

these "covered assets" in the zero percent risk-weight category.

#### Tangible Capital Requirement

Savings associations supervised by the OTS, by statute, must satisfy a 1.5 percent minimum tangible capital requirement. However, subsequent statutory and regulatory changes have imposed higher capital standards on savings associations, rendering it unlikely, if not impossible, for the 1.5 percent tangible capital requirement to function as a meaningful regulatory trigger. This statutory tangible capital requirement does not apply to institutions supervised by the OCC, the FRB, or the FDIC.

#### Interest Rate Risk

The OCC, the FRB, and the FDIC specifically include in their evaluation of capital adequacy an assessment of a banking organization's interest rate risk, as measured by its exposure to declines in the economic value of its capital due to changes in interest rates. In addition, these three agencies have provided guidance on sound practices for managing interest rate risk and on the standards that they use to evaluate the adequacy and effectiveness of a banking organization's interest rate risk management.

Historically, the OTS employed an explicit interest rate risk component in its capital rule, as distinct from the other banking agencies. In 2002 the OTS eliminated this explicit requirement from its standards in light of other supervisory tools that are currently available to measure and control interest rate risk. The OTS, like the other banking agencies, has provided written guidance on sound practices for managing interest rate risk, and directs examiners to take into account interest rate risk when assessing capital adequacy. The OTS' final rule brought its regulatory capital treatment of interest rate risk into line with the approach followed by the other Federal banking agencies, thereby formally eliminating a capital difference between the OTS and the other agencies.

#### *Differences in Accounting Standards Among the Federal Banking and Thrift Agencies*

#### Push-Down Accounting

Push-down accounting is the establishment of a new accounting basis for a depository institution in its separate financial statements as a result of a substantive change in control. Under push-down accounting, when a depository institution is purchased by another organization yet retains its

separate corporate existence, the assets and liabilities of the acquired institution are restated to their fair values as of the acquisition date. These values, including any goodwill, are reflected in the separate financial statements of the acquired institution, as well as in any consolidated financial statements of the institution's parent.

The OCC, the FRB, and the FDIC require the use of push-down accounting for regulatory reporting purposes when there is a 95 percent or greater change in ownership. This approach is generally consistent with accounting interpretations issued by the staff of the Securities and Exchange Commission. The OTS requires the use of push-down accounting when there is a 90 percent or greater change in ownership.

Dated: January 29, 2003.

**John D. Hawke, Jr.,**  
*Comptroller of the Currency.*

Dated: January 28, 2003.

By order of the Board of Governors of the Federal Reserve System.

**Jennifer J. Johnson,**  
*Secretary of the Board.*

Dated in Washington, DC this 29th day of January, 2003.

Federal Deposit Insurance Corporation.

**Robert E. Feldman,**  
*Executive Secretary.*

Dated: January 24, 2003.

By the Office of Thrift Supervision.

**James E. Gilleran,**  
*Director.*

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**BILLING CODE 4810-33, 6210-01, 6714-01 and 6720-01-P**

#### **DEPARTMENT OF VETERANS AFFAIRS**

#### **Research and Development Office; Government Owned Invention Available for Licensing**

**AGENCY:** Research and Development Office, VA.

**ACTION:** Notice of government owned invention available for licensing.

**SUMMARY:** The invention listed below is owned by the U.S. Government as represented by the Department of Veterans Affairs, and is available for licensing in accordance with 35 U.S.C. 207 and 37 CFR part 404 to achieve expeditious commercialization of results of federally funded research and development. Foreign patents are filed on selected inventions to extend market coverage for U.S. companies and may also be available for licensing.

#### **FOR FURTHER INFORMATION CONTACT:**

Technical and licensing information on the invention may be obtained by writing to: Mindy Aisen, MD, Department of Veterans Affairs, Director Technology Transfer Program, Research and Development Office, 810 Vermont Avenue NW., Washington, DC 20420; fax: 202-275-7228; e-mail at [mindy.aisen@mail.va.gov](mailto:mindy.aisen@mail.va.gov). Any request for information should include the Number and Title for the relevant invention as indicated below. Issued patents may be obtained from the Commissioner of Patents, U.S. Patent and Trademark Office, Washington, DC 20231.

**SUPPLEMENTARY INFORMATION:** The invention available for licensing is: PCT/US02/11088 "Methods for Modeling Infectious Disease and Chemosensitivity in Cultured Cells and Tissues"

Dated: January 28, 2003.

**Anthony J. Principi,**  
*Secretary, Department of Veterans Affairs.*  
[FR Doc. 03-2664 Filed 2-4-03; 8:45 am]

**BILLING CODE 8320-01-P**

#### **DEPARTMENT OF VETERANS AFFAIRS**

#### **Capital Asset Realignment for Enhanced Services (CARES) Commission Meeting**

The Department of Veterans Affairs (VA) gives notice under Public Law 92-463 (Federal Advisory Committee Act) that the Capital Asset Realignment for Enhanced Services (CARES) Commission will meet on Wednesday, February 19, 2003, from 8:30 a.m. to 5 p.m. and Thursday, February 20, 2003, from 8:30 a.m. to 5 p.m. The meeting will be held at the Jefferson Hotel in the Monticello Room, 1200 16th Street, NW., Washington, DC. The meeting is open to the public.

The purpose of the Commission is to conduct an external assessment of VA's capital asset needs and to assure that stakeholder and beneficiary concerns are fully addressed. The Commission will consider recommendations prepared by VA's Under Secretary for Health, veterans service organizations, individual veterans, Congress, medical school affiliates, VA employees, local government entities, community groups and others. Following its assessment, the Commission will make specific recommendations to the Secretary of Veterans Affairs regarding the realignment and allocation of capital assets necessary to meet the demands