

Atoll: behavioral observations, tagging/bleach marking, and necropsies on seals found dead in the wild. The applicant requests this permit for a five year period.

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), an initial determination has been made that the activity proposed is categorically excluded from the requirement to prepare an environmental assessment or environmental impact statement.

Dated: November 8, 1996.

Ann D. Terbush,
Chief, Permits and Documentation Division,
Office of Protected Resources, National
Marine Fisheries Service.

[FR Doc. 96-29470 Filed 11-15-96; 8:45 am]

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[I.D. 110796B]

Marine Mammals; Scientific Research Permit (P772#69)

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Receipt of application.

SUMMARY: Notice is hereby given that the Southwest Fisheries Science Center, National Marine Fisheries Service, 8604 La Jolla Shores Drive, La Jolla, CA 92037, has applied in due form for a permit to take Antarctic pinnipeds for purposes of scientific research.

DATES: Written comments must be received on or before December 18, 1996.

ADDRESSES: The application and related documents are available for review upon written request or by appointment in the following office(s):

Permits Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13130, Silver Spring, MD 20910 (301/713-2289); and

Regional Administrator, Southwest Region, NMFS, 501 West Ocean Blvd., Suite 4200, Long Beach, CA 90802-4213.

Written data or views, or requests for a public hearing on this request, should be submitted to the Director, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13130, Silver Spring, MD 20910. Those individuals requesting a hearing should set forth the specific reasons why a hearing on this particular request would be appropriate.

Concurrent with the publication of this notice in the Federal Register, NMFS is forwarding copies of this application to the Marine Mammal

Commission and its Committee of Scientific Advisors.

SUPPLEMENTARY INFORMATION: The subject permit is requested under the authority of the Marine Mammal Protection Act of 1972, as amended (MMPA; 16 U.S.C. 1361 *et seq.*), and the Regulations Governing the Taking and Importing of Marine Mammals (50 CFR part 216).

The applicant requests authority to conduct level B harassment activities [i.e., censuses] on Antarctic pinnipeds in the South Shetland Islands, Antarctica. Additionally, up to 1050 Antarctic fur seals will be captured, handled and released. During these activities, up to 1934 Antarctic fur seals, 99 southern elephant seals, 7 leopard seals, 15 Weddell seals, 1 Ross seal may be inadvertently harassed, and 1 animal may be accidentally killed or injured during capture operations.

Dated: November 8, 1996.

Ann D. Terbush,
Chief, Permits and Documentation Division,
Office of Protected Resources, National
Marine Fisheries Service.

[FR Doc. 96-29471 Filed 11-15-96; 8:45 am]

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COMMODITY FUTURES TRADING COMMISSION

Audit Trail Requirements, Exemption; Minneapolis Grain Exchange

AGENCY: Commodity Futures Trading Commission.

ACTION: Opinion and order.

SUMMARY: Section 5a(b)(3) of the Commodity Exchange Act ("Act") provides that the audit trail system of each contract market must meet the heightened audit trail standards that became effective on October 28, 1995. However, Section 5a(b)(5) of the Act provides that the Commodity Futures Trading Commission ("Commission") shall, by rule or order, make an exemption from the enhanced audit trail requirements for low-volume exchanges that can meet certain standards.

The Commission, pursuant to its authority under Section 5a(b)(5), has determined to grant the Minneapolis Grain Exchange an exemption from Section 5a(b)(3), subject to continuing compliance by the Minneapolis Grain Exchange with all statutory requirements for the exemption.

DATE: The Commission's order will take effect 30 legislative days or 90 calendar days, whichever is later, after submission of the order to the Committee on Agriculture of the House

of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate. To confirm the date the order will take effect, contact the Division of Trading and Markets in For Further Information Contact.

FOR FURTHER INFORMATION CONTACT:

Brian Regan, Attorney-Advisor, Division of Trading and Markets, Commodity Futures Trading Commission, 3 Lafayette Center, 1155 21st St. K Street, N.W., Washington, DC 20581; telephone (202) 418-5490.

SUPPLEMENTARY INFORMATION: On November 12, 1996, the Commission issued the following opinion and order as authorized by Section 5a(b)(5) of the Act:

Opinion and Order Granting an Exemption From the Requirements of Section 5a(b)(3)

Upon consideration of the available record and pursuant to its statutory authority under Section 5a(b)(5) of the Commodity Exchange Act ("Act"), the Commission has determined to grant the Minneapolis Grain Exchange an exemption from the audit trail requirements of Section 5a(b)(3) of the Act, which became effective on October 28, 1995.

The Commission finds that the Minneapolis Grain Exchange has demonstrated that it satisfies the standards set forth in Section 5a(b)(5) for an exemption from Section 5a(b)(3). Specifically, the Commission finds that the Minneapolis Grain Exchange:

(1) Has a level of trading volume that is relatively small;

(2) Is in substantial compliance with the audit trail objectives of Section 5a(b)(3); and

(3) Generally has maintained a high level of compliance with the requirements in Section 5a(b) for an effective trade monitoring system.

Accordingly, the Commission HEREBY ORDERS that the Minneapolis Grain Exchange be exempted at this time from the requirements of Section 5a(b)(3). As part of this exemption, the Minneapolis Grain Exchange must continue to maintain compliance with all statutory requirements for the exemption. Under Section 5a(b)(6), this order shall become effective 30 legislative days or 90 calendar days, whichever is later, after submission of the order to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Dated: November 12, 1996.

By the Commission.

Jean A. Webb.

Secretary to the Commission.

[FR Doc. 96-29466 Filed 11-15-96; 8:45 am]

BILLING CODE 6351-01-M

DEPARTMENT OF DEFENSE

Department of the Army

Cargo Liability of Carrier

AGENCY: Military Traffic Management Command (MTMC), DOD.

