This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 3rd day of September 1999.

For The Nuclear Regulatory Commission.

Suzanne C. Black,
Acting Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99–23693 Filed 9–10–99; 8:45 am]
BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Docket No. 50–271

Vermont Yankee Nuclear Power Corporation; Notice of Withdrawal of Application for Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has granted the request of Vermont Yankee Nuclear Power Corporation (the licensee) to withdraw its April 20, 1999, application for proposed amendment to Facility Operating License No. DPR–28 for the Vermont Yankee Nuclear Power Station, located in Windham County, Vermont.

The proposed amendment would have revised the reactor core spiral reloading pattern such that it begins around a source range monitor.

The Commission had previously issued a Notice of Consideration of Issuance of Amendment published in the Federal Register on May 19, 1999 (64 FR 27328). However, by letter dated August 18, 1999, the licensee superseded its entire proposal, which was withdrawn on September 7, 1999. The licensee has revised its proposal.

For further details with respect to this action, see the application for amendment dated April 20, 1999, and the licensee's letter dated August 18, 1999, which withdrew the application for license amendment. The above documents are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555, or at the local public document room located at the Brooks Memorial Library, 224 Main Street, Brattleboro, VT 05301.

Dated at Rockville, MD., this 27th day of August 1999.

For the Nuclear Regulatory Commission.

Richard P. Croteau,
Project Manager, Section 2, Project Directorate I, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99–23692 Filed 9–10–99; 8:45 am]
BILLING CODE 7590–01–P

POSTAL RATE COMMISSION

Docket No. C99–4

Technical and Settlement Conference; Meeting

AGENCY: Postal Rate Commission.

ACTION: Notice of technical and settlement conference.

SUMMARY: An initial technical and settlement conference has been scheduled in docket no. C99–4. The conference will address a cost study, physical operation of Bulk Parcel Return Service (BPRS), potential settlement proposals, and other issues in the docket. The conference will assist in clarifying issues and allowing the settlement coordinator to respond to the Commission's request that a report on the potential for settlement be filed by September 17, 1999.

DATES: The technical and settlement conference has been scheduled for Tuesday, September 14, 1999. For time and other dates, see the SUPPLEMENTARY INFORMATION section.

ADDRESSES: The conference will be held in the Commission's hearing room at 1333 H Street NW., Suite 300, Washington, DC 20268–0001.


SUPPLEMENTARY INFORMATION: The Commission's OCA hereby gives notice of a technical and settlement conference to discuss resolution of the complaint filed on June 9, 1999, by the Continuity Shippers Association (CSA). On September 3, 1999, the Commission issued a notice of formal proceedings to consider the complaint and provided until September 17, 1999, for the parties to explore settlement.

The CSA complaint alleges that the rate for BPRS is excessive. The complaint raises issues concerning the BPRS cost study performed by the Postal Service in October 1998, in compliance with the Commission's recommended decision in docket no. MC97–4. The complaint also alleges similarities between BPRS and Special Standard (B) mail. The Commission noted the Postal Service's responses to CSA's allegations, but determined that there was inadequate justification for dismissal of the complaint.

Under the circumstances presented, it is imperative that the parties utilize "appropriate informal inquiry methods to define the issues, further the exchange of information and explanations between the Postal Service and the complainant, and facilitate settlement." 39 CFR 3001.85(a). Because the October 1998 study and the physical operation of BPRS in comparison to other mail services are central to addressing the rate for BPRS, an informal technical conference is needed as well as an informal settlement conference. Complainant CSA, the Postal Service, and other interested parties are hereby placed on notice that they are expected to have individuals present at the conference who are thoroughly familiar with the BPRS cost study and with the operational characteristics of BPRS. CSA and the Postal Service are encouraged to discuss the issues raised by the complaint and to share information or proposals in advance of the informal technical and settlement conference.

