

Fourth, OCC's Rule 611 treats all long option positions in the regular securities customers' account as "segregated" and therefore free of OCC's lien except to the extent that a clearing member is entitled to "unsegregate" long positions that are part of a customer spread. Rule 611 is being amended to provide that all positions in customers' lien accounts will be deemed to be "unsegregated."

Fifth, Chapter XI of OCC's Rules is being amended to provide for the liquidation of a clearing member's customers' lien account in the event that the clearing member is suspended. In essence, a customers' lien account will be treated in exactly the same manner as a combined market-maker account. Under these provisions, proceeds of long options or security futures in a customers' lien account will be applied only to satisfy obligations arising from that account.

III. Discussion

Section 17A(b)(3)(F) of the Act requires, among other things, that the rules of a clearing agency be designed to assure the safeguarding of securities and funds which are in its custody or control or for which it is responsible.⁷ The proposed rule change is designed to facilitate a new portfolio customer margining program that was the subject of proposed rule changes filed by NYSE and CBOE and was approved by the Commission.⁸ In order to reduce the disparity between the customer-level margin requirement and the clearing-level margin requirement that would occur if portfolio margining were allowed at the customer level but not at the clearing member level, the member's portfolio of eligible transactions will be cleared and settled at OCC through a new customers' lien account and OCC will compute margin for such account using the same portfolio margining methodology (OCC's TIMS methodology) that is used to calculate margin at the customer level.

OCC's Rule 611(c) currently allows a clearing member to unsegregate a customer's long option position only if the position is offset by a short position being carried for the same customer and if the customer's margin requirement is reduced as a result of the offsetting positions. Under the customer portfolio margining methodology program, all long positions in the customers' lien account will be available as an offset to all short positions, regardless of the identity of the customer. This should provide for a greater diversification

benefit to OCC's clearing members in the calculation of their margin. However, because all positions in the customers' lien account will be unsegregated and therefore will be subject to OCC's lien, the long positions in the account will be available to OCC in the event a clearing member fails to settle its obligations relating to a short position. Accordingly, because the proposed rule change is designed to ensure that transactions in securities which are eligible for the new portfolio margining program approved by the Commission will be cleared and settled by OCC in a manner that will not reduce the adequacy of collateral available to OCC, the proposed rule change should not adversely affect OCC's ability to assure the safeguarding of securities and funds which are in OCC's custody and control or for which OCC is responsible.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR-OCC-2003-04) be and hereby is approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁹

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E5-3915 Filed 7-21-05; 8:45 am]

BILLING CODE 8010-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration No. 10137 and No. 10138]

Florida Disaster Number FL-00005

AGENCY: U.S. Small Business Administration.

ACTION: Amendment 1.

SUMMARY: This is an amendment of the Presidential declaration of a major disaster for the State of Florida (FEMA-1595-DR), dated 7/10/2005.

Incident: Hurricane Dennis.
Incident Period: 7/10/2005 and continuing.

DATES: Effective Date: 7/13/2005.

Physical Loan Application Deadline Date: 9/08/2005.

EIDL Loan Application Deadline Date: 4/10/2006.

ADDRESSES: Submit completed loan applications to:

U.S. Small Business Administration,
Disaster Area Office 3, 14925
Kingsport Road, Fort Worth, TX
76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: The notice of the Presidential disaster declaration for the State of Florida, dated 7/10/2005, is hereby amended to include the following areas as adversely affected by the disaster:

Primary Counties:

Bay, Franklin, Gulf, Okaloosa,
Wakulla, and Walton.

Contiguous Counties:

Florida: Calhoun, Holmes, Jackson,
Jefferson, Leon, Liberty, and
Washington.

Alabama: Covington and Geneva.

All other information in the original declaration remains unchanged.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Herbert L. Mitchell,

Associate Administrator for Disaster Assistance.

[FR Doc. 05-14468 Filed 7-21-05; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration No. 10139 and No. 10140]

Florida Disaster Number FL-00004

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster for the State of Florida dated 7/13/2005.

