

COMMODITY FUTURES TRADING COMMISSION**17 CFR Parts 1, 41 and 190**

RIN 3038-AB71 and 3038-AB76

SECURITIES AND EXCHANGE COMMISSION**17 CFR Parts 240 and 242**

[Release No. 34-44996; File Nos. S7-16-01 and S7-17-01]

RIN 3235-AI22 and 3235-AI32

Customer Margin Rules Relating to Security Futures; Applicability of CFTC and SEC Customer Protection, Recordkeeping, Reporting, and Bankruptcy Rules and the Securities Investor Protection Act of 1970 to Accounts Holding Security Futures Products

AGENCIES: Commodity Futures Trading Commission and Securities and Exchange Commission.

ACTION: Joint proposed rules; extension of comment periods.

SUMMARY: The Commodity Futures Trading Commission ("CFTC") and Securities and Exchange Commission ("SEC") (collectively, the "Commissions") are extending the comment periods for the customer margin rules relating to security futures contained in proposed Release No. 34-44853 (September 26, 2001), 66 FR 50719 (October 4, 2001) and the rule relating to the applicability of CFTC and SEC customer protection, recordkeeping, reporting, and bankruptcy rules and the Securities Investor Protection Act of 1970 to accounts holding security futures products proposed in Release No. 34-44854 (September 26, 2001), 66 FR 50785 (October 4, 2001). The original comment periods for these proposals are scheduled to end on November 5, 2001. The new deadline for submitting public comments on both of the above releases is December 5, 2001.

DATES: Public comments are due on or before December 5, 2001.

ADDRESSES: Comments should be sent to both agencies at the addresses listed below.

CFTC: Comments should be sent to the Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581, Attention: Office of the Secretariat. Comments may be sent by facsimile transmission to (202) 418-5521, or by e-mail to secretary@cftc.gov. Reference should be made to "Customer Margin for Security Futures" or

"Proposed Rule 41.42—Treatment of Customer Funds." All comment letters will be posted, as submitted, on the CFTC's Internet web site (<http://www.cftc.gov>).

SEC: Persons wishing to submit written comments should send three copies to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. Comments also may be submitted electronically at the following e-mail address: rule-comments@sec.gov. All comment letters should refer to File No. S7-16-01 (relating to customer margin for security futures) or S7-17-01 (relating to treatment of customer funds); this file number should be included on the subject line if e-mail is used. Comment letters received will be available for public inspection and copying in the SEC's Public Reference Room, 450 Fifth Street, NW, Washington, DC 20549-0102. Electronically submitted comment letters will be posted on the SEC's Internet web site (<http://www.sec.gov>). The SEC does not edit personal identifying information, such as names or e-mail addresses, from electronic submissions. Submit only the information you wish to make publicly available.

FOR FURTHER INFORMATION CONTACT:

CFTC: Regarding Customer Margin Rules Relating to Security Futures, Phyllis P. Dietz, Special Counsel, Division of Trading and Markets, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581. Telephone: (202) 418-5000. E-mail: PDietz@cftc.gov.

Regarding Applicability of CFTC and SEC Customer Protection, Recordkeeping, Reporting, and Bankruptcy Rules and the Securities Investor Protection Act of 1970 to Accounts Holding Security Futures Products, Helene D. Schroeder, Special Counsel, Division of Trading and Markets, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581. Telephone: (202) 418-5430. E-mail: hschroeder@cftc.gov.

SEC: Regarding Customer Margin Rules Relating to Security Futures, Jennifer Colihan, Special Counsel, at (202) 942-0735, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-1001.

Regarding Applicability of CFTC and SEC Customer Protection, Recordkeeping, Reporting, and Bankruptcy Rules and the Securities Investor Protection Act of 1970 to

Accounts Holding Security Futures Products Bonnie L. Gauch, Attorney, at (202) 942-0765, Office of Risk Management and Control; and with respect to Exchange Act Rule 10b-10, Catherine McGuire, Chief Counsel, or Theodore R. Lazo, Special Counsel, at (202) 942-0073, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-1001.

