

Social Security Act; and (6) appropriate measures for eliminating any other impediments to the effective enforcement of medical support orders that the MCSWG deems necessary.

The membership of the MCSWG was jointly appointed by the Secretaries of DOL and DHHS, and includes representatives of: (1) DOL; (2) DHHS; (3) State Child Support Enforcement Directors; (4) State Medicaid Directors; (5) employers, including owners of small businesses and their trade and industry representatives and certified human resource and payroll professionals; (6) plan administrators and plan sponsors of group health plans (as defined in section 607(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1167(1))); (7) children potentially eligible for medical support, such as child advocacy organizations; (8) State medical child support organizations; and (9) organizations representing State child support programs.

Agenda: The agenda for this meeting includes a discussion of the form and content of the National Medical Support Notice (Notice) mandated by section 401(b) of the Child Support Performance and Incentive Act. The Notice is to be jointly developed and promulgated by the Secretaries of DHHS and DOL as a means of enforcing the health care coverage provisions in a child support order. As time permits, the MCSWG may discuss the other items to be included in its report to the Secretaries as listed above.

Public Participation: Members of the public wishing to present oral statements to the MCSWG should forward their requests to Samara Weinstein, MCSWG Executive Director, as soon as possible and at least four days before the meeting. Such request should be made by telephone, fax machine, or mail, as shown above. Time permitting, the Chairs of the MCSWG will attempt to accommodate all such requests by reserving time for presentations. The order of persons making such presentations will be assigned in the order in which the requests are received. Members of the public are encouraged to limit oral statements to five minutes, but extended written statements may be submitted for the record. Members of the public also may submit written statements for distribution to the MCSWG membership and inclusion in the public record without presenting oral statements. Such written statements should be sent to the MCSWG Executive Director, as shown above, by mail or fax at least five business days before the meeting.

Minutes of all public meetings and other documents made available to the MCSWG will be available for public inspection and copying at both the DOL and DHHS. At DOL, these documents will be available at the Public Documents Room, Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N-5638, 200 Constitution Avenue, NW, Washington, DC from 8:30 a.m. to 5:30 p.m. Questions regarding the availability of documents from DOL should be directed to Ms. Ellen Goodwin, Plan Benefits Security Division, Office of the Solicitor, Department of Labor (telephone (202) 219-4600, ext. 119). This is not a toll-free number. Any written comments on the minutes should be directed to Ms. Samara Weinstein, Executive Director of the Working Group, as shown above.

Signed at Washington, DC, this 25th day of March, 1999.

Leslie Kramerich,

Deputy Assistant Secretary for Policy, Pension and Welfare Benefits Administration.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-26994]

Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

March 25, 1999.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by April 19, 1999, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549-0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of

fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After April 19, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

New England Electric System (70-9441) Notice of Proposal To Amend Trust Agreement To Allow Proposed Merger and To Give Shareholders Certain Appraisal Rights; Order Authorizing Solicitation of Proxies

New England Electric System ("NEES"), a registered holding company, located at 25 Research Drive, Westborough, Massachusetts 01582, has filed a declaration under sections 6(a)(2), 7 and 12(e) of the Public Utility Holding Company Act of 1935, as amended ("Act"), and rules 62 and 65 under the Act.

NEES has entered into an Agreement and Plan of Merger, dated as of December 11, 1998 ("Merger Agreement") with The National Grid Group plc, a public limited company incorporated under the laws of England and Wales ("National Grid") and NGG Holdings LLC ("NGG Holdings"), a Massachusetts limited liability subsidiary of National Grid. On the closing date specified in the Merger Agreement, NGG Holdings intends to merge with and into NEES ("Merger"). NEES would be the surviving entity and a wholly owned subsidiary of National Grid. On December 14, 1998, NEES and National Grid publicly announced the proposed merger.¹

NEES proposes to amend its Agreement and Declaration of Trust ("Trust Agreement") and to solicit proxies from its common shareholders for the purpose of obtaining required shareholder approvals related to the Merger. Specifically, NEES will seek shareholder approval of the Merger and of an amendment to the Trust Agreement ("Amendment")² The

¹ On February 1, 1999, NEES announced that it had entered into an agreement to merge with Eastern Utility Associates ("EUA"), under which NEES will acquire all outstanding shares of EUA for \$31 per share subject to an upward adjustment. The NEES Agreement and Declaration of Trust does not require that NEES shareholders approve this type of merger and the merger between NEES and National Grid is not conditioned on the closing of the merger between NEES and EUA. However, the proxy statement for the approval of the NEES/National Grid merger will include a description of the proposed NEES/EUA merger.

² The Trust Agreement, which predates the Massachusetts statute permitting a Massachusetts limited liability company to merge with a Massachusetts business trust, currently does not give shareholders the ability to vote to merge with limited liability companies.

