

1315 East-West Highway, Room 13130, Silver Spring, MD 20910 (301/713-2289); and

Regional Administrator, Southwest 501 West Ocean Boulevard, Suite 4200, Long Beach, CA 90802-4213 (310/980-4001).

SUPPLEMENTARY INFORMATION: On May 5, 1997, notice was published in the **Federal Register** (62 FR 24422) that the above-named applicant had submitted a request for a scientific research permit to capture, chemically sedate/immobilize, measure auditory brainstem response, take blood samples, flipper tag, attach telemetry instruments, and recapture capture, and unintentionally harass California sea lions (*Zalophus californianus*), Pacific harbor seals (*Phoca vitulina richardsi*), and northern elephant seals (*Mirounga angustirostris*) in order to determine the effects of noise from rocket launches and sonic booms. Activities are to be conducted over a 5-year period in the vicinity of VAFB and the Northern Channel Islands. The requested permit has been issued under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et seq.*), and the Regulations Governing the Taking and Importing of Marine Mammals (50 CFR Part 216).

Dated: June 26, 1997.

Ann D. Terbush,

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

[FR Doc. 97-17419 Filed 7-2-97; 8:45 am]

BILLING CODE 3510-22-F

COMMODITY FUTURES TRADING COMMISSION

Registration Actions by National Futures Association With Respect to Floor Brokers, Floor Traders and Applicants for Registration in Either Category

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice and order.

SUMMARY: The Commodity Futures Trading Commission (Commission) is authorizing National Futures Association (NFA) to grant the registration of any applicant for registration as a floor broker (FB) or floor trader (FT) or to maintain the registration of any registered FB or FT who may be subject to statutory disqualification from registration without forwarding such cases to the Commission for review. The Commission previously had directed NFA to stay the granting of registration and provide the Commission with the

opportunity to object to such granting of registration where an applicant for FB or FT registration has a disciplinary history including a potential statutory disqualification from registration, but NFA determined that registration should be granted, either with or without conditions. The Commission also had directed NFA to provide the Commission with the opportunity to object to maintaining the registration of a registered FB or FT with certain new disciplinary history. This Order conforms NFA's authority regarding the FB and FT registration categories to the authority delegated by the Commission to NFA concerning the other categories of registration under the Commodity Exchange Act (Act).¹

EFFECTIVE DATE: July 3, 1997.

FOR FURTHER INFORMATION CONTACT: Lawrence B. Patent, Associate Chief Counsel; Robert P. Shiner, Assistant Director; or Natalie A. Markman, Attorney-Advisor, Division of Trading and Markets, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581. Telephone: (202) 418-5450.

SUPPLEMENTARY INFORMATION:

Introduction

The Commission previously has issued Orders authorizing NFA to perform registration processing functions with respect to FBs and FTs, including: (1) Processing and, where appropriate, granting applications for registration under the Act; (2) issuing and terminating, where appropriate, temporary licenses; (3) processing the triennial review of registration information, periodic updates, terminations of trading privileges and requests for withdrawal from registration; (4) establishing and maintaining systems of records regarding FBs and FTs and serving as the official custodian of those Commission records; and (5) denying, conditioning, suspending, modifying, restricting or revoking the registration of any FB, FT or applicant for registration in either category.² However, the Commission has not previously authorized NFA to take action without Commission review that would either: (1) Grant registration, with or without conditions, with respect to an application for registration as an FB or an FT where the applicant's disciplinary history includes a potential statutory

disqualification³ from registration⁴ or (2) maintain registration, either with or without restrictions, with respect to a registered FB or FT with new disciplinary history.⁵ The Commission noted in its Order published on August 1, 1994 that the referral of these registration matters by NFA to the Commission was only a "temporary requirement."⁶ By the Order below issued on this date, the Commission is conforming NFA's authority concerning the FB and FT registration categories to the authority delegated by the Commission to NFA concerning the other categories of registration under the Act.⁷ However, the Commission will continue to handle any matter that already has been referred to it by NFA. The Commission also will continue to accept or act upon requests for exemption and render "no-action" opinions with respect to applicable registration requirements.