The informal technical and settlement conference will be held September 14, 1999, beginning at 9:30 a.m. in the Commission's hearing room at 1333 H Street NW., Washington, DC. All interested persons are welcome to attend the conference, but all such persons are placed on notice that attendance at the conference will not confer party status. Any interested person must file pursuant to rule 20 or 20a of the Commission's rules (39 CFR §§ 20 or 20a) in order to intervene or to obtain limited participation status in this proceeding.

The Secretary of the Commission is requested to arrange for publication of this notice in the Federal Register.


Dated: September 8, 1999.

Margaret P. Crenshaw,
Secretary.

[FR Doc. 99–23851 Filed 9–10–99; 8:45 am]
BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

Investment Company Act Release No. 23995; 812–11656]

LSA Variable Series Trust and LSA Asset Management LLC, Notice of Application

September 7, 1999.

AGENCY: Securities and Exchange Commission ("Commission").

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940, as amended ("Act") to register a series of investment companies (the "Trust") under the Investment Company Act of 1940, as amended ("Act").

SUPPLEMENTARY INFORMATION: The application is designated as Type IIA. The application is to register a series of diversified mutual funds (the "Trust") under section 8 of the Act.

It is hereby ordered that notice of the Trust's initial registration, pursuant to section 6(e) of the Act, be waived.

It is hereby ordered that the proposed Rule be effective on the date the Commission issues its order granting the Trust's registration.

Verification: The undersigned officer of the Trust certifies that, to the best of his knowledge, information and belief, the statements in the application are true and complete, and that no material facts have been concealed.

Robert G. Plumb,
Acting Treasurer.

[FR Doc. 99–23995 Filed 9–10–99; 8:45 am]
BILLING CODE 4412–70–P
Act of 1940 (the “Act”) for an exemption from section 15(a) of the Act and rule 18f-2 under the Act, as well as from certain disclosure requirements.

SUMMARY OF APPLICATION: Applicants request an order to permit applicants to enter into and materially amend subadvisory agreements without shareholder approval and to grant relief from certain disclosure requirements.

APPLICANTS: LSA Variable Series Trust (the “Trust”), on behalf of its series, Focused Equity Fund, Growth Equity Fund, Disciplined Equity Fund, Value Equity Fund Balanced Fund, and Emerging Growth Domestic Equity Fund (collectively, the “Funds”), and LSA Asset Management LLC (the “Manager”) (collectively, “Applicants”).

FILING DATE: The application was filed on June 16, 1999 and amended on August 27, 1999.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission’s Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on October 1, 1999, and should be accompanied by proof of service on applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer’s interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission’s Secretary.

ADDITIONAL INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the Commission’s Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549–0102 (telephone (202) 942–8090).

Applicant’s Representations
1. The Trust is a Delaware business trust and is registered under the Act as an open-end management investment company. Each Fund has its own investment objective, policies and restrictions. Shares of the Funds will serve as the funding vehicles for variable annuity contracts and variable life insurance policies offered through separate accounts (“Separate Accounts”) of Allstate Life Insurance Company (“Allstate”) and other life insurance companies (owners of such contracts and policies, “Owners”). The Funds are not sold directly to the public, although in the future shares of the Funds may also be sold to qualified pension plans. The Manager is a wholly-owned subsidiary of Allstate and is an investment adviser registered under the Investment Advisers Act of 1940 (“Advisers Act”).

2. The Manager will serve as investment adviser to the Funds pursuant to an investment advisory agreement entered into with the Trust (“Management Agreement”). Under the Management Agreement, the primary responsibilities of the Manager, subject to the supervision and direction of the Trust’s board of trustees (“Board”), are to provide the Trust with investment management services and to select and contract with one or more investment advisers (“Advisers”) to manage the Funds’ investment portfolios. Each Fund currently will be advised by a single Adviser. Each Adviser recommended by the Manager will be selected and approved by the Board, including a majority of the trustees who are not “interested persons” (as defined in section 2(a)(19) of the Act), of the Trust, the Manager, or the Advisers (“Independent Trustees”). Each Adviser is, and any future Adviser will be, registered as an investment adviser under the Advisers Act and will perform services under a subadvisory agreement (“Advisory Agreement”) between the Manager and the Adviser. Each Adviser’s fees will be paid by the Manager out of the management fees received by the Manager from the Funds.

