

Maritime Administration

[Docket S-943 Sub. 1]

**Lykes Bros. Steamship Co., Inc.;
Notice of Additional Application for
Written Permission Pursuant to
Section 805(a) of the Merchant Marine
Act, 1936, as Amended**

Lykes Bros. Steamship Co., Inc. (Lykes), by letter of March 20, 1997, requests additional written permission to its March 14, 1997, request published on March 19, 1997 (62 F.R. 13209-11), pursuant to section 805(a) of the Merchant Marine Act, 1936, as amended (Act), and Lykes' Operating-Differential Subsidy Agreement (ODSA), Contract MA/MSB-451 to become affiliated after the confirmation of its Chapter 11 plan of reorganization (Reorganization Plan), when it will emerge from Chapter 11 as a reorganized entity (Reorganized Lykes), with GATX Third Aircraft. Lykes' operating-differential subsidy (ODS) is effective through December 31, 1997, for seven vessels. The additional information involves GATX Third Aircraft which is owned by GATX Capital, which is owned by GATX Financial Services, which in turn is owned by GATX Corporation, which owns but leases out and does not operate the following vessels in the domestic trade:

DAVID NORTON
G. STINSON
WOLVERINE
ITBU PRESQUE ISLE

The above four vessels are self-unloading bulk vessels engaged in trade on the Great Lakes.

TANK BARGE TEXAS
TANK BARGE PENNSYLVANIA

These barges are operated in the coastwise trade and carry petroleum products.

68 Double Skin Tank Barges

These barges carry petroleum products and chemicals on U.S. rivers and inland waterways and occasionally operate in the U.S. coastwise trades.

The "affiliation" giving rise to this request for permission will be created as part of a restructuring under the supervision of the United States Bankruptcy Court. Lykes believes that the operational facts of this situation should be distinguished from the more common section 805(a) situation in which an ODS contractor wishes to directly or indirectly establish a domestic service. While GATX Third Aircraft owns the vessels involved, they are all leased and operated by others. Lykes states that neither GATX Third Aircraft nor any of its parent companies

have any affiliation whatever with the ODS contractor, and the circumstances giving rise to the need for section 805(a) permission will have absolutely no impact on the way in which that domestic service is provided.

Lykes indicates that Lykes and GATX Third Aircraft and the latter's parent companies currently have no operational relationship whatsoever. According to Lykes, that situation will continue after approval of the Reorganization Plan and acquisition of ownership of Lykes. Reorganized Lykes will continue as the ODS contractor, and GATX Third Aircraft will not be involved in any way in Reorganized Lykes' operations. Reorganized Lykes and GATX Third Aircraft will have separate management, separate books, and separate operational staff, and will provide geographically separate services. The only relationship between the companies will be that they will have a common ultimate parent. In the case of Reorganized Lykes, that ultimate parent (GATX Corporation) is three companies "up stream" in the corporate ownership hierarchy. According to Lykes, no subsidy paid to Reorganized Lykes will be diverted directly or indirectly to GATX Third Aircraft, nothing in GATX Third Aircraft's finances or operations will change as a result of the reorganization, and there will be no impact on any competitor.

For the foregoing reasons, and in light of the degree of separation between Reorganized Lykes and GATX Third Aircraft and the short remaining term of Lykes' ODS contract, Lykes requests that the Secretary issue written permission pursuant to section 805(a) for Reorganized Lykes to become affiliated with GATX Third Aircraft. Because this permission is an integral part of the Reorganization Plan under consideration by the Bankruptcy Court, Lykes respectfully requests that its application be given the most expeditious possible consideration and that written permission be granted as soon as possible.

The application may be inspected in the Office of the Secretary, Maritime Administration. Any person, firm or corporation having any interest (within the meaning of section 805(a)) in Lykes' request and desiring to submit comments concerning the request must by 5:00 PM on March 28, 1997, file written comments in triplicate with the Secretary, Maritime Administration, together with petition for leave to intervene. The petition shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief.

If no petition for leave to intervene is received within the specified time or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Administration will take such actions as may be deemed appropriate.

In the event petitions regarding the relevant section 805(a) issues are received from parties with standing to be heard, a hearing will be held, the purpose of which will be to receive evidence under section 805(a) relative to whether the proposed operations (a) could result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal service, or (b) would be prejudicial to the objects and policy of the Act relative to domestic trade operations.

(Catalog of Federal Domestic Assistance Program No. 20.805 (Operating-Differential Subsidy))

By Order of the Maritime Administrator.

Dated: March 21, 1997.

Joel C. Richard,

Secretary.

[FR Doc. 97-7658 Filed 3-24-97; 8:45 am]

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**National Highway Traffic Safety
Administration**

[Docket 74-40; Notice 11]

**Insurance Cost Information
Regulation; Correction**

AGENCY: National Highway Traffic Safety Administration, DOT.

ACTION: Notice of text and data for 1997 Insurance Cost Information Booklet; correction.

SUMMARY: The Docket No. 74-40; Notice 9, as it appeared in the **Federal Register** on March 7, 1997, on page 10607, is incorrect. It should appear as Docket 74-40; Notice 10.

Authority: 49 U.S.C. 32302; delegation of authority at 49 CFR 1.50(f).

Issued: March 19, 1997.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 97-7383 Filed 3-24-97; 8:45 am]

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