(3) increases regulatory effectiveness and efficiency. In this regard, the NRC desires the revised inspection program to be more risk-informed and performance-based and more focused on significant risks. Where practicable, the program will use more objective safety performance indicators (PIs) with accompanying performance thresholds.

DATE: This meeting is scheduled for Thursday, September 16, 1999, from 9 am to 4 pm and is open to the public.

ADDRESS: NRC's Licensing Board Hearing Room at Two White Flint North, Room 3B45, 11545 Rockville Pike, Rockville, Maryland. Visitor parking around the NRC building is limited; however, the meeting site is located adjacent to the White Flint Station on the Metro Red Line.

FOR FURTHER INFORMATION CONTACT: Walter Schwink, Office of Nuclear Material Safety and Safeguards, US Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 415–7253, e-mail *wss@nrc.gov*.

Dated at Rockville, Maryland this 2nd day of September, 1999.

For the Nuclear Regulatory Commission,

Philip Ting,

Chief, Operations Branch, Division of Fuel Cycle Safety and Safeguards.

[FR Doc. 99–23408 Filed 9–8–99; 8:45 am]

BILLING CODE 7590–01–P

POSTAL RATE COMMISSION

Notice of Visit

AGENCY: Postal Rate Commission.

ACTION: Notice of visit.

SUMMARY: A member of the recent Postal Service/Industry Periodicals task force, Rita Cohen, of the Magazine Publishers of America, will visit the Commission and present a briefing describing the analysis and conclusions of the task force. The briefing will begin at 10:00 a.m.

DATES: The date of the visit is Wednesday, September 15, 1999.

ADDRESSES: Postal Rate Commission (Hearing Room), 1333 H Street, NW., Suite 300, Washington, DC 20268–0001.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel, Postal Rate Commission, Suite 300, 1333 H Street, NW., Washington, DC 20268–0001 (202) 789–6820.

Dated: September 2, 1999.

Margaret P. Crenshaw,

Secretary.

[FR Doc. 99–23350 Filed 9–8–99; 8:45 am]

BILLING CODE 7710–FW–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23987–812–11324]

The Galaxy Fund, et al.; Notice of Application

September 1, 1999.

AGENCY: Securities and Exchange Commission (''SEC'').

ACTION: Notice of application for an order under section 17(d) of the Investment Company Act of 1940 (the ''Act'') and rule 17d–1 under the Act.

Summary of Applicant: Applicants request an order to permit certain registered management investment companies and private accounts to deposit their uninvested cash and cash collateral from securities lending transactions in joint accounts that invest in short-term investments.

Applicants: The Galaxy Fund (''Galaxy''), The Galaxy VIP Fund (''Galaxy VIP''), Galaxy Fund II (''Galaxy II'') (collectively the ''Trusts''), Fleet Investment Advisors, Inc. (''Fleet'') and Columbia Management Co. (''Columbia'').

Filing Dates: The application was filed on September 24, 1998, and amended on August 10, 1999. Applicants have agreed to file an amendment to the application, the substance of which is reflected in this notice, during the notice period.

Hearing or Notification of Hearing: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on September 27, 1999, and should be accompanied by proof of service on applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549–0609. Applicants: Trusts, 4400 Computer Drive, Westboro, Massachusetts 01581–5108; Fleet, 75 State Street, Boston, Massachusetts 02109–1810; Columbia, 1300 SW Sixth Avenue, P.O. Box 1350, Portland, Oregon 97207–1350.

FOR FURTHER INFORMATION CONTACT: Bruce R. MacNeil, Staff Attorney, at (202) 942–0634, or Michael W. Mundt, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549–0102 (tel. No. 202–942–8090).

Applicants' Representations

1. The Trusts are open-end management investment companies registered under the Act. Each Trust is comprised of multiple series (each a ''Fund,'' collectively the ''Funds''). The assets of the Funds are held by The Chase Manhattan Bank as custodian (the ''Custodian''), which is not affiliated with Fleet or Columbia.