3. Although the Manager is a newly-formed entity, its parent company, Allstate, has extensive experience in asset management and in evaluating and hiring investment advisers. As a wholly-owned subsidiary of Allstate, the Manager will have access to and draw upon Allstate’s advisory experience and expertise. In providing investment management evaluation services, the Manager will conduct quantitative and qualitative analyses of the Advisers and will consider, among other factors, each Adviser’s level of expertise, relative performance, consistency of results, and investment discipline or philosophy. The Manager will monitor the compliance of each Adviser with the investment objective and related policies and restrictions of each Fund and will review the performance of each Adviser and report periodically to the Board on such performance. The Manager is responsible for communicating performance expectations and evaluations to each Adviser and ultimately to determine whether each Advisory Agreement should be renewed, modified, or terminated. The Manager will provide reports to the Board with respect to the results of its evaluation, monitoring functions and determinations with respect to each Adviser.

4. Applicants request relief to permit the manager to enter into and materially amend Advisory Agreements without seeking shareholder approval. The requested relief will not extend to an Adviser that is an “affiliated person,” as defined in section 2(a)(3) of the Act, of the Trust or the Manager, other than by reason of serving as an Adviser to one or more of the Funds (“Affiliated Adviser”).

5. Applicants also request an exemption form the various disclosure provisions described below that may require each Fund to disclose fees paid by the Manager to the Advisers. The Trust will disclose for each Fund (both as a dollar amount and as a percentage of the Fund’s net assets): (a) Aggregate fees paid to the Manager and Affiliated Advisers, and (b) aggregate fees paid to Advisers other than Affiliated Advisers (“Aggregate Fee Disclosure”). The Aggregate Fee Disclosure also will include separate disclosure of any advisory fees paid to any Affiliated Adviser.

Applicants’ Legal Analysis
1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to act as an investment adviser to a registered investment company except pursuant to a written contract that has been approved by the vote of the company’s outstanding voting securities. Rule 18f-2 under the Act provides that each series of class of stock in a series company affected by a matter must approve such matter if the Act requires shareholder approval.
2. Form N-1A is the registration statement used by open-end investment companies. Items 3, 6(a)(1)(ii), and 15(a)(3) of Form N-1A require disclosure of the method and amount of the investment adviser's compensation.

3. Form N-14 is the registration form for business combinations involving open-end investment companies. Item 3 of Form N-14 requires the inclusion of a "table showing the current fees for the registrant and the company being acquired and pro forma fees, if different, for the registrant after giving effect to the transaction."

4. Rule 20a-1 under the Act requires proxies solicited with respect to an investment company to comply with Schedule 14A under the Securities Exchange Act of 1934 (the "Exchange Act"). Item 22(a)(3)(iv) of Schedule 14A requires a proxy statement for a shareholder meeting at which a new fee will be established or an existing fee increased to include a table of the current and pro forma fees. Items 22(c)(1)(ii); 22(c)(1)(iii); 22(c)(8), and 22(c)(9), taken together, require a proxy statement for a shareholder meeting at which the advisory contract will be voted upon to include the "rate of compensation of the investment adviser," the "aggregate amount of the investment adviser's fee," a description of the "terms of the contract to be acted upon," and, if a change in the advisory fee is proposed, the existing and proposed fees and the difference between the two fees.

5. Form N-SAR is the semi-annual report filed with the Commission by registered investment companies. Item 48 of Form N-SAR requires investment companies to disclose the rate schedule for fees paid to their investment advisers, including the Advisers.

6. Regulation S-X sets forth the requirements for financial statements required to be included as part of investment company registration statements and shareholder reports filed with the Commission. Sections 6-07(2) (a), (b) and (c) of Regulation S-X require that investment companies include in their financial statements information about investment advisory fees.

7. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction or any class or classes of persons, securities, or transactions from any provision of the Act, or from any rule thereunder, if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act. Applicants believe that their requested relief meets this standard for the reasons discussed below.

