

manufactured in Bangladesh and exported during the twelve-month period which began on January 1, 2003 and extends through December 31, 2003.

Effective on June 27, 2003, you are directed to adjust the limits for the following categories, as provided for under the Uruguay Round Agreement on Textiles and Clothing:

Category	Adjusted twelve-month limit ¹
237	476,567 dozen.
335	447,028 dozen.
336/636	810,325 dozen.
340/640	5,294,699 dozen.
341	4,248,917 dozen.
351/651	1,300,772 dozen.
352/652	17,512,882 dozen.
363	45,025,023 numbers.
641	1,163,486 dozen.
645/646	699,107 dozen.

¹ The limits have not been adjusted to account for any imports exported after December 31, 2002.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,
Philip J. Martello,
*Acting Chairman, Committee for the
Implementation of Textile Agreements.*
[FR Doc. 03-16300 Filed 6-26-03; 8:45 am]
BILLING CODE 3510-DR-S

COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

Privacy Act of 1974; Notice of Amended Systems of Records

Pursuant to the provisions of the Privacy Act of 1974 (5 U.S.C. 552a), the Court Services and Offender Supervision Agency for the District of Columbia (CSOSA) gives notice of effective dates, nomenclature changes, minor amendments, and corrections for the systems of records which it had published in the **Federal Register** on March 15, 2002 (67 FR 11816), for itself and for the Pretrial Services Agency, an independent entity within CSOSA.

The nomenclature changes consist of replacing the phrase "DC City Council" with the phrase "DC Council" and using the broader term "community corrections" as a replacement for phrases using the terms "probation" and "parole" in various CSOSA systems of records.

Systems of records CSOSA-9 through CSOSA-12 and CSOSA-14 through CSOSA-16 are being amended to incorporate a technically more correct description for the data element "Categories of Individuals Covered by

the System." These systems of records will now use the phrase "Individuals currently or formerly under Agency supervision." This phrase replaces various formulations using the term "offender." These formulations would not cover an individual under supervision by virtue of a civil protection order. As a conforming change, other references in these systems of records to "offenders" are changed to "individuals."

CSOSA-9 is amended to include an additional routine use covering disclosures to law enforcement agencies for the purpose of assisting in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency, to limit disclosure to courts to the extent necessary to accomplish assigned duties in any criminal matter, and to broaden the reference to legal authorities that prohibit release of information by replacing the phrase "by 42 CFR part 2" with the phrase "by law or regulation." The broader reference to legal authorities is necessary to cover pertinent District of Columbia statutes governing confidentiality of HIV/AIDS and mental health records. CSOSA-15 and CSOSA-16 are also amended to broaden the reference to legal authorities that prohibit release of information.

CSOSA-11 is amended to include three additional retrieval elements, an additional routine use covering disclosures to law enforcement agencies for the purpose of assisting in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency, to replace the term "client" with the term "individual," and to remove typographical errors.

CSOSA-14 is removed and reserved. The information to be maintained under that system of record is now maintained under CSOSA-11.

CSOSA-18 is amended to include an additional routine use covering disclosures to law enforcement agencies for the purpose of assisting in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency. In addition to the various nomenclature changes noted above, CSOSA-18 is also amended to replace the phrase "under CSOSA supervision" with the phrase "listed on the Sex Offender Registry" in paragraph A of the routine uses data element. Because an individual listed on the Sex Offender Registry is not necessarily under CSOSA supervision, it is more accurate to use the revised phrase.

CSOSA/PSA-1, CSOSA/PSA-2, and CSOSA/PSA-6 are amended by adjusting the retention period to five years (rather than 20 years) after disposition of charges, by adding a routine use allowing disclosure in certain instances where PSA becomes aware of a violation or potential violation of civil or criminal law or regulation (the same routine use is being added to PSA-3 as discussed below), and by revising the routine use for providing information to courts, court personnel, prosecutors, defense attorneys, and certain others. This routine use is being revised to make it clear that the disclosure is being made to permit the recipient to accomplish his or her assigned duties in any criminal matter and to replace specific excluded information with a more general prescription ("* * * unless otherwise precluded by law or regulation"). The routine use for law enforcement agencies for these same three systems is being modified to clarify that disclosures may be made to criminal law enforcement agencies rather than to civil and criminal law enforcement agencies. CSOSA/PSA-1 is further amended by correcting the reference to "attorney of record." CSOSA/PSA-6 is further amended by removing the phrase, "Probation and Parole" from the System Name and by removing redundancy from the description of the categories of individuals covered by the system.