ACTION: Notice.

SUMMARY: This is a final notice. Affected rules are MTMC Freight Traffic Rules Publication No. 1A (MFTRP No. 1A), Items 112, 113, 115, and 116, effective April 24, 1990. The new liability will be: "For all shipments weighing less than 15,000 pounds, the carrier's liability for lost and/or damaged cargo will be limited to the lowest dollar amount of either \$50,000 or the actual amount of the loss and/or damage to the article(s). Should a shipper desire to declare and establish a cargo liability for an amount greater than \$50,000, the carrier agrees to provide this increased liability coverage for \$____ per each \$100 increase in lost and/or damaged cargo liability over the maximum liability. For all shipments weighing 15,000 pounds and over, the carrier's liability for lost and/or damaged cargo will be limited to the lowest dollar amount of either \$150,000 or the actual amount of the loss and/or damage to the article(s). Should a shipper desire to declare and establish a cargo liability for an amount greater than \$150,000, the carrier agrees to provide this increased liability coverage for \$____ per each \$100 increase in lost and/or damaged cargo liability over the maximum liability."

DATES: This change will become effective February 1, 1997.

FOR FURTHER INFORMATION CONTACT: Military Traffic Management Command, 5611 Columbia Pike, Falls Church, VA 22041-5050. Point of contact is Mr. Julian Jolkovsky, MTOP-T-SR, (703) 681-3440, or Ms. Crystal Hunter, MTOP-QER, (703) 681-6579.

SUPPLEMENTARY INFORMATION: Based on a careful and thorough review of comments received by MTMC, the policy change that was recommended on March 14, 1996, will become effective on February 1, 1997. The original proposal is in keeping with recommendations made in the General Accounting Office (GAO) report, "Defense Transportation: Ineffective

Oversight Contributes to Freight Losses" (GAO/NSIAD-92-96). GAO pointed out that under MTMC's current carrier liability limitations, recoveries on lost or damaged motor freight shipments average 30 cents for every dollar of actual value of the cargo and have been at or near this average for at least the previous three fiscal years (October 1992-September 1995). MTMC's own review of FY 96 claims data reveals that the Government is collecting less than 31 cents from carriers for every dollar of claims involving lost and/or damaged property. This is not a responsible use of tax dollars and serves to benefit only the carrier industry. The proposed change is expected to permit DOD to recover actual value on at least 90 percent of lost or damaged shipments.

Notices in the Federal Register (FR), March 14, 1996, and June 6, 1996, provided notice of MTMC's proposed change to motor carrier liability limitations for Freight All Kinds (FAK) shipments moving under motor carrier voluntary tenders, other than Guaranteed Traffic. Only one set of comments on this proposal was received from the carrier industry by the deadline date of August 5, 1996, from the legal representatives of the National Motor Freight Traffic Association, the Regular Common Carrier Conference, and the Transportation Loss Prevention and Security Council in a letter dated August 2, 1996. One comment alleged that MTMC is attempting to engage unilaterally in "rate making" practices and insisted that current released valuation policy, which is based on a per pound rate, should be maintained. Essentially, this comment misconstrues MTMC's intent. With few exceptions, rate making and rate submissions in response to MTMC movement requirements are carrier responsibilities. MTMC's intent in changing the level of carrier liability is to establish levels which will reasonably reimburse the Government for carrier-caused loss and/or damage to DOD-sponsored shipments. After careful review of information presented in the comments, MTMC's position is that to continue the use of released valuation limitations of \$1.75 or \$2.50 per pound is not a prudent use of tax dollars, severely restricts the Government's ability to obtain reasonable reimbursement for carrier-caused loss and/or damage to DOD sponsored shipments, and would be in direct conflict with the recommendations set forth in the June, 1992, GAO report. Furthermore, these low levels of valuation for loss and/or damage to Government property may induce carriers to offer less than a full

level of safety, security, care, and handling to these shipments.

As a matter of background information, beginning in December, 1994, MTMC implemented the same change in carrier liability limits for Guaranteed Traffic (G/T) shipments. This change raised no complaints from the carrier industry and has shown positive benefits for the Government in monetary recoveries from freight claims filed against G/T carriers for shipments which have incurred loss and/or damage. It is also noted that many motor freight carriers participate in both the G/T and voluntary programs; therefore, standardizing carrier liability levels between the two programs will enhance administrative shipment planning and movement procedures.

During FY 94, DOD tendered over 1 million freight shipments to motor carriers at a transportation cost in excess of \$400 million. The total value of goods moved by commercial carriers is indeterminable; however, the value represents a significant taxpayer investment in the equipment and supplies used to support the Armed Forces. On any given day, the motor carrier industry may be entrusted with providing transportation services for over 50,000 less-than-truckload and truckload shipments. The timely, damage-and loss-free movement of these supplies directly impact military readiness. Lost, partially damaged, or totally destroyed supplies and equipment provide little benefit to the military services and negatively impact readiness. Furthermore, the inability of DOD to recoup equitable monetary reimbursement from carriers because of artificially low carrier liability levels, to repair or replace damaged or lost supplies, substantially impacts budgetary and program funding. Increasing carrier liability levels will cure some of these shortfalls.

The commentator also stated that MTMC was not negotiating with the carrier industry as required by DOD regulations. MTMC's view is that regular negotiations are conducted with industry at partnering meetings and other public forums. Under the Motor Carrier Act of 1980, the level of carrier liability is negotiable between the shipper and the carrier. However, at the same time, MTMC, as single transportation manager for DOD surface freight shipments, is well within its authority to determine the level of liability that best protects DOD shipments. Also, the carrier is free to offer any rate that it feels will adequately compensate it.

MTMC accomplishes "negotiation" of terms and conditions of service through