

trading of MidCap SPDRs,²⁷ therefore, pursuant to Amex Rule 1000(a), the Amex equity rules governing account opening and suitability will apply. Rule 411 provides, among other things, that members shall use due diligence to learn the essential facts relative to every customer, and to every order or account accepted.²⁸

B. Market Impact

The Commission believes that the Amex has adequately addressed the potential market impact concerns raised by its proposal. The Exchange's existing trading limit policies regarding PDRs will apply to MidCap SPDRs. Thus, MidCap SPDR trading will halt if the Amex Rule 117 circuit breaker parameters are reached.²⁹ Similarly, consistent with Amex Rule 918C(b), the Amex may consider trading halts in the primary market(s) for any combination of underlying stocks accounting for 20% or more of the applicable current index group value, as well as the existence of other unusual conditions.³⁰

The Commission believes that the listing and trading of MidCap SPDRs will not adversely affect U.S. securities markets.³¹ The corpus of the MidCap SPDR Trust will be a portfolio of stocks replicating the S&P MidCap 400 Index, a broad-based, capitalization-weighted index consisting of 400 actively traded and liquid U.S. stocks. As described above, the Commission believes that MidCap SPDRs may provide substantial benefits to the marketplace and investors, including enhancing the stability of the markets for individual stocks.³² Finally, the PDR surveillance

²⁷ The exemptions granted by the Commission under the Investment Company Act of 1940 that permit the secondary market trading of MidCap SPDRs, however, are specifically conditioned upon the customer disclosure requirements described above. See Investment Company Act Release No. 20797 (December 23, 1994), 60 FR 163.

²⁸ See Amex Rule 411.

²⁹ The circuit breaker rules provide that trading in the stock, options, and futures markets will halt for one hour if the Dow Jones Industrial Average ("DJIA") declines 250 points or more from its previous day's closing level, and thereafter, trading will halt for an additional two hours if the DJIA declines 400 points from the previous day's close. The triggering of futures price limits for the S&P 500, S&P 100, or Major Market Index futures, however, will not in themselves result in a halt in MidCap SPDR trading or delayed openings. Such an event, however, could be considered by the Exchange, along with other factors, in deciding whether to halt trading.

³⁰ See Securities Exchange Act Release No. 31591, *supra* note 5.

³¹ The Commission notes that SPDRs have been trading on the Amex since January 29, 1993, without incident.

³² Even though PDR transactions may serve as substitutes for transactions in the cash market, thereby making the order flow in individual stocks smaller than would otherwise be the case, the

procedures, that incorporate and rely upon existing Amex surveillance procedures governing options and equities, will apply to MidCap SPDRs.

C. Trading Rules

The Commission finds that adequate rules and procedures exist to govern the trading of MidCap SPDRs. MidCap SPDRs, like other PDRs, are equity securities that will be subject to Amex rules governing the trading of equity securities, including, among others, rules governing the priority, parity, and precedence of orders and the responsibilities of specialists. In addition, the Amex has developed specific listing and delisting criteria for MidCap SPDRs. These criteria should help to ensure that a minimum level of liquidity will exist in MidCap SPDRs to allow for the maintenance of fair and orderly markets. Accordingly, the Commission believes that the rules governing the trading of MidCap SPDRs provide adequate safeguards to prevent manipulative acts and practices and to protect investors and the public interest.

D. Dividend Reinvestment

The Commission finds that the Exchange's proposal to amend its Rule 1000(b) definition of PDRs is consistent with the Act. Specifically, the amendment makes clear that the DTC Dividend Reinvestment Service will be made available for the use of PDR holders through DTC participant brokers for the re-investment of the cash proceeds of dividend equivalent payments.³³ This should provide investors with a convenient means of re-investing dividend equivalent payments received from SPDRs.

Commission acknowledges that during turbulent market conditions the ability of large institutions to redeem or create PDRs could conceivably have an impact on price levels in the cash market. In particular, if a PDR is redeemed, the resulting long stock position could be sold into the market, thereby depressing process further. The Commission notes, however, that the redemption or creation of PDRs likely will not exacerbate a price movement because PDRs will be subject to the equity margin requirements of 50% and PDRs are non-leveraged instruments. In addition, as noted above, during turbulent market conditions, the Commission believes PDRs, including MidCap SPDRs, will serve as a vehicle to accommodate and "bundle" order flow that otherwise would flow to the cash market, thereby allowing such order flow to be handled more efficiently and effectively. Accordingly, although PDRs and MidCap SPDRs could, in certain circumstances, have an impact on the cash market, on balance the Commission believes that the product will be beneficial to the marketplace and can actually aid in maintaining orderly markets.