CSOSA/PSA-3 is amended by correcting a reference to the attorney of record, by amending the routine use for disclosures in paragraph B to make it clear that such disclosures are made to criminal law enforcement agencies rather than to civil or criminal law enforcement agencies, and by adding a new routine use permitting disclosure to the appropriate Federal, state, local, foreign, or other public authority responsible for investigating, prosecuting, enforcing or implementing a statute, rule, regulation, or order where PSA becomes aware of a violation or potential violation of civil or criminal law or regulation.

In accordance with title 5 U.S.C. 552a(e)(4) and (11) CSOSA provided the public with a 30-day period in which to comment on the routine uses of a new system; the Office of Management and Budget (OMB), which has oversight responsibilities under the Act, was given a 40-day period in which to review the system. No comment was received. The routines uses for the published systems of records accordingly became effective April 26, 2002.

In accordance with Privacy Act requirements, CSOSA has provided a report on the amended systems to OMB and Congress.

CSOSA will accept further comment on its systems of records as amended and corrected below by this document. Therefore, please submit any comment by July 28, 2003. The public, OMB and Congress are invited to send written comments to Renee Barley, FOIA Officer, Office of the General Counsel, Court Services and Offender Supervision Agency, 633 Indiana Avenue, NW., Washington, DC 20004. The amended systems of records will be effective, as proposed, on August 6, 2003, unless CSOSA determines, upon review of the comments received, that changes should be made. In that event, CSOSA will publish a revised notice in the **Federal Register**.

The specific nomenclature change, amendments, and corrections are given below.

CSOSA-1, CSOSA-2, and CSOSA-19

1. Remove the phrase "D.C. City Council" every place it appears in CSOSA-1, CSOSA-2, and CSOSA-19 and add the phrase "D.C. Council" in its place.

2. In CSOSA-9 make the following changes:

a. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":

i. Remove the phrase "D.C. City Council" and the phrase "a current or former offender" in paragraph A and add the phrases "D.C. Council" and "an individual currently or formerly" in their respective places;

ii. Remove the phrase "by 42 CFR part 2" every place it appears in paragraphs B through E, G, and H and add the phrase "by law or regulation" in its place;

iii. Remove the word "offenders" in paragraph E and add the word "individuals" in its place;

iv. Revise paragraph F as set forth below;

v. Remove the word "offender's" in paragraph G and add the word "individual's" in its place;

vi. Add a new paragraph I as set out below.

b. Revise data element "Categories of Individuals Covered by the System" as set out below.

c. In data element "Retrievability" remove the word "offender" and add the word "individual" in its place.

d. In data element "Retention and Disposal" remove the words "parole and/or probation".

e. In data element "Record Source Categories" remove the word

"Offender" and the phrase "probation agencies" and add the words "Individual under CSOSA supervision" and the phrase "community corrections entities" in their respective places.

CSOSA-9

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals currently or formerly under Agency supervision.

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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F. To provide information relating to individuals under CSOSA supervision to Federal, local and state courts, court personnel and community corrections officials to the extent necessary to permit them to accomplish their assigned duties in any criminal matter unless prohibited by law or statute.

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I. A record may be disseminated to a Federal, state, local, foreign, or international law enforcement agency to assist in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency.

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3. In CSOSA-10 make the following changes:

a. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":

i. Remove the phrase "D.C. City Council" and the phrase "a current and/or former offender, supervised by CSOSA" in paragraph A and add the phrases "D.C. Council" and "an individual currently or formerly under CSOSA supervision" in their respective places;

ii. Remove the word "offenders" in paragraph E and add the word "individuals" in its place;

iii. Remove the phrase "probation officials" in paragraph F and add the phrase "community corrections officials" in its place.

b. Revise data element "Categories of Individuals Covered by the System" to read as set forth below.

c. In data element "Retention and Disposal" remove the words "parole and/or probation".

d. In data element "Record Source Categories" remove the word "Offender" and the phrase "probation agencies" and add the words "Individual under CSOSA supervision"

and the phrase "community corrections entities" in their respective places.