2. Fleet, an investment adviser registered under the Investment Advisers Act of 1940 (''Advisers Act'') and an indirect wholly-owned subsidiary of Fleet Financial Group, Inc. (''FFG''), serves as investment adviser for each of the Funds of Galaxy and Galaxy II and certain Funds of Galaxy VIP. Fleet also serves as investment adviser or sub-adviser to individual, corporate, charitable and retirement accounts (''Private Accounts'').[1] Columbia, an investment adviser registered under the Advisers Act and an indirect wholly-owned subsidiary of FFG, serves as investment adviser for certain Funds of Galaxy VIP. Fleet and Columbia are collectively referred to as the ''Advisers.''

3. Applicants request that any relief granted also apply to (i) all future series of the Trusts and each series of any other existing or future registered management investment company that is in the future advised or sub-advised by Fleet (''Future Funds,'' together with the Funds, the ''Portfolios'')[2] and (ii) Private Accounts.[3]

4. At the end of each trading day, the Portfolios and the Private Accounts (''Participants'') may have uninvested

[1] For purposes of the application, the term ''Fleet'' includes, in addition to Fleet Investment Advisers, Inc., any other person controlling, controlled by, or under common control with Fleet Investment Advisers, Inc. that acts in the future as an investment adviser to a registered management investment company or a Private Account.

[2] The requested relief would apply to Future Funds that are sub-advised by Fleet to the extent that Fleet manages the Cash Balances (as defined below) of the Future Fund.

[3] All existing registered management investment companies that intend to rely on the requested order are named as applicants. Any Future Fund or Private Account that relies on the requested order will do so only in accordance with the terms and conditions contained in the application.

cash comprised of cash attributable to shareholder or investment activity (''Uninvested Cash''). Currently, the Advisers must purchase short-term investments separately on behalf of each Portfolio as authorized by a Portfolio's investment policies and restrictions. Applicants assert that these separate purchases result in certain inefficiencies, limitations on the returns that some or all of the Participants could otherwise achieve, and higher costs.

5. Several of the Portfolios are authorized to engage in securities lending transactions for which the Custodian or another person that may or may not be affiliated with the Advisers or the Portfolios may serve as lending agent (''Securities Lending Agent'').[4] In connection with these transactions, the Portfolios could receive cash collateral (''Cash Collateral,'' and together with Uninvested Cash, ''Cash Balances'').

6. Applicants propose to deposit Cash Balances into one or more joint accounts (''Joint Accounts'') established at the Custodian. The daily balance in the Joint Accounts will be invested in one or more of the following: (i) repurchase agreements ''collateralized fully'' as defined in rule 2a–7 under the Act; [5] (ii) interest bearing or discounted commercial paper, including United States dollar denominated commercial paper of foreign issuers; and (iii) any other short-term money market instruments that constitute ''eligible securities'' (as defined in rule 2a–7 under the Act) (collectively, ''Short-Term Investments'').

7. Any repurchase agreements entered into through a Joint Account will comply with Investment Company Act Release No. 13005 (February 2, 1983) and any other existing and future staff positions taken by the SEC and the staff by rule, release, letter or otherwise relating to repurchase agreement transactions. In the event that the SEC or the staff sets forth guidelines with respect to other Short-Term Investments, all such investments made through the Joint Accounts will comply with these guidelines. All purchases through the Joint Accounts will comply with all present and future SEC and staff positions relating to the investment of Cash Collateral in connection with securities lending activities.

8. Participants will invest through a Joint Account only to the extent that, regardless of the Joint Accounts, they would desire to invest in Short-Term Investments that are consistent with their respective investment objectives, policies and restrictions. A Participant's decision to use a Joint Account will be based on the same factors as its decision to make any other Short-Term Investment.

9. The Advisers will be responsible for investing Cash Balances (unless the authority to invest Cash Collateral in instruments pre-approved by the Adviser rests with the Securities Lending Agent) held in the Joint Accounts, establishing accounting and control procedures, operating the Joint Accounts, and ensuring fair treatment of Participants. The Advisers will not participate monetarily in the Joint Accounts.