³³ The product description also will be changed to make it clear to investors the availability of the Dividend Reinvestment Service.

IV. Conclusion

For the reasons set forth above, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, the requirements of Section 6(b)(5).³⁴ As noted above, the trading of MidCap SPDRs on a secondary market should provide a variety of benefits to the marketplace and investors trading portfolios of securities. Accordingly, the Commission believes that MidCap SPDRs will serve to remove impediments to and perfect the mechanism of a free and open market and a national market system, and protect investors and the public interest.

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR-AMEX-94-52), as amended, is approved.

For the Commission, by the division of Market Regulation, pursuant to delegated authority.³⁵

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-7988 Filed 3-30-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-35535; File No. SR-NASD-95-8]

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Order Approving Proposed Rule Change To Extend Certain SOES Rules Through October 2, 1995

March 27, 1995.

I. Introduction

On February 10, 1995, the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("SEC" or "Commission") a proposed rule change pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder.² The NASD proposes to extend through October 2, 1995 certain of the prior changes to its Small Order Execution System ("SOES") that were implemented in January 1994 ("January 1994 Amended SOES Rules"),³ modified in January 1995

¹ 15 U.S.C. § 78f(b)(5) (1988).

² 17 CFR 200.30-3(a)(12) (1994).

³ 15 U.S.C. 78s(b)(1) (1988).

⁴ 17 CFR 240.19b-4 (1994).

⁵ Securities Exchange Act Release No. 33377 (Dec. 23, 1993), 58 FR 69419 (Dec. 30, 1993) (approving the Interim SOES Rules on a one-year pilot basis effective January 7, 1994). See also Securities Exchange Act Release No. 33424 (Jan. 5, 1994)

("January 1995 Amended SOES Rules")⁴ and are scheduled to expire today. Without further Commission action, the SOES rules would revert to those in effect prior to the January 1994 Amended SOES Rules.

Although characterized by the NASD as a proposal to extend the January 1995 Amended SOES Rules, under this proposal, SOES will operate significantly different from its current operation. Most notably, the NASD's current proposal does not include extension of the currently effective 500 share maximum SOES order size limitation and, accordingly, the maximum order size will return to 1,000 shares on March 28, 1995. While the methodology for calculating the minimum exposure limit will remain unchanged from the January 1994 Amended SOES Rules, increasing the maximum order size from 500 shares to 1,000 shares will raise the minimum exposure limit applicable to unpreferred orders. For market makers electing not to use the automated quotation update feature, the minimum exposure limit will rise from 1,000 shares to 2,000 shares and, for those electing to use this feature, the minimum exposure limit will rise from 500 to 1,000 shares. Moreover, the current proposal will not reinstate the short sale prohibition. Thus, in comparison to the January 1994 Amended SOES Rules, the effect of this proposal is to remove or alter every change made to SOES so that retail investor access to the Nasdaq market is improved.

Notice of the proposed rule change appeared in the **Federal Register** on February 21, 1995.⁵ For the reasons discussed below, this order approves the propose rule change until October 2, 1995.

II. Description of the Current and Prior Proposals

The NASD proposes to extend two of the four January 1994 Amended SOES Rules. Specifically, the NASD proposes to extend until October 2, 1995 changes that:

(1) Reduce the minimum exposure limit for "unpreferred" SOES orders from five times the maximum order size to two times the maximum order size, and eliminate the exposure limits for "preferred" SOES orders; and

(2) Add an automated function for updating market maker quotations when the market maker's exposure limit has been exhausted (market makers using this update functions may establish an exposure limit equal to the maximum order size for that security).

In contrast, the January 1994 Amended SOES Rules included the above two changes as well as changes that:

(1) Reduced the maximum size order eligible for SOES execution from 1,000 shares to 500 shares; and

(2) Prohibited short sale transactions through SOES.