CSOSA-10

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals currently or formerly under Agency supervision.

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4. In CSOSA-11, make the following changes:

a. In data element "Authority for Maintenance of the System," revise the words "to USPC" to read "the USPC".

b. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":

i. Remove the word "offender" in paragraph A and add in its place the word "individual";

ii. redesignate paragraphs E through G as paragraphs G through I;

iii. add new paragraphs E and F to read as set forth below;

iv. Remove the words "on parole, probation, or supervised release" from newly designated paragraph G and add the words "under supervision" in their place;

v. Remove the word "offenders" from newly designated paragraph H and add the word "individuals" in its place.

c. Revise the data elements "Categories of Individuals Covered by the System" and "Retrievability" to read as set forth below.

d. In data element "Categories of Records in the System" remove the words "client" and "client's" from items 1, 2, 3, 4, 5, 16, 22, 28, 29, 30, and 31, and add in their respective places the word "individual" or "individual's"; in item 23, remove the words "parolee/probationer" and add the word "individual" in their place; in item 28, remove the words "parole/probation" and add the words "community corrections" in their place.

e. In data element "Purpose(s)" remove the words "compliance with conditions of release of parolees, probationers, and supervised releasees," and add in their place the words "individual's compliance with the conditions of supervision,".

f. In data element "Record Source Categories" remove the word "Offender" and the phrase "probation services" and add the words "Individual under CSOSA supervision" and the phrase "community corrections entities" in their respective places.

CSOSA-11

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals currently or formerly under Agency supervision.

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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E. A record may be disseminated to a Federal, state, local, foreign, or international law enforcement agency to assist in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency.

F. To provide information relating to individuals under Agency supervision to Federal, local and state courts, court personnel and community corrections officials to the extent necessary to permit them to accomplish their assigned duties in any criminal matter unless prohibited by law or statute.

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RETRIEVABILITY:

Agency staff may retrieve information by individual identifiers such as name, CSOSA number, DCDC number, PDID number, Social Security Number, Superior Court number, FBI number, Interstate Compact number, and Police Service Area number, or in combination with search queries on other identification data record fields.

Other routine users may retrieve information by individual identifiers such as name, CSOSA number, DCDC number, PDID number, Social Security Number, Superior Court number, FBI number, Interstate Compact number, and Police Service Area number.

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5. In CSOSA-12 make the following changes:

a. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":

i. Remove the phrases "DC City Council" and "a current or former offender" in paragraph A and add the phrase "DC Council" and the phrase "an individual currently or formerly" in their respective places;

ii. Remove the word "offenders" in paragraph E and add the word "individuals" in its place;

iii. Remove the phrases "DC offenders" and "probation officials" in paragraph F and add the phrase "individuals under CSOSA supervision" and the phrase "community corrections officials" in their respective places.

b. Revise data element "Categories of Individuals Covered by the System" to read as set forth below.

c. In data element "Record Source Categories" remove the word "Offender" and add the phrase "Individual under Agency supervision" in its place.

CSOSA-12

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals currently or formerly under Agency supervision.

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6. In CSOSA-13 in data element "Routine Uses of Records Maintained in the System * * *", in paragraph A remove the phrases "DC City Council" and "offender (current and/or former)" and add the phrase "DC Council" and the phrase "individual currently or formerly" in their respective places.

