find it advantageous to fail to private counterparties in their efforts to avoid failing back to the Treasury, potentially exacerbating the fails situation that the SLLR would be intended to address. For this reason, it might be reasonable to treat fails back to Treasury in the same manner that fails among private counterparties are treated. The original loan could be extended on a daily basis at a zero percent rate with the lending fee thus set equal to the overnight general collateral repo rate.

6. Legislative, Regulatory, and Implementation Issues

Beyond determining the structure for the proposed SLLR, there are a number of issues that would need to be addressed prior to implementation, including statutory changes concerning the Treasury's borrowing authority, debt limit accounting, and the tax treatment of borrowed securities. Each of these is considered in more detail below.

• Authority to Issue Securities for the Purpose of Securities Lending.

Although this paper describes the proposed transactions of the SLLR as ''lending,'' Treasury would actually be issuing additional securities for a temporary period of time. The Secretary of the Treasury (''Secretary'') is authorized under Chapter 31 of Title 31, United States Code, to issue Treasury securities and to prescribe terms and conditions for their issuance and sale. The Secretary is authorized to borrow amounts necessary for expenditures authorized by law and may issue securities for the amounts borrowed, and may also issue securities to buy, redeem or refund outstanding securities. These authorities do not appear to encompass the activities of the proposed SLLR. As a result, Treasury would likely need to pursue new authority to issue securities for the purpose of securities lending in order to implement an SLLR.

• Debt Limit Treatment.

Treasury would also need to consider the implications of issuing additional securities, even on a temporary basis, on the debt subject to limit. A bond-for-bond SLLR may not provide a one-for-one offset accounting treatment for debt limit purposes. Under the current debt limit treatment, the par amount of the debt pledged as collateral to the facility could partially or fully offset the par amount of the securities that are lent. However, because the SLLR would likely use the market value of the collateral to determine the market value of borrowed and margined securities, to the degree that market values and par values differ, there would not be a one-for-one debt limit accounting offset in a bond-for-bond SLLR structure. For example, if all securities trade close to their par values, borrowing at the SLLR would tend to reduce the debt subject to the limit because the par value of securities pledged as collateral (including the margin) would tend to exceed the par value of securities borrowed. However, if the market value of pledged securities were substantially above par value, borrowing from the SLLR would likely increase the debt subject to limit. Given this uncertainty, Treasury might need to suspend the SLLR lending activity during the period leading up to debt-limit increases unless there is a legislative change to the current debt limit treatment.

• Tax Treatment.

Some tax issues would need to be addressed. For example, to ensure that Treasury securities borrowed from the lending facility are fully fungible with the outstanding securities, both the outstanding securities and the securities borrowed from the facility would have to be treated for Federal tax purposes as being part of the same issue. It may be necessary to seek legislation regarding this treatment.

7. Conclusion

As noted at the outset, maintaining a safe, efficient, and liquid Treasury market is a critical public policy objective. Treasury is seeking comments on whether a well constructed SLLR might provide low cost insurance against certain types of market disruptions during times of financial market crisis. An ideal facility would rarely be utilized, but would be available to mitigate strains in the Treasury market and in broader financial markets. As noted above, there are potential costs to be considered as well, including possible increases in moral hazard and the risk of significant gaming of the facility.

Public input in evaluating and designing a SLLR is essential and we invite comment on any aspect of the proposed facility, including whether it should be established at all. Treasury takes no position on whether a SLLR should be established or, if such a facility were established, how it should be structured. In this regard, comments focusing on potential benefits and costs associated with a SLLR together with an overall assessment of the desirability of establishing a SLLR would be particularly useful. In addition, comments on the various facets of the proposed structure, including various terms and conditions and other operational details, would also be most welcome.

Emil W. Henry, Jr.,

Assistant Secretary of the Treasury.

[FR Doc. E6–6639 Filed 5–2–06; 8:45 am]

BILLING CODE 4811–37–P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900–New (FSC)]

Proposed Information Collection Activity: Proposed Collection; Comment Request

AGENCY: Office of Management, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: The Office of Management (OM), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each existing collection in use without an OMB control number, and allow 60 days for public comment in response to the notice. This notice solicits comments on information needed to obtain customers satisfaction on Financial Services Center (FSC) business process and system features.