The January 1995 Amended SOES Rules continued all of the January 1994 Amended SOES Rules except for the short sale prohibition.⁶

III. Comments

The Commission received comments from seven commenters, with four supporting the proposal and three opposing it. The NASD responded to these comments in a letter dated March 22, 1995.⁷ Subsequently, two of the original seven commenters submitted letters reiterating their respective positions; one of these supported the proposal and the other opposed it.

Generally, commenters supporting the proposal argue that approval of the March 1995 Amended SOES Rules will limit the exposure of market makers to multiple executions, which will benefit retail investors by producing narrower spreads and more liquid markets.

Commenters opposed to the proposal argue that the statistical and market quality data cited by the NASD in support of its proposal are not sufficient to support the NASD's position. They contend that the two studies on which the NASD relies fail to demonstrate any increase in market quality as a result of the rules and that market makers have ample opportunity to update their quotes in order to avoid multiple SOES executions. One commenter also argued that the NASD has not provided a sufficient basis for establishing the minimum exposure limit at 2,000 shares and that determining the appropriateness of the automated quotation update feature is not possible without information about the extent of its use. Commenters opposed to the NASD's January 1994 Amended SOES Rules and January 1995 Amended SOES

Rules argued that decreasing the minimum exposure limit will increase the potential for order queues to develop and, thus, result in inferior executions for retail customers.

IV. Discussion

The Commission must approve a proposed NASD rule change if it finds that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder that govern the NASD.⁸ In evaluating a given proposal, the Commission examines the record before it and relevant factors and information.⁹ After balancing the advantages and disadvantages of extension, the Commission believes that approval of the March 1995 Amended SOES Rules through October 2, 1995 meets the above standards. Specifically, the Commission believes that returning the maximum order size to 1,000 shares, thus increasing the minimum exposure limit from 1,000 shares to 2,000 shares, and maintaining the automated quotation update feature is appropriate while the NASD considers other methods for handling small orders from retail customers.

In connection with the January 1995 Amended SOES Rules, the NASD submitted an econometric study conducted by the NASD's Economic Research Department¹⁰ and commissioned a consulting economist to provide an assessment of the effect of the January 1994 Amended SOES Rules.¹¹ In summary, the NASD's

⁸ 15 U.S.C. § 78s(b). The Commission's statutory role is limited to evaluating the rules as proposed against the statutory standards. See S. Rep. No. 75, 94th Cong., 1st Sess., at 13 (1975).

⁹ In the Securities Acts Amendments of 1975, Congress directed the Commission to use its authority under the Act, including its authority to approve SRO rule changes, to foster the establishment of a national market system and promote the goals of economically efficient securities transactions, fair competition, and best execution. Congress granted the Commission "broad, discretionary powers" and "maximum flexibility" to develop a national market system and to carry out these objectives. Furthermore, Congress gave the Commission "the power to classify markets, firms, and securities in any manner it deems necessary or appropriate in the public interest or for the protection of investors and to facilitate the development of subsystems within the national market system." S. Rep. No. 75, 94th Cong., 1st Sess., at 7 (1975).

¹⁰ Securities Exchange Act Release No. 35080 (Dec. 9, 1994), 59 FR 65109 (Dec. 16, 1994). The NASD's Economic Research Department examined Nasdaq bid-ask spreads in specific stocks and price volatility on two sample days each month from November 1993 (three months prior to the effective date of the rules) through August 1994.

¹¹ Letter from John F. Olson, Counsel for the NASD, Gibson, Dunn & Crutcher, to Jonathan Katz, Secretary, SEC (Dec. 30, 1994) (submitting in connection with File No. SR-NASD-94-68 analysis entitled The Association Between the Interim SOES

Continued

(order denying stay and granting interim stay through January 25, 1994) and Securities Exchange Act Release No. 33635 (Feb. 17, 1994) (order denying renewed application for stay).

⁴ Securities Exchange Act Release No. 35275 (Jan. 25, 1995), 60 FR 6327 (Feb. 1, 1995).

⁵ Securities Exchange Act Release No. 35364 (Feb. 13, 1995), 60 FR 9704 (Feb. 21, 1995).