7. Remove and reserve CSOSA-14.

8. In CSOSA-15, make the following changes:

a. In data element "Purpose(s)" remove the word "offenders" and add the word "individual" in its place.

b. In data element "Routine Uses of Records Maintained in the System, Including Categories of Users and the Purposes of Such Use":

i. Remove the phrases "DC City Council" and "a current or former offender" in paragraph A and add the phrase "DC Council" and the phrase "an individual" in their respective places;

ii. Remove the phrase "by 42 CFR part 2" every place it appears in paragraphs B through H and add the phrase "by law or regulation" in its place;

iii. In paragraph E, remove the word "offenders" and add the word "individuals" in its place;

iv. In paragraph F, remove the word "defendants" and add the phrase "individuals under CSOSA supervision" in its place and remove the phrase "probation officials" and add the phrase "community corrections officials" in its place.

c. In data element "Record Source Categories" remove the word "Offender" and add the phrase "Individual under Agency supervision" in its place.

d. Revise data element "Categories of Individuals Covered by the System" to read as follows:

CSOSA-15

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals currently or formerly under Agency supervision.

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9. In CSOSA-16 make the following changes:

a. In data element "Routine Uses of Records Maintained in the System, Including Categories of Users and the Purposes of Such Use":

i. Remove the phrases "DC City Council" and "a current or former offender" in paragraph A and add the phrase "DC Council" and the phrase "an individual under Agency supervision" in their respective places;

ii. Remove the phrase "by 42 CFR part 2" every place it appears in paragraphs B through H and add the phrase "by law or regulation" in its place;

iii. In paragraph E remove the word "offenders" and add the word "individuals" in its place;

iv. In paragraph F remove the phrases "DC offenders" and "probation officials" and add the phrase "individuals under Agency supervision" and the phrase "community corrections officials" in their respective places.

b. Revise the data elements "Categories of Individuals Covered by the System" and "Retrievability" to read as set forth below.

c. In data element "Record Source Categories" remove the word "Offender" and the phrase "probation services" and add the phrase "Individual under Agency supervision" and the phrase "community corrections entities" in their respective places.

CSOSA-16

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals currently or formerly under Agency supervision.

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RETRIEVABILITY:

Information can be retrieved by the name of the individual and the DCDC or PDID assigned to the individual.

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10. In CSOSA-17 make the following changes in data element "Routine Uses of Records Maintained in the System, Including Categories of Users and the Purposes of Such Use":

a. Remove the phrase "DC City Council" in paragraph E and add the phrase "DC Council" in its place;

b. In paragraph G remove the phrase "probation officials" and add the phrase "community corrections officials" in its place.

11. In CSOSA-18 make the following changes:

- a. In data element "Routine Uses of Records Maintained in the System, Including Categories of Users and the Purposes of Such Use":
 - i. Remove the phrases "DC City Council" and "under CSOSA supervision" in paragraph A and add the phrase "DC Council" and the phrase "listed on the Sex Offender Registry" in their respective places;
 - ii. In paragraph F remove the phrases "DC defendant" and "parole and/or probation" and add the word "offender" and the words "community corrections" in their respective places;
 - iii. Redesignate paragraph H as paragraph I, and add a new paragraph H to read as set forth below.
- b. In data element "Record Source Categories" remove the phrase "parole or probation services" and add the phrase "community corrections entities" in its place.

CSOSA-18

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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H. A record may be disseminated to a Federal, state, local, foreign, or international law enforcement agency to assist in the general crime prevention and detection efforts of the recipient agency or to provide investigative leads to such agency.

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12. In CSOSA/PSA-1, make the following changes:

- a. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":
 - i. Remove the phrase "civil or" from paragraph B;
 - ii. Redesignate paragraphs C through F as paragraphs D through G;
 - iii. Add a new paragraph C to read as set forth below;
 - iv. Revise newly designated paragraph D as set forth below;
 - v. In newly designated paragraph F, revise the phrase "attorney on record" to read "attorney of record".
- b. Revise the data element "Retention and Disposal" to read as set forth below.

CSOSA/PSA-1

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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C. Information may be disclosed to the appropriate Federal, state, local,

foreign or other public authority responsible for investigating, prosecuting, enforcing or implementing a statute, rule, regulation, or order where PSA becomes aware of a violation or potential violation of civil or criminal law or regulation.

D. To provide information relating to DC defendants to Federal, local and state courts, court personnel, prosecutors, defense attorneys, corrections, probation, parole, and other pretrial officials to the extent necessary to permit them to accomplish their assigned duties in any criminal matter, unless otherwise prohibited by law or regulation.

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RETENTION AND DISPOSAL:

Information will be retained for 5 years after disposition of charge(s).