Incident: Severe Storms and Flooding.
Incident Period: 6/25/2005 through 7/07/2005.

EFFECTIVE DATE: 7/13/2005.

Physical Loan Application Deadline Date: 9/12/2005.

EIDL Loan Application Deadline Date: 4/13/2006.

ADDRESSES: Submit completed loan applications to:

U.S. Small Business Administration,
Disaster Area Office 3, 14925
Kingsport Road, Fort Worth, TX
76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration,

⁷ 15 U.S.C. 78q-1(b)(3)(F).

⁸ Securities Exchange Act Release No. XXXXX (July, 2005).

⁹ 17 CFR 200.30-3(a)(12).

409 3rd Street, Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator's disaster declaration applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties:

Duval.

Contiguous Counties:

Florida: Baker, Clay, Nassau, and St. Johns.

The Interest Rates are:

	Percent
Homeowners with credit available elsewhere	5.750
Homeowners without credit available elsewhere	2.875
Businesses with credit available elsewhere	6.387
Businesses & small agricultural co-operatives without credit available elsewhere	4.000
Other (including non-profit organizations) with credit available elsewhere	4.750
Businesses and non-profit organizations without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 10139 6 and for economic injury is 10140 0.

The States which received an EIDL Declaration Number are Florida.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Dated: July 13, 2005.

Hector V. Barreto,

Administrator.

[FR Doc. 05-14471 Filed 7-21-05; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration No. 10141]

Idaho Disaster Number ID-00002

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for Public Assistance Only for the State of Idaho (FEMA-1592-DR), dated 7/06/2005.

Incident: Heavy Rains and Flooding.
Incident Period: 5/06/2005 through 5/20/2005.

DATES: Effective Date: 7/06/2005.

Physical Loan Application Deadline Date: 9/06/2005.

ADDRESSES: Submit completed loan applications to:

U.S. Small Business Administration, Disaster Area Office 3, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the President's major disaster declaration on 07/06/2005, applications for Private Non-Profit organizations that provide essential services of a governmental nature may file disaster loan applications at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties:

Nez Perce and parts of the Nez Perce Reservation within Nez Perce County.

The Interest Rates are:

	Percent
Other (including non-profit organizations) with credit available elsewhere	4.750
Businesses and non-profit organizations without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 10141.

(Catalog of Federal Domestic Assistance Number 59008)

Cheri L. Cannon,

Acting Associate Administrator for Disaster Assistance.

[FR Doc. 05-14469 Filed 7-21-05; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration No. 10142]

Mississippi Disaster No. MS-00002

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for Public Assistance Only for the State of Mississippi (FEMA-1594-DR), dated 7/10/2005.

Incident: Hurricane Dennis.
Incident Period: 7/10/2005.

DATES: Effective Date: 7/10/2005.

Physical Loan Application Deadline Date: 9/08/2005.

ADDRESSES: Submit completed loan applications to:

U.S. Small Business Administration, Disaster Area Office 3, 14925 Kingsport Road, Fort Worth, TX 76155.

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the President's major disaster declaration on 7/10/2005, applications for Private Non-Profit organizations that provide essential services of a governmental nature may file disaster loan applications at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties:

Attala, Calhoun, Chickasaw, Choctaw, Clarke, Clay, Covington, Forrest, George, Greene, Hancock, Harrison, Itawamba, Jackson, Jasper, Jefferson Davis, Jones, Kemper, Lamar, Lauderdale, Leake, Lee, Lowndes, Madison, Monroe, Neshoba, Newton, Noxubee, Oktibbeha, Perry, Pontotoc, Rankin, Scott, Smith, Stone, Wayne, Webster, and Winston.

The Interest Rates are:

	Percent
Other (including non-profit organizations) with credit available elsewhere	4.750
Businesses and non-profit organizations without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 10142.

(Catalog of Federal Domestic Assistance Number 59008)

Cheri L. Cannon,

Acting Associate Administrator for Disaster Assistance.

[FR Doc. 05-14470 Filed 7-21-05; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: South Carolina

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent (revised).