⁶ Thus, short sales in compliance with the NASD's short sales rule applicable to the Nasdaq market as a whole are permitted in SOES. *NASD Manual*, Rules of Fair Practices, Sec. 48, CCH ¶ 2200H.

⁷ Letter from Richard Ketchum, Executive Vice President & Chief Operating Officer, NASD, to Jonathan G. Katz, Secretary, SEC (Mar. 22, 1995).

Economic Research Department found that since implementation of the January 1994 Amended SOES Rules: (a) spreads in Nasdaq securities have declined; and (b) volatility of Nasdaq securities appears to be unchanged, except for a brief, market-wide period of volatility in March and April 1994. The commissioned study reported that while percentage quoted spreads increased a statistically insignificant amount, percentage quoted spreads adjusted for other determining factors declined by a statistically significant, but economically insignificant, amount. From this data, the author concluded that the January 1994 Amended SOES Rules did not harm market quality. In support of its current proposal, the NASD also relies on these studies for the proposition that the January 1994 Amended SOES Rules and the January 1995 Amended SOES Rules collectively and individually have improved the quality of the Nasdaq market.

In its order approving the January 1995 Amended SOES Rules, however, the Commission expressed its belief that the empirical data submitted by the NASD demonstrated neither significant improvement to nor serious deterioration in the quality of the Nasdaq market subsequent to the adoption of the January 1994 Amended SOES Rules.¹² Since Commission approval of the January 1995 Amended SOES Rules, no data concerning the impact of the January 1994 Amended SOES Rules or the January 1995 Amended SOES Rules has been submitted. The Commission, therefore, continues to believe that empirical evidence submitted by the NASD demonstrates neither a significant improvement to nor serious deterioration in the quality of the Nasdaq market subsequent to the adoption of the January 1994 Amended SOES Rules. Moreover, the Commission believes this is true whether the amended SOES rules are viewed collectively or individually.

The absence of negative implications for market quality must be considered in conjunction with other effects of the recent changes to SOES on the investing public. The current proposal, in conjunction with termination of the short sale prohibition in January 1995, restores much of the access retail investors with small orders enjoyed

Rules and Nasdaq Market Quality prepared by Dean Furbush, Ph.D., Economists Incorporated (Dec. 30, 1994)). This analysis compared sample days in the three months prior to and three months after the effective date of the January 1994 Amended SOES Rules.

¹² Securities Exchange Act Release No. 35275 (Jan. 25, 1995), 60 FR 6327 (Feb. 1, 1995).

prior to the January 1994 Amended SOES Rules and, thus, the Commission believes that a sufficient basis exists for approving the NASD's proposal. Effective March 28, 1995, the 1,000 share maximum order size in effect prior to the January 1994 Amended SOES Rules will be restored. This will provide retail investors enhanced opportunity to obtain execution of transactions between 500 and 1,000 shares and, accordingly, will improve access to the Nasdaq market. The Commission believes that the net effect of the instant proposal and the January 1995 Amended SOES Rules is a substantial departure from the January 1994 Amended SOES Rules, and would eliminate the economically significant restrictions imposed on order entry firms by the prior rules.

The NASD's proposal will continue the methodology for calculating a market maker's minimum exposure limit; that is, two times the maximum order size rather than the pre-January 1994 Amended SOES Rules calculation of five times the maximum order size. Restoring the pre-January 1994 Amended SOES Rules maximum order size of increasing the minimum exposure limit from 1,000 shares to 2,000 shares.

Moreover, the current methodology for calculating a market maker's outstanding exposure limit will continue to exclude orders executed pursuant to a preferencing arrangement. Under the SOES Rules prior to the January 1994 Amended SOES Rules, both preferenced and unpreferenced orders were considered when calculating a market maker's remaining exposure limit. Thus, in relative terms, the 2,000 share exposure limit potentially provides greater liquidity compared to the pre-January 1994 Amended SOES Rules' 5,000 share minimum exposure limit. This assures enhanced access to Nasdaq market makers by both firms with and without preferencing arrangements.