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13. In CSOSA/PSA-2, make the following changes:

- a. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":
 - i. Remove the phrase "civil or" from paragraph B;
 - ii. Redesignate paragraphs C through F as paragraphs D through G;
 - iii. Add a new paragraph C to read as set forth below;
 - iv. Revise newly designated paragraph D as set forth below.
- b. Revise the data element "Retention and Disposal" to read as set forth below.

CSOSA/PSA-2

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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C. Information may be disclosed to the appropriate Federal, state, local, foreign or other public authority responsible for investigating, prosecuting, enforcing or implementing a statute, rule, regulation, or order where PSA becomes aware of a violation or potential violation of civil or criminal law or regulation.

D. To provide information relating to DC defendants and offenders to Federal, local and state courts, court personnel, prosecutors, defense attorneys, corrections, probation, parole, and other pretrial officials to the extent necessary to permit them to accomplish their assigned duties in any criminal matter, unless otherwise prohibited by law or regulation.

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RETENTION AND DISPOSAL:

Information will be retained for 5 years after disposition of charge(s).

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14. In CSOSA/PSA-3, in data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":

- a. Remove the phrase "civil or" from paragraph B;
- b. Redesignate paragraphs C through F as paragraphs D through G;
- c. Add a new paragraph C to read as set forth below;
- d. In newly designated paragraph F, revise the phrase "attorney on record" to read "attorney of record".

CSOSA/PSA-3

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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C. Information may be disclosed to the appropriate Federal, state, local, foreign or other public authority responsible for investigating, prosecuting, enforcing or implementing a statute, rule, regulation, or order where PSA becomes aware of a violation or potential violation of civil or criminal law or regulation.

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15. In CSOSA/PSA-6, make the following changes:

- a. Revise data element "System Name" to read as set forth below.
- b. Revise data element "Categories of Individuals Covered by the System" to read as set forth below.
- c. In data element "Routine Uses of Records Maintained, Including Categories of Users and the Purposes of Such Uses":
 - i. Remove the phrase "civil or" from paragraph B;
 - ii. Redesignate paragraphs C through F as paragraphs D through G;
 - iii. Add a new paragraph C to read as set forth below;
 - iv. Revise newly designated paragraph D as set forth below.
- d. Revise the data element "Retention and Disposal" to read as set forth below.

CSOSA/PSA-6

SYSTEM NAME:

Pretrial Realtime Information Systems Manager (PRISM).

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CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Defendants charged with Federal and local misdemeanor and felony charges,

municipal violations and traffic offenses in the District of Columbia.

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ROUTINE USES OF RECORDS MAINTAINED, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

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C. Information may be disclosed to the appropriate Federal, state, local, foreign or other public authority responsible for investigating, prosecuting, enforcing or implementing a statute, rule, regulation, or order where PSA becomes aware of a violation or potential violation of civil or criminal law or regulation.

D. To provide information relating to DC defendants and offenders to Federal, local and state courts, court personnel, prosecutors, defense attorneys, corrections, probation, parole, and other pretrial officials to the extent necessary to permit them to accomplish their assigned duties in any criminal matter, unless otherwise prohibited by law or regulation.

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RETENTION AND DISPOSAL:

Information will be retained for 5 years after disposition of charge(s).

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Dated: June 20, 2003.

Paul A. Quander, Jr.,

Director, Court Services and Offender Supervision Agency.

[FR Doc. 03-16195 Filed 6-26-03; 8:45 am]

BILLING CODE 3129-01-P

DEPARTMENT OF DEFENSE

Office of the Secretary

TRICARE; Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Fiscal Year 2003 Revised Diagnosis Related Group (DRG) Adjusted Standardized Amounts (ASAs) for Other Areas

AGENCY: Office of the Secretary, DoD.

ACTION: Notice of revised DRG ASA rates for other areas.