8. Applicants assert that the Owners are relying on the Manager to select and monitor the activities of the Advisers and to respond promptly to any significant change in the advisory services provided to the Funds. Applicants submit that in many respects, the relationship between the Manager and the Advisers resembles the relationship between a traditionally structured investment company and its investment adviser, who no shareholder approval is required for the investment adviser to change a portfolio manager or revise the portfolio manager's salary or conditions of employment. Applicants note that the Management Agreement will remain fully subject to the requirements of section 15(a) of the Act and rule 18f-2 under the Act.

9. Applicants assert that some Advisers use a "posted" rate schedule to set their fees. Applicants believe that the Manager will be able to negotiate below "posted" fee rates with Advisers if each Adviser's fees are required to be disclosed. Applicants submit that the nondisclosure of the individual Adviser's fees is in the best interest of the Funds and the Owners, where disclosure of such fees would increase costs to Owners without an offsetting benefit to the Trust and the Owners.

**Applicants' Conditions**

Applicants agree that any order granting the requested relief will be subject to the following conditions:

1. Before a Fund or a Future Investment Company may rely on the requested order, the operation of the Fund or the Future Investment Company will be approved by the Owners or a majority of the outstanding voting securities or, in the case of a Fund or a Future Investment Company whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 2 below, by the sole initial shareholder(s) before offering shares of that Fund or Future Investment Company to the public (or the Owners).

2. The Trust will disclose in the prospectus the existence, substance, and effect of any order granted pursuant to this application. In addition, each Fund relying on the requested order will hold itself out to the public as employing the management structure described in the application. The prospectus will prominently disclose that the Manager has ultimate responsibility (subject to oversight by the Board) to oversee the Advisers and recommend their hiring, termination, and replacement.

3. Within ninety (90) days of the hiring of any new Adviser, Owners with assets allocated to any subaccount of a registered Separate Account for which the applicable Fund serves as a funding medium will be furnished all information about the new Adviser or Advisory Agreement that would be included in a proxy statement, except as modified by the order to permit Aggregate Fee Disclosure. This information will include Aggregate Fee Disclosure and any change in such disclosure caused by the addition of a new Adviser. The Manager will satisfy this condition by providing these Owners with an information statement meeting the requirements of Regulation 14C and Schedule 14C under the 1934 Act and Item 22 of Schedule 14A under the 1934 Act, except as modified permit Aggregate Fee Disclosure.

4. The Manager will not enter into an Advisory Agreement with any Affiliated Adviser without that Advisory Agreement, including the compensation to be paid thereunder, being approved by the Owners with assets allocated to any subaccount of a registered Separate Account for which the applicable Fund serves as a funding medium or by the shareholders in the case of a publicly available Fund.

5. At all times, a majority of the Board will be Independent Trustees and the nomination of new or additional Independent Trustees will continue to be at the discretion of the then-existing Independent Trustees.

6. When an Adviser change is proposed for a Fund with an Affiliated Adviser, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Board minutes, that the change is in the best interests of the Fund and Owners with assets allocated to any subaccount of a registered Separate Account for which the fund serves as a funding medium or by the shareholders in the case of a publicly available Fund and does not involve a conflict of interest from which the Manager or the Affiliated Adviser derives an inappropriate advantage.

7. Independent counsel knowledgeable about the Act and the duties of Independent Trustees will be engaged to represent the Independent Trustees of the Trust. The selection of such counsel will be within the discretion of the Independent Trustees of the Trust.

8. The Manager will provide the Board, no less frequently than quarterly, with information about the Manager's profitability on a per-Fund basis. This information will reflect the impact on profitability of the hiring or termination of
of any Adviser during the applicable quarter.

9. Whenever an Adviser is hired or terminated, the Manager will provide the Board with information showing the expected impact on the Manger’s profitability.

