing to the State, or upon request of the Governor of the State, may terminate or suspend all or part of this agreement and reassert the licensing and regulatory authority vested in it under the Act if the Commission finds that (1) such termination or suspension is required to protect public health and safety, or (2) the State has not complied with one or more of the requirements of section 274 of the Act. The Commission may also, pursuant to section 274j of the Act, temporarily suspend all or part of this agreement if, in the judgment of the Commission, an emergency situation exists requiring immediate action to protect public health and safety and the State has failed to take necessary steps. The Commission shall periodically review this Agreement and actions taken by the State under this Agreement to ensure compliance with section 274 of the Act which requires a State program to be adequate to protect public health and safety with respect to the materials covered by the Agreement and to be compatible with the Commission's program.

**Article IX**

This Agreement shall become effective on July 1, 2003, and shall remain in effect unless and until such time as it is terminated pursuant to Article VIII.

Done at Madison, Wisconsin this ** day of June, 2003.

For the United States Nuclear Regulatory Commission.

**Nils J. Diaz,**

*Chairman.*

For the State of Wisconsin.

**Jim Doyle,**

*Governor.*

[FR Doc. 03–9604 Filed 4–21–03; 8:45 am]

**BILLING CODE 7590–01–P**

## NUCLEAR WASTE TECHNICAL REVIEW BOARD

### Board Meeting; Yucca Mountain, NV

*Board Meeting:* May 13–14, 2003—Washington, DC: The Nuclear Waste Technical Review Board will meet to discuss thermal aspects of the Department of Energy's regulatory design for Yucca Mountain, corrosion research, geophysical and hydrogeologic investigations of the Yucca Mountain site, performance confirmation plans, and a report by the Igneous Consequences Peer Review Panel.

Pursuant to its authority under section 5051 of Public Law 100–203, Nuclear Waste Policy Amendments Act of 1987, on Tuesday, May 13, and on Wednesday morning, May 14, 2003, the U.S. Nuclear Waste Technical Review Board (Board) will meet in Washington, DC, to discuss how heat from the radioactive decay of nuclear waste will affect the U.S. Department of Energy's (DOE) design of a repository for disposing of spent nuclear fuel and high-level radioactive waste at Yucca Mountain in Nevada. Other technical and scientific issues related to the potential performance of such a repository also will be discussed. The meeting is open to the public, and opportunities for public comment will be provided. The Board was created by Congress in the Nuclear Waste Policy Amendments Act of 1987 to evaluate the technical and scientific validity of activities undertaken by the Secretary of Energy related to managing the disposal of the nation's spent nuclear fuel and high-level radioactive waste.

The Board meeting will be held at the Watergate Hotel; 2650 Virginia Avenue, NW.; Washington, DC 20037. The telephone number is 202–965–2300; the fax number is 202–337–7915. The

meeting sessions will begin at 8 a.m. on both days.

On Tuesday, the meeting will focus on the DOE's planned repository design and operating mode for Yucca Mountain. The Board has invited the DOE to describe clearly the thermal aspects of the repository design and operating mode, how the thermal aspects of the design and operating mode were analyzed for waste isolation, and the results of the analyses.

The half-day meeting on Wednesday will include discussions of other scientific issues related to a Yucca Mountain repository, including a presentation on corrosion research by a representative of the Center for Nuclear Waste Regulatory Analyses; a presentation on geophysical and hydrogeologic investigations by a representative of Inyo County, California; an update on the Yucca Mountain science and technology program; and a presentation by a representative of the Igneous Consequences Peer Review Panel. The session also will include a discussion of the DOE's performance confirmation plans.

Opportunities for public comment will be provided before adjournment on both days. Those wanting to speak during the public comment periods are encouraged to sign the ''Public Comment Register'' at the check-in table. A time limit may have to be set on individual remarks, but written comments of any length may be submitted for the record. Interested parties also will have the opportunity to submit questions in writing to the Board. If time permits, the questions will be addressed during the meeting.

A detailed agenda will be available approximately one week before the meeting. Copies of the agenda can be requested by telephone or obtained from the Board's Web site at *http://www.nwtrb.gov*. Beginning on June 16, 2003, transcripts of the meeting will be available on the Board's Web site, via e-mail, on computer disk, and on a library-loan basis in paper format from Davonya Barnes of the Board staff.