DATES: Written comments and recommendations on the proposed collection of information should be received on or before July 3, 2006.

ADDRESSES: Submit written comments on the collection of information to Rachel A. Moffitt, Office of Management, Financial Services Center (104/BDD), Department of Veterans Affairs, 1615 Woodward Street, Austin, TX, 79772–001 or e-mail *rachel.moffitt@mail.va.gov.* Please refer to ''OMB Control No. 2900–New (FSC)'' in any correspondence.

FOR FURTHER INFORMATION CONTACT: Rachel A. Moffitt at (512) 460–5310 or fax to (512) 460–5117.

SUPPLEMENTARY INFORMATION: Under the PRA of 1995 (Public Law 104–13; 44 U.S.C. 3501–3521), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, OM invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of OM's functions, including whether the information will have practical utility; (2) the accuracy of OM's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or the use of other forms of information technology.

Titles: FSC Product Line Survey.

OMB Control Number: 2900–New (FSC).

Type of Review: Existing collection in use without an OMB control number.

Abstract: Financial Services Center conducts annual surveys to evaluate customer satisfaction on various products and services. FCS data will use the data to improve FSC business practices and customer services.

Affected Public: Federal Government.

Estimated Annual Burden: 42 hours.

Estimated Average Burden Per Respondent: 5 minutes.

Frequency of Response: Annually.

Estimated Number of Respondents: 500.

Dated: April 25, 2006.

By direction of the Secretary.

Denise McLamb,

Program Analyst, Records Management Service.

[FR Doc. E6–6697 Filed 5–2–06; 8:45 am]

BILLING CODE 8320–01–P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900–New (VDBCS)]

Agency Information Collection: Emergency Submission for OMB Review; Comment Request

AGENCY: Office of Policy, Planning and Preparedness, Department of Veterans Affairs

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3521), this notice announces that the United States Department of Veterans Affairs (VA), has submitted to the Office of Management and Budget (OMB) the following emergency proposal for the collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. 3507(j)(1)). VA is requesting an emergency clearance for the Veterans' Disability Benefits Commission Survey regarding disability rating system for veterans and their survivors.

DATES: Comments must be submitted on or before June 2, 2006.

FOR FURTHER INFORMATION OR A COPY OF THE SUBMISSION CONTACT: Denise McLamb, Records Management Service (005E3), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 565–8374, FAX (202) 565–6950 or e-mail: *denise.mclamb@mail.va.gov.* Please refer to ''OMB Control No. 2900–New (VDBCS). Send comments and recommendations concerning any aspect of the information collection to VA's OMB Desk Officer, OMB Human Resources and Housing Branch, New Executive Office Building, Room 10235, Washington, DC 20503 (202) 395–7316 or FAX (202) 395–6974. Please refer to ''2900–New (VDBCS).

SUPPLEMENTARY INFORMATION:

Title: Veterans' Disability Benefits Commission Survey.

OMB Control Number: 2900–New (VDBCS).

Type of Review: New Collection.

Abstract: The data collected on the Veterans' Disability Benefits Commission Survey will be used to determine whether disabled veterans and their survivors are properly compensated for their loss of quality of life under the current disability rating system. VA will use the data collected to develop an overall measure of disabled veterans and their survivors' quality of life and to modify existing policies already in place for implementing service-connected disability rating scale.

Affected Public: Individuals or households and Not-for-Profit-Institutions.

Estimated Total Annual Burden: 12,703 hours.

Estimated Average Burden Per Respondent: 30 minutes.

Frequency of Response: One time.

Estimated Number of Respondents: 24,739.

Dated: April 21, 2006.

By direction of the Secretary.

Denise McLamb,

Program Analyst, Records Management Service.

[FR Doc. E6–6703 Filed 5–2–06; 8:45 am]

BILLING CODE 8320–01–P