10. The Manager will provide general management services to the Trust and its Funds, including overall supervisory responsibility for the general management and investment of each Fund’s securities portfolio and, subject to review and approval by the Board, will: (i) Set each Fund’s overall investment strategies; (ii) evaluate, select, and recommend Advisers to manage all or part of a Fund’s portfolio; (iii) allocate and, when appropriate, reallocate a Fund’s assets among multiple Advisers; (iv) monitor and evaluate the performance of Advisers; and (v) implement procedures reasonably designed to ensure that the Advisers comply with each Fund’s investment objective, policies, and restrictions.

11. No trustee/director of officer of the Trust or director or office of the Manager will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by that trustee/director or office) any interest in any Adviser except for: (i) Ownership of interests in the Manager or any entity that controls, is controlled by, or is under common control with the Manager; (ii) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either an Adviser or an entity that controls, is controlled by, or is under common control with an Adviser.

12. The Trust will disclose in its registration statement the Aggregate Fee Disclosure.

For the Commission, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99–23747 Filed 9–10–99; 8:45 am]

BILLING CODE 8010–01–M

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities: Proposed Request and Comment Request

In compliance with Public Law 104–13, the Paperwork Reduction Act of 1995, SSA is providing notice of its information collections that require submission to the Office of Management and Budget (OMB). SSA is soliciting comments on the accuracy of the agency’s burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology.

1. The information collections listed below will be submitted to OMB within 60 days from the date of this notice. Therefore, comments and recommendations regarding the information collections would be most useful if received by the Agency within 60 days from the date of this publication. Comments should be directed to the SSA Reports Clearance Officer at the address listed at the end of this publication. You can obtain a copy of the collection instruments by calling the SSA Reports Clearance Officer on (410) 965–4145, or by writing to him at the address listed at the end of this publication.

1. Referral System for Vocational Rehabilitation Providers 0960–NEW

Background

In 1996 the Social Security Administration (SSA) initiated an innovative expansion of its vocational rehabilitation (VR) referral and payment program. Under this program, SSA pays VR providers for the costs of VR services provided to disability beneficiaries, if such services result in the individual going to work at a specified earnings level for at least nine months. Throughout this project, SSA has expanded its VR program to increase the base of providers who are available to serve people with disabilities. By increasing this base, more people will be able to get the services they need to go to work, become independent of the benefit rolls, and thus achieve savings to SSA’s trust funds.

In September 1997, SSA contracted with Birch & Davis Associates, Inc. (B&D), to provide management support to its expanded VR referral and payment program. This contract is for a three-year demonstration project known as the Referral System for Vocational Rehabilitation Providers (Project RSVP). SSA continues to be responsible for awarding Alternate Participant (AP) contracts to VR providers, determining the appropriateness of claims submitted by APs, and reimbursing APs for the costs of their services if the requirements for payment are met.

B&D supports SSA’s efforts by marketing to and recruiting VR providers, training providers on SSA’s VR program requirements, and marketing to and recruiting VR providers with beneficiaries. In addition, B&D will conduct surveys of beneficiaries and APs to determine customer satisfaction and to identify program areas requiring improvement.

Information Collection

In support of the RSVP project, SSA will conduct semi-annual voluntary information collections of both AP’s and Beneficiaries/Recipients (B/R). The data collection effort will be conducted in survey format and has four goals:

1. To help program administrators understand the reasons for varying levels of satisfaction with the program;
2. To help program administrators understand the potential causes for varying levels of success of the program;
3. To guide program change; and 4. If necessary, to plan continuation of the program after the initial trial period.

Through these voluntary surveys, SSA will collect three types of data:

1. Descriptive data that describe the B/R and data that describe the APs’ vocational rehabilitation practice that are not available and are necessary to evaluate respondents’ satisfaction in the context of their actual experience;
2. Quantitative data on B/R and AP satisfaction with the program; and 3. Free-text comments by B/Rs and APs regarding their experience with the program.

The data will be aggregated for all B/Rs and for all APs. A semi-annual report will be generated for SSA. The information will be used by AP program administrators at SSA and by B&D project management staff. The respondents will be SSI/SSDI beneficiaries and APs under contract with SSA to provide vocational rehabilitation services to beneficiaries.