SUMMARY: This notice informs readers of a change made to the TRICARE DRG-based payment system in order to conform to a change made to the Medicare Prospective Payment System (PPS). The FY 2003 Omnibus Appropriations Act equalized the large urban and other urban ASAs under Medicare's Prospective Payment System (PPS). The TRICARE DRG-based payment system is modeled on the Medicare PPS, therefore it is necessary to revise the TRICARE ASA rates for

other areas to conform to the Medicare PPS change. The updated ASA rates for other areas are accessible through the Internet at <http://www.tricare.osd.mil> under the sequential headings TRICARE Provider Information, Rates and Reimbursements, and DRG Information.

EFFECTIVE DATES: The revised ASA rates for other areas under the TRICARE DRG-based payment system are effective for admissions occurring on or after April 1, 2003.

ADDRESSES: TRICARE Management Activity (TMA), Medical Benefits and Reimbursement Systems, 16401 East Centretech Parkway, Aurora, CO 80011-9066.

FOR FURTHER INFORMATION CONTACT: Marty Maxey, Medical Benefits and Reimbursement Systems, TMA, telephone (303) 676-3627.

Dated: May 22, 2003.

L.M. Bynum,

Alternate OSD Federal Register, Liaison Officer, Department of Defense.

[FR Doc. 03-13398 Filed 6-26-03; 8:45 am]

BILLING CODE 5001-08-M

DEPARTMENT OF DEFENSE

Office of the Secretary

Cost Sharing in Department of Defense Research Programs Using Assistance Instruments

AGENCY: Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, DoD.

ACTION: Notice of availability.

SUMMARY: The Department of Defense (DoD) proposes to issue a DoD Instruction on the use of cost sharing in basic, applied, and advanced research projects carried out through grants and other assistance instruments. The purposes of the DoD Instruction are to ensure that cost sharing is used appropriately and to make awarding offices' cost sharing policies and practices clear to potential proposers. The DoD Instruction will provide consistent policies and procedures for assistance instruments awarded under the many research programs of the Army, Navy, Air Force, Defense Advanced Research Projects Agency and other Defense Agencies. The draft DoD Instruction is available on the Director of Defense Research and Engineering Web site located at <http://www.acq.osd.mil/ddre/research/draftcostsharing.pdf>.

DATES: Comments must be received by August 26, 2003.

ADDRESSES: Comments should be addressed to: Dr. Anne Matsuura, DoD Basic Research Office, 4015 Wilson Blvd., Suite 216, Arlington, VA 22203. Comments may be submitted via e-mail (Anne_Matsura@onr.navy.mil).

FOR FURTHER INFORMATION CONTACT: Dr. Anne Matsuura, DoD Basic Research Office, at (703) 696-2530.

SUPPLEMENTARY INFORMATION: Over the past few years, research performers have expressed concern to Federal awarding agencies about their cost sharing policies and practices. In the late 1990s, for example, the Committee of Science of the National Science and Technology Council (NSTC) received comment on cost sharing when it conducted a review designed to find ways to relieve unnecessary sources of stress on the Government-university research partnership. Comments from universities suggested a need for clearer and more consistent agency policies on cost sharing practices and expectations. As a result of the NSTC review, the President issued Executive Order 13185 in December 2000 to establish guiding principles and operating principles for the research partnership between universities and Federal agencies. (The Executive order can be found at http://www.ostp.gov/html/011001_3.html. One operating principle is that Federal "agency cost sharing policies and practices must be transparent." The Executive order refers to the full explanation of this operating principle in the April 1999 NSTC report entitled "Renewing the Government-University Partnership:")

"As in any investment partnership, each partner contributes to the research endeavor. While the primary contribution of universities is the intellectual capital of the researchers' ideas, knowledge, and creativity, it is sometimes appropriate for universities to share in the costs of the research (and in some cases cost sharing is required by statute). Cost sharing can be appropriate when there are compelling policy reasons for it, such as in programs whose principal purpose is to build infrastructure and enhance an awardee's institution's ability to compete for future Federal awards. Cost sharing is rarely appropriate when an awardee is acting solely as a supplier of goods or services to the government since this would entail a university subsidy of goods purchased by the government. If agency funds are not sufficient to cover the costs of a research project, the agency and the university should re-examine the scope of the project, unless there are compelling policy reasons to require university cost sharing. Agencies should be clear about their cost sharing policies and announce when and how sharing will figure in selection processes, including explicit information regarding the amount of cost sharing expected."