

correlate a participant's actual usage of and billing for MBSCC services with its correspondent deposit to the participants fund.

III. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR-MBSCC-96-01) be, and hereby is, approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁸

Jonathan G. Katz,
Secretary.

[FR Doc. 96-20184 Filed 8-7-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37513; File No. SR-NASD-96-24]

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Notice of Filing and Order Granting Accelerated Approval to Proposed Rule Change Relating to the Extension of the Effectiveness for One Year of the Arbitration Procedures for Large and Complex Cases

August 1, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on July 10,¹ 1996 the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II and III below, which Items have been prepared by the NASD. The Commission is publishing this notice to solicit comments on the proposed rule change from interested

persons and to grant accelerated approval of the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The NASD is proposing to extend the effectiveness of the arbitration Procedures for Large and Complex Cases, Rule 10334 of the Code of Arbitration Procedure ("Code"),² to August 1, 1997. Below is the text of the proposed rule change. Proposed new language is italicized; proposed deletion are in brackets.

CODE OF ARBITRATION PROCEDURE

Procedure for Large and Complex Cases Rule 10334

* * * * *

Temporary Effectiveness

(h) This Section shall remain in effect until August 1, 199[6]7 unless modified or extended prior thereto by the Board of Governors.

* * * * *

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 NASD 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 text of these statements may be examined at the places specified in Item IV below. The NASD 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

(1) Purpose

The Procedures for Large and Complex Cases ("Procedures"), adopted effective May 2, 1995, for a one-year pilot period and codified at Rule 10334 of the Code, will expire on August 1, 1996.³ Since Rule 10334 became effective until July 25, 1996, there have been 578 cases filed that were eligible for disposition as large and complex cases. Of those cases, there have been 178 Administrative Conference held under Rule 10334(b), and in 25 of those

cases the parties agreed to proceed under the Procedures.

In general the NASD's experience with the Procedures since they became effective has been positive. The anecdotal information that has been gathered indicates that the administrative conference provided for under the Procedures is an effective and productive case management tool that most parties appreciate. Parties like the opportunity to develop a hearing plan, including developing a discovery plan, even if they ultimately decline to proceed under the Procedures. In addition, the administrative conference affords the staff an opportunity to explore mediation with the parties.

In addition, many parties regard the mandatory preliminary hearing with the chairperson of the panel as a valuable case management tool.⁴ It affords them an opportunity to seek resolution of discovery disputes and to resolve other issues prior to the hearing. Parties also appreciate the opportunity to select arbitrators through preference rankings.

The NASD has also noted that relatively few cases are arbitrated under the Procedures because eligible disputes are often not sufficiently complicated to justify utilizing the rules, especially because of the additional costs imposed on the parties for arbitrator compensation. In addition, parties perceive that many of the provisions available under the Procedures are also available elsewhere in the Code.

On the basis of the foregoing, the NASD believes that the Procedures have been successful in affording additional benefits in the form of useful procedures to parties to large and complex cases, but that additional experience is necessary to evaluate fully the efficacy of the Procedures. In addition, the NASD Arbitration Policy Task Force has recommended that the one-year pilot test of Rule 10334 be extended in order to permit the Arbitration Department to gather additional data. This additional data will permit the NASD to develop a meaningful comparison with the experience of the American Arbitration Association with its large and complex case procedures. Accordingly, rather than seek permanent effectiveness of Rule 10334, the NASD is proposing to extend the effectiveness of the rule until August 1, 1997. During that time the

⁴ Subsection (d) of Rule 10334 provides that the Director of Arbitration shall appoint one member of the panel to preside over the preliminary hearing, but does not require that the arbitrator be the panel chair. The chair is elected by the NASDR Office of Dispute Resolution staff. NASDR routinely selects the chair of the panel to preside over preliminary hearings under subsection (d), although the rule permits the NASDR staff to select any member of the panel.

⁸ 17 CFR 200.30-3(a)(12) 1995).

¹ The NASD filed Amendment No. 1 to the proposed rule change on July 26, 1996. Amendment No. 1 amended the proposed rule change to: state that the NASD Board of Governors approved the filing of the proposed rule change; supplement and clarify information contained in Item II. A.; request that the Commission find good cause to grant accelerated approval to the proposed rule change; and undertake to provide the Commission with information concerning the operation of Rule 10334. See Letter from John Ramsay, Deputy General Counsel, NASD Regulation, Inc. ("NASDR") to Ivette Lopez, Assistant Director, Division of Market Regulation, Commission (July 26, 1996).