SUPPLEMENTARY INFORMATION: On October 4, 2001, the Commissions published for comment proposed rules governing customer margin for security futures. The proposed rules would apply to margin arrangements between brokers, dealers, and members of national securities exchanges and their customers with respect to security futures, subject to certain exclusions. Also on October 4, 2001, the Commissions published for comment proposed rules relating to the applicability of the Commissions' customer protection, recordkeeping, reporting, and bankruptcy rules and the Securities Investor Protection Act of 1970 to accounts holding security futures products. These proposing releases established a deadline of November 5, 2001 for submitting public comment.

The Commissions have received a request from the Securities Industry Association ("SIA") and Futures Industry Association ("FIA") to extend the deadline on each release by an additional 30 days so that their members have an adequate opportunity to review these proposals and provide thoughtful comment.¹ The SIA and FIA explained that, in light of the tragic events of September 11, the securities and futures industries need more time to provide meaningful comments. They stated their belief that such extensions would not have any adverse consequences, recognizing that such extensions could delay commencement of trading of security futures on other than a principal-to-principal basis between eligible contract participants beyond December 21, 2001.² In letters to the leadership of the Senate Committee on Banking, Housing and Urban Affairs and the House Committees on Financial Services and Agriculture, the SIA and

¹ See letter to Jean A. Webb, Secretary, CFTC, and Jonathan G. Katz, Secretary, SEC, from the SIA and FIA, dated October 16, 2001 ("SIA/FIA Extension Request").

² Section 6(g)(5) of the Securities Exchange Act of 1934 ("Exchange Act") permits security futures products to commence trading on the later of December 21, 2001 or such date that a futures association registered under Section 17 of the Commodity Exchange Act has met the requirements set forth in Section 15A(k)(2) of the Exchange Act. 15 U.S.C. 78f(g)(5).

FIA further pointed out that “the tragic events of September 11, 2001 have severely strained the systems, personnel and related operational resources of the firms, exchanges and clearing organizations that provide the infrastructure for the U.S. capital markets.”³

The Commissions are extending the comment periods for the proposed rules until December 5, 2001, even if, as noted by Chairmen Oxley and Combest, granting such extension would mean that security futures would not commence trading on other than a principal-to-principal basis between eligible contract participants until after December 21, 2001, because they believe that an additional 30-day comment period is appropriate for the reasons described above and will facilitate more meaningful comments from the public.

By the Commodity Futures Trading Commission.

Dated: October 25, 2001.

Jean A. Webb,
Secretary.

By the Securities and Exchange Commission.

Dated: October 29, 2000.

Jonathan G. Katz,
Secretary.

[FR Doc. 01–27523 Filed 11–1–01; 8:45 am]

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DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 918

[SPATS No. LA–022–FOR]

Louisiana Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement, Interior.

³ See letters to The Honorable Paul S. Sarbanes, Chairman, Senate Committee on Banking, Housing and Urban Affairs, The Honorable Michael G. Oxley, Chairman, House Committee on Financial Services, and The Honorable Larry Combest, Chairman, House Committee on Agriculture, from the SIA and FIA, dated October 10, 2001 (attached to the SIA/FIA Extension Request). The Commissions also note that the House Committees on Financial Services and Agriculture support an extension of the public comment period by joint letter to Chairmen Newsome and Pitt. See letter to The Honorable James E. Newsome, Chairman, CFTC, and The Honorable Harvey Pitt, Chairman, SEC, from The Honorable Michael G. Oxley, Chairman, House Committee on Financial Services, and The Honorable Larry Combest, Chairman, House Committee on Agriculture, dated October 15, 2001.

ACTION: Proposed rule; public comment period and opportunity for public hearing.