Amendment would allow a Massachusetts limited liability company, like NGG Holdings, to be merged into NEES, which is a Massachusetts business trust, upon consent of a majority of the shares outstanding and a two-thirds vote of the NEES board of directors. In addition, the Amendment would allow share holdings not consenting to a merger with a limited liability company to be given the same appraisal rights as stockholders of a Massachusetts business corporation. The Amendment, which would be effected regardless of whether the Merger is consummated, must be approved by an affirmative vote of a majority of the outstanding shares and by a two-thirds vote of the NEES board of directors.

The Merger must also be approved by an affirmative vote of a majority of the outstanding shares. The Merger is subject to a number of conditions, including the approval of the Commission under the Act and other regulatory approvals. NEES and National Grid will file an application-declaration with the Commission requesting authority to consummate the Merger and related transactions during the first quarter of 1999.

NEES requests that an order authorizing the solicitation of proxies be issued as soon as practicable under rule 62(d). It appears to the Commission that NEES' declaration regarding the proposed solicitation of proxies should be permitted to become effective immediately.

It is ordered, under rule 62 under the Act, that the declaration regarding the proposed solicitation of proxies can become effective immediately, subject to the terms and conditions contained in rule 24 under the Act.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-7839 Filed 3-30-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41200; File No. SR-BSE-99-3]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Boston Stock Exchange, Inc. Relating to Limitations on Trading During Significant Market Moves

March 22, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on February 22, 1999, the Boston Stock Exchange, Inc. ("BSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to approve the proposal on an accelerated basis.

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

The Exchange seeks to amend its market volatility rules to correspond with recent changes implemented by the New York Stock Exchange ("NYSE").

The text of the proposed rule change is below. Proposed new language is italicized and proposed deletions are in brackets.

* * * * *

CHAPTER II

Dealings on the Exchange

Limitations on Trading During Significant Market Moves

[Sec. 34B. On any day when the DJIA has advanced by 50 points or more from its closing value on the previous trading day, all index arbitrage orders to buy any component stock of the S&P 500 Stock Price Index² must be entered with the instruction "buy minus". If, on that day, the DJIA subsequently reaches a value that is 25 points or less above the closing value on the previous trading day, this requirement shall not apply. This principal shall govern the imposition and removal of the buy minus requirement as to all subsequent movements in the DJIA on that day. On any day when the DJIA has declined by 50 points or more from its closing value on the previous trading day, all index arbitrage orders to sell must be entered with the instruction "sell plus". If, on that day, the DJIA subsequently reaches a value

that is 25 points or less below the closing value on the previous, this requirement shall not apply. This principle shall govern the imposition and removal of the sell plus requirement as to all subsequent movements in the DJIA on that day. All orders containing the instruction buy minus or sell plus shall be executed as provided in Chapter I, Section 3.

² "Standard & Poor's 500 Stock Price Index" is a service mark of Standards & Poor's Corporation.]

[Supplemental Material

.01 "Index arbitrage" means an arbitrage trading strategy involving the purchase or sale of a group of stocks in conjunction with the purchase or sale, or intended purchase or sale, of one or more cash-settled options or futures contracts on index stock groups or options on any such futures contracts (collectively, "derivative index products") in an attempt to profit by the price difference between the group of stocks and the derivative index products. While the purchase or sale of the stocks must be in conjunction with the purchase or sale of the derivative index products, the transactions need not be executed contemporaneously to be considered index arbitrage.]

Sec. 34B. (a) All index arbitrage orders to sell any component stock of the S&P 500 Stock Price Index² must be entered with the instruction "sell plus" on any trading day when the Dow Jones Industrial Average declines below its closing value on the previous trading day by at least the "two-percent value" as calculated below. This index arbitrage order entry requirement shall remain in effect for the remainder of the trading day. However, the index arbitrage order entry requirement pursuant to this paragraph (a) shall be removed if the DJIA subsequently reaches a value below its closing value on the previous trading day that is a decline equal to the "one-percent value" or less as calculated below.

(b) All index arbitrage orders to buy any component stock of the S&P 500 Stock Price Index must be entered with the instruction "buy minus" on any trading day with the DJIA advances above its closing value on the previous trading day by at least the "two-percent value" as calculated below. This index arbitrage order entry requirement shall remain in effect for the remainder of the trading day, however, the index arbitrage order entry requirement pursuant to this paragraph (b) shall be removed if the DJIA subsequently reaches a value above its closing value on the previous trading day that is an advance equal to the "one-percent value" or less as calculated below.

(c) The principles in paragraphs (a) and (b) shall govern the imposition and removal of the index arbitrage order requirements as to all subsequent movements in the DJIA on that day.

Supplementary material:

.10 The "two-percent value" shall be calculated at the beginning of each calendar quarter and shall be two-percent (2.0%), rounded down to the nearest ten points, of the average closing value of the DJIA for the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

² "Standard & Poor's 500 Stock Price Index" is a service mark of Standards & Poor's Corporation.]