² Formerly Section 46 of the Code of Arbitration Procedure.

³ The rule was to have expired on May 2, 1996; however, the SEC agreed to extend the effectiveness of the rule until August 1, 1996. See Securities Exchange Act Release No. 34154 (April 30, 1996), 61 FR 20301 (May 6, 1996).

NASD will continue to monitor the usefulness of the rule to arbitration parties.

(2) Statutory Basis

The NASD believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6)⁵ of the Act in that extending the effectiveness of the procedures in the Code for large and complex cases will serve the public interest by enhancing the satisfaction and perceived fairness of such proceedings by the parties to such proceedings as demonstrated by the positive comments of the parties noted by the NASD.

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

The NASD does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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 NASD has requested that the Commission find good cause pursuant to Section 19(b)(2) for approving the proposed rule change prior to the 30th day after publication in the Federal Register. The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the NASD and, in particular, the requirements of Section 15A(b)(6). The Commission finds good cause for approving the proposed rule change prior to the 30th day after the date of publication of notice of filing thereof in that accelerated approval will benefit users of the arbitration process in that providing a temporary extension of the Procedures will permit arbitration participants to continue to use the Procedures. In addition, except with respect to the administrative conference required under the Rule, the application of the Rule to any case submitted to arbitration is voluntary. Thus, accelerating the approval of the proposed rule change to maintain the continuity of the process will not have any adverse impact on the investing public.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file 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 such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. SR-NASD-96-24 and should be submitted by August 29, 1996.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change SR-NASD-96-24 be, and thereby is, approved through August 1, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Jonathan G. Katz,

Secretary.

[FR Doc. 96-20250 Filed 8-7-96; 8:45 am]

BILLING CODE 8010-01-M

SOCIAL SECURITY ADMINISTRATION

Rescission of Social Security Ruling SSR 82-50 Title II: Definition of Living in the Same Household

AGENCY: Social Security Administration.

ACTION: Rescission of Social Security Ruling SSR 82-50.

SUMMARY: The Commissioner of Social Security gives notice of the rescission of SSR 82-50.

EFFECTIVE DATE: September 9, 1996.

FOR FURTHER INFORMATION CONTACT: Joanne K. Castello, Division of Regulations and Rulings, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965-1711.

SUPPLEMENTARY INFORMATION: Social Security Rulings make available to the public precedential decisions relating to the Federal old-age, survivors, disability, supplemental security income, and black lung benefits

programs. Social Security Rulings may be based on case decisions made at all administrative levels of adjudication, Federal court decisions, Commissioner's decisions, opinions of the Office of the General Counsel, and other policy interpretations of the law and regulations.

SSR 82-50, issued in 1982, was published in the 1981-1985 Cumulative Edition of the Rulings on page 64. SSR 82-50 interpreted the definition of living in the same household to allow for extended separations due to confinement of either spouse in a nursing home, hospital, or other medical institution. The husband and wife were considered living in the same household as long as evidence indicated they were initially separated, and continue to be separated, solely for medical reasons and would otherwise have resided together.

The Social Security Administration published elsewhere in today's Federal Register final regulations which incorporate the living in the same household policy interpretation found in SSR 82-50. Since the policy in SSR 82-50 has been incorporated into these regulations, the Ruling is rescinded as of the date the final regulations take effect.

(Catalog of Federal Domestic Assistance, Programs 96.001 Social Security—Disability Insurance; 96.002 Social Security—Retirement Insurance; 96.004 Social Security—Survivors Insurance.)

Dated: July 25, 1996.

Shirley S. Chater,

Commissioner of Social Security.

[FR Doc. 96-20122 Filed 8-7-96; 8:45 am]

BILLING CODE 4190-29-U

DEPARTMENT OF TRANSPORTATION

Office of the Secretary; Reports, Forms and Recordkeeping Requirements Agency Information Collection Activity Under OMB Review

AGENCY: Department of Transportation (DOT).

ACTION: Notice and Request for Comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended) this notice announces the Department of Transportation's (DOT) intention to request an emergency 90-day reinstatement, without change, of a previously approved information collection for which approval has expired. Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the

⁵ 15 U.S.C. § 79o-3.