As recommended by the Commission in its February 1996 review of NFA's registration fitness program, NFA will provide the Commission with quarterly schedules of all applicants cleared for registration and all registrants whose

³ The grounds for statutory disqualification are set forth in Sections 8a (2), (3) and (4) of the Act.

⁴ When the Commission issued its most recent delegation Order, it noted that:

[U]nless the Commission orders otherwise * * * if NFA determines that registration should be granted in such a case, either with or without conditions, NFA shall transmit the file to the Commission and stay the granting of registration until the Commission has had an opportunity to object to such granting of registration. 59 FR 38957, 38958 (footnote omitted).

See also *id.* at 38959 n.11.

⁵ The Commission noted that:

NFA need not * * * forward to the Commission any matter related to an FB, FT or applicant for registration in either category where the only "yes" answer to a disciplinary history question relates to a single arrest where there was no subsequent conviction, guilty plea or plea of nolo contendere, or a single misdemeanor conviction based on conduct unrelated to financial market activity that predates the application for registration by at least five years, provided such matter is disclosed on the registration application or any update thereto. If a person willfully makes any materially false or misleading statement or omits to state any material fact in his registration application or any update thereto, that is a separate ground for statutory disqualification from registration. 7 U.S.C. 12a(2)(G) and 12a(3)(G) (1994).

⁶ 59 FR 38957, 38958 (footnote omitted).

⁷ The Commission previously has authorized NFA to perform registration processing functions, and to take adverse registration actions, with respect to futures commission merchants, introducing brokers, commodity pool operators, commodity trading advisors, leverage transactions merchants and associated persons of such entities, as well as applicants for registration in any of the aforementioned categories. See 48 FR 15940 (April 13, 1983); 48 FR 35158 (August 3, 1983); 48 FR 51809 (November 14, 1983); 49 FR 8226 (March 5, 1984); 49 FR 39593 (October 9, 1984); 50 FR 34885 (August 28, 1985); 54 FR 19594 (May 8, 1989); and 54 FR 41133 (October 5, 1989).

¹ 7 U.S.C. 1 *et seq.* (1994).

² 51 FR 25929 (July 7, 1986); 51 FR 34490 (September 29, 1986); 58 FR 19657 (April 15, 1993); 59 FR 38957 (August 1, 1994).

registration is maintained without adverse action by NFA's Registration, Compliance, Legal Committee despite potential statutory disqualifications. In order to ensure appropriate oversight, the Commission will review the schedules to determine whether it should provide further guidance to NFA on particular issues regarding registration in any of the Commission's registration categories. In addition, the Commission will continue to monitor NFA activities through periodic rule enforcement reviews.

United States of America

Before the Commodity Futures Trading Commission, Order Authorizing the Performance of Registration Processing Functions

I. Authority and Background

Section 8a(10) of the Act⁸ provides that the Commission may authorize any person to perform any portion of the registration functions under the Act, notwithstanding any other provision of law, in accordance with rules adopted by such person and submitted to the Commission for approval or, if applicable, for review pursuant to Section 17(j) of the Act⁹ and subject to the provisions of the Act applicable to registrations granted by the Commission. Section 17(o)(1) of the Act¹⁰ provides that the Commission may require NFA to perform Commission registration functions, in accordance with the Act and NFA rules.

Upon consideration, the Commission has determined to authorize NFA, effective July 3, 1997, to grant or maintain, either with or without conditions or restrictions, FB or FT registration where NFA previously would have forwarded such a case to the Commission for review of disciplinary history in order to provide the Commission with an opportunity to object to such granting or maintenance of registration. However, the Commission will continue to handle any matter that already has been referred to it by NFA. The Commission also will continue to accept or act upon requests for exemption and render "no-action" opinions with respect to applicable registration requirements.