The Commission believes that while the proposal does not restore the pre-January 1994 Amended SOES Rules minimum exposure limit, it provides customers fair access to the Nasdaq market and reasonable assurance of timely executions. In this regard, the maximum order size will equal the size requirement prescribed under the Firm Quote Rule and NASD rules governing the character of market maker quotations.¹³ Moreover, market maker's minimum exposure limit for unpreferenced orders will be double its

¹³ NASD Manual, Schedules to the By-Laws, Schedule D, Part V, Sec. 2(a), (CCH) ¶ 1819.

minimum size requirement prescribed under these rules.¹⁴

The Commission also believes that extending the automated update function is consistent with the Firm Quote Rule. The update function provides market makers the opportunity to update automatically their quotations after executions through SOES;¹⁵ under the Commission's firm Quote Rule, market makers are entitled to update their quotations following an execution and prior to accepting a second order at their published quotes.¹⁶

The Commission notes commenter views that the NASD's proposal does not go far enough in restoring access available to investors prior to the January 1994 Amended SOES Rules. As discussed above, however, the current proposal does offer investors significantly wider latitude than the January 1994 Amended SOES Rules and the January 1995 Amended SOES Rules. Moreover, the limited duration of the proposal will give the NASD and interested persons an opportunity to assess the broader implications of immediate execution of orders between 500 and 1,000 shares through SOES.

V. Conclusion

As indicated above, the Commission has determined to approve the March 1995 Amended SOES Rules through October 2, 1995. In light of the balance of factors described above and the limited duration of the current proposal, the Commission believes extension of the changed methodology for calculating the minimum exposure and the addition of an automatic quotation

¹⁴ 17 CFR 240.11Ac1-1(c). Nonetheless, the Commission is concerned about the potential for delayed and/or inferior executions. In this regard, the Commission expects the NASD to monitor the extent to which exposure limits are exhausted, the extent to which the automated quotation update feature is used, and the effects these two aspects have on liquidity. Moreover, the Commission expects the NASD to consider the possibility of enhancements to eliminate the potential for delayed and/or inferior executions.

¹⁵ In its response to commenters, the NASD indicated that 21 percent of market makers in Nasdaq National Market securities use the automated quotation update feature resulting in 38 percent of all market making positions in Nasdaq National Market securities. Letter from Richard Ketchum, Executive Vice President & Chief Operating Officer, NASD, to Jonathan G. Katz, Secretary, SEC (Mar. 22, 1995).

¹⁶ The Firm Quote Rule requires market makers to execute orders at prices at least as favorable as their quoted prices. The Rule also allows market makers a reasonable period of time to update their quotations following an execution, allows market makers to reject an order if they have communicated a quotation update to their exchange or association, and provides for a size limitation on liability at a given quote. 17 CFR 240.11Ac1-1(c)(2). See also, Securities Exchange Act Release No. 14415 (Jan. 16, 1978), 43 FR 4342 (Feb. 1, 1978).

update feature is consistent with the Act.

The Commission, in the exercise of the authority delegated to it by Congress, and in light of its experience regulating securities markets and market participants, has determined that approval of the March 1995 Amended SOES Rules until October 2, 1995 is consistent with maintaining investor protection and fair and orderly markets, and that these goals, on balance, outweigh any possible anti-competitive effects on order entry firms and their customers.

Accordingly, the Commission finds that the rule change is consistent with the Act and the rules and regulations thereunder applicable to the NASD and, in particular, Sections 15A(b)(6), 15A(b)(9), and 15A(b)(11). In addition, the Commission finds that the rule change is consistent with the Congressional objectives for the equity markets, set out in Section 11A, of achieving more efficient and effective market operations, fair competition among brokers and dealers, and the economically efficient execution of investor orders in the best market.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the instant rule change SR-NASD-95-8 be, and hereby is, approved, effective March 28, 1995 through October 2, 1995.

By the Commission.

Jonathan G. Katz,
Secretary.

[FR Doc. 95-7987 Filed 3-30-95; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

[CGD 95-015]

Load Lines: Barges on Lake Michigan

AGENCY: Coast Guard, DOT.

ACTION: Notice.

SUMMARY: The Coast Guard proposes to amend its current policy exempting unmanned, river-service, dry-cargo barges operating on Lake Michigan between Chicago (Calumet Harbor), Illinois, and Milwaukee, Wisconsin, from the requirement that they have a Great Lakes Load Line Certificate. In order to qualify for the exemption, the barges must meet certain specified requirements intended to provide a level of safety equivalent to that provided under the Great Lakes load line regulations. Also, the Coast Guard proposes to exempt similar barges under

the same requirements operating between Chicago (Calumet Harbor), Illinois, and St. Joseph (Benton Harbor), Michigan. These changes should facilitate the movement of goods along these routes while maintaining an equivalent level of safety.