Applicants' Legal Analysis

1. Section 17(d) of the Act and rule 17d–1 under the Act prohibit an affiliated person of a registered investment company, or an affiliated person of such a person, acting as principal, from participating in any joint enterprise or arrangement in which that investment company is a participant, unless the SEC has issued an order authorizing the arrangement. In passing on these applications, the SEC considers whether the participation of the registered investment company in the proposed joint arrangement is consistent with the provisions, policies, and purposes of the Act and the extent to which the participation is on a basis different from or less advantageous than that of other participants.

2. Section 2(a)(3)(C) of the Act defines an ''affiliated person'' of another person to include any person directly or indirectly controlling, controlled by, or under common control with, the other person. Applicants state that the Participants may be considered ''affiliated persons'' because they may be deemed to be under the common control of the Advisers. Applicants state that the Participants, by participating in the Joint Accounts, and the Advisers, by managing the Joint Accounts, could be deemed to be ''joint participants'' in a transaction within the meaning of section 17(d). In addition, applicants state that each Joint Account could be deemed to be a ''joint enterprise or other joint arrangement'' within the meaning of rule 17d–1.

3. Applicants submit that the proposed Joint Accounts meet the criteria of rule 17d–1 for issuance of an order. Applicants assert that no Portfolio would be in a less favorable position than any other Participant as a result of participating in the Joint Accounts. Each Participant's liability on any Short-Term Investment will be limited to its interest in the Short-Term Investment. Applicants also assert that the proposed operation of the Joint Accounts will not result in any conflicts of interest among any of the Participants or Advisers.

4. Applicants state that the operation of the Joint Accounts could result in certain benefits to the Participants. The Participants may earn a higher rate of return on investments through the Joint Accounts relative to the returns they could earn individually. Under most market conditions, applicants assert, it is possible to negotiate a rate of return on larger investments that is higher than the rate available on smaller investments. In addition, applicants state that the enhanced purchasing power available through a Joint Account may increase the number of dealers willing to enter into Short-Term Investments with the Participants and may reduce the possibility that a Participant's Cash Balances would remain uninvested. Finally, the Joint Accounts may result in certain administrative efficiencies and lessen the potential for error by reducing the number of trade tickets and cash wires that counterparties, the Custodian and the Advisers must process.

Applicants' Conditions

Applicants agree that the order granting the requested relief will be subject to the following conditions:

1. The Joint Accounts will not be distinguishable from any other accounts maintained by Participants at the Custodian except that Cash Balances from Participants will be deposited in the Joint Accounts on a commingled basis. The Joint Accounts will not have a separate existence and will not have indicia of a separate legal entity. The sole function of the Joint Accounts will be to provide a convenient way of aggregating individual transactions which would otherwise require daily management by the Advisers of Cash Balances.

2. Cash Balances in the Joint Accounts will be invested in Short-Term Investments as directed by the Advisers (or, in the case of Cash Collateral, by a Securities Lending Agent, if the authority to invest Cash Collateral in instruments pre-approved by the Adviser rests with the Securities Lending Agent). Short-Term Investments that are repurchase agreements would have a remaining maturity of seven (7) days or less and other Short-Term Investments would

[4] Applicants state that prior to the appointment of any affiliated person of the Advisers or Portfolios as Securities Lending Agent, applicants will seek appropriate exemptive relief from the SEC.

[5] The Portfolios will enter into ''hold-in-custody'' repurchase agreements (i.e., repurchase agreements where the counterparty or one of its affiliated persons may have possession of, or control over, the collateral subject to the agreement) only where cash is received late in the business day and otherwise would be unavailable for investment.

have a remaining maturity of 90 days or less, calculated in accordance with rule 2a–7 under the Act. Cash Collateral in a Joint Account would be invested in Short-Term Investments that have a remaining maturity of 397 days or less, calculated in accordance with rule 2a–7 under the Act.