NFA remains subject to the present requirement that it monitor compliance with the conditions and restrictions imposed on conditioned and restricted registrants.¹¹ Such conditions and restrictions are designed to ensure

compliance with the Act and Commission regulations and typically include sponsorship and/or an automatic suspension clause, as well as a dual trading prohibition in certain cases involving FBs. Such conditions or restrictions generally are imposed for two years.

In granting and maintaining registration pursuant to this Order, NFA shall be subject to all other requirements and obligations imposed upon it by the Commission in existing or future Orders or regulations. In this regard, NFA also shall implement such additional procedures (or modify existing procedures) as are necessary and acceptable to the Commission to ensure the security and integrity of the FB, FT or applicant records in NFA's custody; to facilitate prompt access to those records by the Commission and its staff, particularly as described in other Commission Orders or rules; to facilitate disclosure of public or nonpublic information in those records when permitted by Commission Orders or rules and to keep logs as required by the Commission concerning disclosure of nonpublic information; and otherwise to safeguard the confidentiality of the records.

II. Conclusion and Order

The Commission has determined, in accordance with the provisions of Section 8a(10) of the Act, to authorize NFA, effective July 3, 1997, to perform the following registration functions:

- (1) Grant, either with or without conditions, FB or FT registration where NFA previously would have forwarded such a case to the Commission for review of disciplinary history in order to provide the Commission with an opportunity to object to such granting of registration; and
- (2) Maintain, either with or without restrictions, FB or FT registration where NFA previously would have forwarded such a case to the Commission for review of new disciplinary history in order to provide the Commission with an opportunity to object to such maintenance of registration.

NFA shall perform these functions in accordance with the standards established by the Act and the regulations promulgated thereunder.

These determinations are based upon the Congressional intent expressed in Sections 8a(10) and 17(o) of the Act that the Commission be allowed to authorize NFA to perform any portion of the Commission's registration responsibilities under the Act for purposes of carrying out these responsibilities in the most efficient and cost-effective manner, and NFA's representations concerning standards and procedures to be followed in administering these functions.

This Order does not, however, authorize NFA to accept or act upon requests for exemption from registration or to render "no-action" opinions or interpretations with respect to applicable registration requirements.

Nothing in this Order or in Sections 8a(10) or 17 of the Act shall affect the Commission's authority to review the granting of a registration application by NFA in the performance of Commission registration functions, or to review the maintenance of registration by NFA.¹²

Issued in Washington, D.C. on June 26, 1997 by the Commission.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 97-17473 Filed 7-2-97; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

Submission for OMB Review; Comment Request

ACTION: Notice.

The Department of Defense has submitted to OMB for clearance, the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Title and Association Form: Telecommunications Service Priority System; SF Forms 314, 315, 317, 318, 319; OMB Number 0704-0305.

Type of Request: Revision.

Number of Respondents: 96.

Responses per Respondent: 20.

Annual Responses: 1,945.

Average Burden per Response: 2 hours.

Annual Burden Hours: 4,090.

Needs and Uses: This collection of information is necessary to determine participation in and to ensure efficient operation of the Telecommunications Service Priority (TSP) System. The purpose of the TSP System is to provide a legal basis for telecommunications vendors to give priority treatment of particular telecommunications services that have been identified as the most important services supporting national security or emergency preparedness. This information is required to allow the Office of the Manager, National Communications System (OMNCS) to track and identify the telecommunications services that are being provided priority treatment.

⁸ 7 U.S.C. 12a(10) (1994).

⁹ 7 U.S.C. 21(j) (1994).

¹⁰ 7 U.S.C. 21(o)(1) (1994).

¹¹ See 59 FR 38957, 38958 n.6.

¹² See also 7 U.S.C. 21(o) (3) and (4) (1994) and 17 CFR Part 171 (1996).