DATES: This exemption is effective March 31, 1995. Comments must be received on or before May 15, 1995.

ADDRESSES: Comments may be mailed to the Executive Secretary, Marine Safety Council (G-LRA/3406) (CGD 95-015), U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593-0001, or may be delivered to room 3406 at the same address between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays. The telephone number is (202) 267-1477.

The Executive Secretary maintains the public docket for this notice. Comments will become part of this docket and will be available for inspection or copying at room 3406, U.S. Coast Guard Headquarters, between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Mr. William Hayden, Office of Marine Safety, Security and Environmental Protection, U.S. Coast Guard (G-MTH-3), room 1308, 2100 Second Street, SW., Washington DC 20593-0001. The telephone number is (202) 267-2988.

SUPPLEMENTARY INFORMATION:

Changes to the Chicago to Milwaukee Route Exemption

On September 21, 1992, the Coast Guard published a notice in the Federal Register (57 FR 43479) announcing that unmanned barges designed for river service and carrying dry, non-hazardous cargo from the Illinois River system, via Chicago and Lake Michigan, to Milwaukee, Wisconsin, are exempt from the requirement that they have a Great Lakes Load Line Certificate under 46 CFR part 45. In order to qualify for the exemption, the barges must have a Limited Service Domestic Voyage Load Line Certificate and meet certain special operating restrictions and conditions. Under 46 CFR 45.15(a), Coast Guard determined that, due to the sheltered nature of the voyage along the coast of Lake Michigan and to the special restrictions and conditions imposed, it would be unreasonable to require these barges to have a Great Lakes load line under 46 CFR part 45.

Based on experience gained since 1992, the Coast Guard is making the following changes to the special restrictions and conditions for the exemption:

(1) The lead barge of the tow must have a raked bow. [See paragraph II.4. below.] Comments received at a joint Coast Guard/industry meeting held in Muskegon, Michigan, on October 24, 1994, indicated that using a box (square end) barge as the lead for the tow greatly reduces the transit speed, thereby increasing the transit time.

Representatives from several companies operating barges on the Chicago to Milwaukee route stated that they now use a rake-end barge as the lead barge. An increase in speed should reduce the transit time to a harbor of safe refuge in the event of an adverse change in the weather.

(2) Paragraph III.5. allows the initial load line survey for barges less than 10 years old to be conducted with the barge remaining in the water, rather than drydocked or hauled out of the water as presently required. A survey afloat should be sufficient in light of the restricted nature of the route, the relatively benign environment of river service, and the relatively small portion of time the barges would be operating on Lake Michigan. When the barge reaches 10 years of age or upon expiration of its Limited Service Domestic Voyage Load Line Certificate, whichever occurs first, the survey must include drydocking. [See paragraph III.6.]

(3) Carrying cargo to a Lake Michigan port not along the designated route is prohibited. [See paragraph II.2.] The purpose for the exemption is to provide uninterrupted service between the inland waterway system and certain Lake Michigan ports and not to circumvent traditional intra-lake service provided by Great Lakes-capable barges.

Establishment of the Chicago to St. Joseph Route Exemption

As recommended by ABS Americans (ABS) on January 9, 1995, the Coast Guard is granting that a similar exemption with the same restrictions for voyages between Calumet Harbor and Benton Harbor, St. Joseph, Michigan. The Coast Guard is allowing 45 days for public comment and may amend this exemption based on the comments received.

To eliminate duplicative paperwork, an approval for operation on one route constitutes an approval for operation on both routes. [See paragraph I.3.]

For the reasons set out above, the Coast Guard, under 46 U.S.C. 5108 and 46 CFR 45.15(a), amends the exemption announced in the notice of September 21, 1992, (57 FR 43479) as follows:
LIMITED SERVICE DOMESTIC VOYAGE LOAD LINE ROUTES:
CHICAGO, ILLINOIS, TO MILWAUKEE,