

relevant by the NASD or the appropriate regulatory agency (including, but not limited to, the factors set forth in Rule G-37(i)) could, in the judgment of the NASD or the appropriate regulatory agency, be sufficient to justify a conditional or unconditional exemption from the ban.

The Board also notes that none of the three situations previously cited as insufficient to justify an exemption involved a contribution made prior to an individual becoming a municipal finance professional. Thus, for example, where a non-*de minimis* contribution was made by a person who later becomes a municipal finance professional (whether by reason of a merger, as a newly hired associated person, as an existing associated person becoming involved in municipal securities activities, or otherwise), neither the NASD nor any appropriate regulatory agency is constrained from granting a conditional or unconditional exemption if, in its judgment, such exemption is consistent with Rule G-37(i).

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Board included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The texts of these statements may be examined at the places specified in Item IV below. The Board has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

On April 7, 1994, the Commission approved Board Rule G-37, on political contributions and prohibitions on municipal securities business.⁵ Since that time, the Board has received numerous inquiries concerning the application of the rule. In order to assist the municipal securities industry and, in particular, brokers, dealers and municipal securities dealers in understanding and complying with the provisions of the rule, the Board published eight prior notices of interpretation which set forth, in Q&A

format, general guidance on Rule G-37.⁶ In prior filings with the Commission, the Board stated that it will continue to monitor the application of Rule G-37 and, from time to time, will publish additional notices of interpretations, as necessary.⁷ The Board recently has received a number of questions concerning mergers in the municipal securities industry and the operation of the exemption provision set forth in section (i) of the rule from market participants and the agencies charged with enforcing the rule. As a result, the Board has determined that it is necessary to provide further guidance to the industry and the applicable enforcement agencies by confirming and elaborating upon guidance provided in prior Q&A notices and in prior communications with the applicable enforcement agencies. Accordingly, the Board is publishing this ninth set of Q&As.

The Board believes the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act.⁸

B. Self-Regulatory Organization's Statement on Burden on Competition

The Board does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, because it would apply equally to all brokers, dealers and municipal securities dealers.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Board has designated this proposed rule change as constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an

existing Board rule under Section 19(b)(3)(A) of the Act and Rule 19b-4(1) thereunder,⁹ which renders the proposed rule change effective upon receipt of this filing by the Commission.

At any time within sixty days of the filing of this proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of the filing will also be available for inspection and copying at the Board's principal offices. All submissions should refer to File No. SR-MSRB-98-10 and should be submitted by July 31, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 98-18297 Filed 7-9-98; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3094]

State of Massachusetts

As a result of the President's major disaster declaration on June 23, 1998, I find that Bristol, Essex, Middlesex, Norfolk, and Suffolk Counties in the State of Massachusetts constitute a disaster area due to damages caused by

⁵ Securities Exchange Act Release No. 33868 (April 7, 1994), 59 FR 17621 (April 13, 1994). The rule applies to contributions made on and after April 25, 1994.

⁶ See *supra* note 3.

⁷ See Securities and Exchange Act Release No. 34161 (June 6, 1994), 59 FR 30379 (June 13, 1994) (SR-MSRB-94-06) and Securities and Exchange Act Release No. 34603 (August 25, 1994), 59 FR 45049 (August 31, 1994) (SR-MSRB-94-15).

⁸ Section 15(b)(2)(C) states in pertinent part that the rules of the Board "shall be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest."

⁹ 17 CFR 240.19b-4(e)(1).

¹⁰ 17 CFR 200.30-3(a)(12).

heavy rains and flooding beginning on June 13, 1998, and continuing. Applications for loans for physical damages as a result of this disaster may be filed until the close of business on August 22, 1998, and for loans for economic injury until the close of business on March 23, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 1 Office, 360 Rainbow Blvd., South, 3rd Floor, Niagara Falls, NY 14303.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the above location: Plymouth and Worcester Counties in Massachusetts; Bristol, Newport, and Providence Counties in Rhode Island; and Hillsborough and Rockingham Counties in New Hampshire.

The interest rates are:

	Percent
Physical Damage:	
Homeowners with credit available elsewhere	7.000
Homeowners without credit available elsewhere	3.500
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000
Others (including non-profit organizations) with credit available elsewhere	7.125
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 309406. For economic injury the numbers are 990300 for Massachusetts, 990400 for Rhode Island, and 990500 for New Hampshire.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: June 30, 1998.

James E. Rivera,

Acting Associate Administrator for Disaster Assistance.

[FR Doc. 98-18410 Filed 7-9-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3099]

State of Michigan

Ottawa and Montcalm Counties and the contiguous counties of Allegan, Clinton, Gratiot, Ionia, Isabella, Kent, Mecosta, Muskegon, and Newaygo in

the State of Michigan constitute a disaster area as a result of damages caused by severe storms and high winds that occurred on May 31, 1998.

Applications for loans for physical damage from this disaster may be filed until the close of business on August 27, 1998 and for economic injury until the close of business on March 26, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

The interest rates are:

	Percent
For physical damage:	
Homeowners with credit available elsewhere	7.000
Homeowners without credit available elsewhere	3.500
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000
Others (including non-profit organizations) with credit available elsewhere	7.125
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The numbers assigned to this disaster are 309911 for physical damage and 991400 for economic injury.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: June 6, 1998.

Aida Alvarez,

Administrator.

[FR Doc. 98-18412 Filed 7-9-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3097]

State of Minnesota; and a Contiguous County in Wisconsin

Dakota and Ramsey Counties and the contiguous counties of Anoka, Goodhue, Hennepin, Rice, Scott, and Washington in Minnesota, and Pierce County, Wisconsin constitute a disaster area as a result of damages caused by severe storms, high winds, and tornadoes that occurred May 15 through May 30, 1998. Applications for loans for physical damage as a direct result of this disaster may be filed until the close of business on August 24, 1998 and for economic injury until the close of business on March 25, 1999 at the address listed below or other locally announced locations: U.S. Small Business

Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere	7.000
Homeowners without credit available elsewhere	3.500
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000
Others (including non-profit organizations) with credit available elsewhere	7.125
For economic injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The numbers assigned to this disaster for physical damages are 309712 for Minnesota and 309812 for Wisconsin. For economic injury the numbers are 991200 for Minnesota and 991300 for Wisconsin.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: June 25, 1998.

Aida Alvarez,

Administrator.

[FR Doc. 98-18411 Filed 7-9-98; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF STATE

[Public Notice 2859]

The Bureau of Political-Military Affairs, Office of Defense Trade Controls; 30-Day Notice of Information Collection; DSP-61, Application/License for Temporary Import of Unclassified Defense Articles

SUMMARY: The Department of State has submitted the following information collection request to the Office of Management and Budget (OMB) for approval in accordance with the Paperwork Reduction Act of 1995. Comments should be submitted to OMB within 30 days of the publication of this notice.

The following summarizes the information collection proposal submitted to OMB:

Type of Request: Reinstatement, without change, of a previously approved collection for which approval has expired.

Originating Office: The Bureau of Political-Military Affairs, Office of Defense Trade Controls.