SUMMARY: The Office of Surface Mining Reclamation and Enforcement (OSM) is announcing receipt of a proposed amendment to the Louisiana regulatory program (Louisiana program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). Louisiana proposes additions of regulations concerning revegetation success standards for post-mining land uses of pastureland and wildlife habitat. Louisiana also proposes to add to its program a policy document that describes the criteria and procedures for determining reclamation phase III ground cover and stocking success for areas developed for wildlife habitat. Louisiana intends to revise its program to be consistent with the corresponding Federal regulations.

This document gives the times and locations that the Louisiana program and the proposed amendment to that program are available for your inspection, the comment period during which you may submit written comments on the amendment, and the procedures that we will follow for the public hearing, if one is requested.

DATES: We will accept written comments until 4 p.m., c.s.t., December 3, 2001. If requested, we will hold a public hearing on the amendment on November 27, 2001. We will accept requests to speak at the hearing until 4 p.m., c.s.t., on November 19, 2001.

ADDRESSES: You should mail or hand deliver written comments and requests to speak at the hearing to Michael C. Wolfrom, Director, Tulsa Field Office, at the address listed below.

You may review copies of the Louisiana program, the amendment, a listing of any scheduled public hearings, and all written comments received in response to this document at the addresses listed below during normal business hours, Monday through Friday, excluding holidays. You may receive one free copy of the amendment by contacting OSM's Tulsa Field Office.

Michael C. Wolfrom, Director, Tulsa Field Office, Office of Surface Mining, 5100 East Skelly Drive, Suite 470, Tulsa, Oklahoma 74135–6547, Telephone: (918) 581–6430.

Louisiana Department of Natural Resources, Office of Conservation, Injection and Mining Division, 625 N. 4th Street, P.O. Box 94275, Baton Rouge, LA 70804, Telephone: (225) 342–5540.

FOR FURTHER INFORMATION CONTACT: Michael C. Wolfrom, Director, Tulsa Field Office. Telephone: (918) 581–6430. Internet: mwolfrom@osmre.gov.

SUPPLEMENTARY INFORMATION:

I. Background on the Louisiana Program

Section 503(a) of the Act permits a State to assume primacy for the regulation of surface coal mining and reclamation operations on non-Federal and non-Indian lands within its borders by demonstrating that its program includes, among other things, “* * * a State law which provides for the regulation of surface coal mining and reclamation operations in accordance with the requirements of the Act * * *; and rules and regulations consistent with regulations issued by the Secretary pursuant to the Act.” See 30 U.S.C. 1253(a)(1) and (7). On the basis of this criteria, the Secretary of the Interior approved the Louisiana program on October 10, 1980. You can find background information on the Louisiana program, including the Secretary's findings and the disposition of comments in the October 10, 1980, **Federal Register** (45 FR 67340). You can find later actions concerning the Louisiana program at 30 CFR 918.15 and 918.16.

II. Description of the Proposed Amendment

By letter dated October 2, 2001 (Administrative Record No. LA–367), Louisiana sent us an amendment to its program under SMCRA and the Federal regulations at 30 CFR 732.17(b). Louisiana sent the amendment in response to our letters dated March 24, 1999, and August 16, 2000 (Administrative Record Nos. LA–365 and LA–365.01, respectively), that we sent to Louisiana under 30 CFR 732.17(c). Louisiana proposes to amend the Louisiana Surface Mining Regulations. Below is a summary of the changes proposed by Louisiana. The full text of the program amendment is available for your inspection at the locations listed above under **ADDRESSES**.

A. Section 5423. Revegetation: Standards for Success

1. Louisiana proposes to add new paragraph e. to subsection B.1. of its regulations to read as follows:

e. The criteria and procedures for determining ground cover and production success are found at § 5424.

2. Louisiana proposes to add new paragraph a. to subsection B.8. of its regulations to read as follows:

a. The criteria and procedures for determining ground cover and stocking success are found at § 5425.