A block of rooms has been reserved at the Watergate Hotel. A meeting rate is available for reservations made by April 21, 2003. When making a reservation, please state that you are attending the Nuclear Waste Technical Review Board meeting. For more information, contact the NWTRB; Karyn Severson, External Affairs; 2300 Clarendon Boulevard, Suite 1300; Arlington, VA 22201–3367; (tel) 703–235–4473; (fax) 703–235–4495.

Dated: April 17, 2003.

**William D. Barnard,**

*Executive Director, Nuclear Waste Technical Review Board.*

[FR Doc. 03–9908 Filed 4–21–03; 8:45 am]

**BILLING CODE 6820–AM–M**

## SECURITIES AND EXCHANGE COMMISSION

**[Securities Exchange Act of 1934: Release No. 47683 and International Series Release No. 1268]**

## Order Regarding the Collateral Broker-Dealers Must Pledge When Borrowing Customer Securities

April 16, 2003.

Section 36 of the Securities Exchange Act of 1934 (''Exchange Act'') authorizes the Securities and Exchange Commission (''Commission''), by rule, regulation, or order, to conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions from any provision or provisions of the Exchange Act or any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors.

By this Order, the Commission will allow broker-dealers that borrow fully-paid [1] and excess margin [2] securities from customers to pledge a wider range of collateral than is currently permitted under paragraph (b)(3) of rule 15c3–3 (17 CFR 240.15c3–3). Most of the categories of permissible collateral added by this Order were selected based on their high quality and liquidity. The remaining categories, certain sovereign debt securities and foreign currencies, are being added because they may be pledged only when borrowing non-equity securities issued by entities (including the sovereign entity) from the same sovereign jurisdiction or denominated in the same currency, respectively. In these cases, market declines affecting the pledged collateral should be expected to have a related affect on the borrowed securities. By adding only highly liquid collateral or, with respect to two categories, collateral that is restricted in its use, the Order is consistent with the objectives of paragraph (b)(3) of rule 15c3–3, which is designed to ensure borrowings from customers remain fully collateralized.

The Commission took into account several considerations in deciding whether to provide this exemptive relief and designate additional categories of permissible collateral. For example, the Commission considered whether the risks of customer losses associated with permitting a new category of collateral were sufficiently small relative to the benefits the additional kinds of collateral will provide. Those benefits include adding liquidity to the securities lending markets and lowering borrowing costs for broker-dealers. In issuing this Order, the Commission is drawing on its experience in assessing the liquidity of markets in a variety of contexts including, for example, the net capital requirements for broker-dealers.

The rule currently requires that the collateral provided by a broker-dealer fully collateralize its obligation to a customer, and that the value of the loaned securities and the collateral be marked to market on a daily basis to meet this requirement. The Order requires, in addition to the rule's requirements, over-collateralization when the collateral is denominated in a different currency than the borrowed securities. The daily marking to market and over-collateralization should serve to buffer fluctuations in value.

The Commission finds that this exemption is appropriate in the public interest, and consistent with the protection of investors. The exemption will add liquidity to the securities lending markets and lower borrowing costs while maintaining the customer protection objectives of rule 15c3–3.

Accordingly, *it is ordered,* pursuant to section 36 of the Exchange Act, that, broker-dealers may pledge, in accordance with all applicable conditions set forth below and in paragraph (b)(3) of rule 15c3–3, the following types of collateral (in addition to those permitted under paragraph (b)(3) of rule 15c3–3) when borrowing fully paid and excess margin securities from customers:[3]

1. ''Government securities'' as defined in section 3(a)(42)(A) and (B) of the Exchange Act may be pledged when borrowing any securities.

2. ''Government securities'' as defined in section 3(a)(42)(C) of the Exchange Act issued or guaranteed as to principal or interest by the following corporations may be pledged when borrowing any

[1] As defined in rule 15c3–3, ''fully paid'' securities are securities carried by a broker-dealer for which the customer has paid the full purchase price in cash. 17 CFR 240.15c3–3(a)(3).

[2] As defined in rule 15c3–3, ''excess margin'' securities are securities carried by a broker-dealer that have a market value in excess of 140% of the amount the customer owes the broker-dealer. 17 CFR 240.15c3–3(a)(5).

[3] All prior staff interpretations and no-action positions concerning the types of collateral that may be pledged under paragraph (b)(3) of rule 15c3–3 are herewith withdrawn.