3. All assets held in the Joint Accounts will be valued on an amortized cost basis to the extent permitted by applicable SEC releases, rules or orders.

4. Each Participant that is a registered investment company valuing its net assets in reliance on rule 2a–7 under the Act will use the average maturity of the instruments in the Joint Account in which such Participant has an interest (determined on a dollar-weighted basis) for the purpose of computing its average portfolio maturity with respect to its portion of the assets held in a Joint Account on that day.

5. In order to ensure that there will be no opportunity for any Participant to use any part of a balance of a Joint Account credited to another Participant, no Participant will be allowed to create a negative balance in any Joint Account for any reason, although each Participant will be permitted to draw down its entire balance at any time, provided that the Advisers determine that such draw-down would have no significant adverse impact on any other Participant in that Joint Account. Each Participant's decision to invest in a Joint Account would be solely at its option, and no Participant will be obligated to invest in a Joint Account or to maintain any minimum balance in a Joint Account. In addition, each Participant will retain the sole rights of ownership to any of its assets invested in the Joint Accounts, including interest payable on such assets invested in the Joint Accounts.

6. The Advisers will administer the investment of Cash Balances in, and the operation of, the Joint Accounts as part of their general duties under their advisory agreements with the Trusts and will not collect any additional or separate fees for advising any Joint Account.

7. The administration of the Joint Accounts will be within the fidelity bond coverage required by section 17(g) of the Act and rule 17g–1 thereunder.

8. The boards of trustees or directors (''Boards'') of each Trust will adopt procedures pursuant to which the Joint Accounts will operate, which will be reasonably designed to provide that the requirements of this application will be met. The Boards will make and approve such changes as they deem necessary to ensure that such procedures are followed. In addition, the Boards will determine, no less frequently than annually, that the Joint Accounts have been operated in accordance with the adopted procedures and will only permit a Portfolio to continue to participate in the Joint Accounts if the Board determines that there is a reasonable likelihood that the Portfolio and its shareholders will benefit from the Portfolio's continued participation.

9. Any Short-Term Investment made through the Joint Accounts will satisfy the investment policies and guidelines of all Participants participating in that Short-Term Investment.

10. The Advisers, each Participant, and the Custodian will maintain records documenting, for any given day, each Participant's aggregate investment in a Joint Account and each Participant's *pro rata* share of each Short-Term Investment made through such Joint Account. The records maintained for each Participant shall be maintained in conformity with Section 31 of the Act and the rules and regulations thereunder. A Private Account and any investment adviser not registered under the Advisers Act that advises a Private Account will make available to the SEC, upon request, such books and records with respect to the Private Account's participation in the Joint Accounts.

11. Short-Term Investments held in a Joint Account generally will not be sold prior to maturity, except if: (i) the Advisers believe the investment no longer presents minimal credit risks; (ii) the investment no longer satisfies the investment criteria of all Participants in the investment because of a downgrading or otherwise; or (iii) in the case of a repurchase agreement, the counterparty defaults. The Advisers may, however, sell any Short-Term Investment (or any fractional portion thereof) on behalf of some or all of the Participants prior to the maturity of the investment if the cost of such transactions will be borne solely by the selling Participants and the transaction will not adversely affect other Participants participating in that Joint Account. In no case would an early termination by less than all Participants be permitted if it would reduce the principal amount or yield received by other Participants in the Joint Account or otherwise adversely affect the other Participants. Each Participant participating in a Joint Account will be deemed to have consented to such sale and partition of the investments in the Joint Account.

12. Short-Term Investments held through a Joint Account with a remaining maturity of more than seven days, calculated pursuant to rule 2a–7 under the Act, will be considered illiquid and, for any Participant that is an open-end management investment company registered under the Act, subject to the restrictions that the Portfolio may not invest more than 10%, in the case of a money market fund, or 15%, in the case of a non-money market fund (or such other percentage as set forth by the SEC from time to time) of its net assets in illiquid securities, and any similar restriction set forth in the Portfolio's investment restrictions and policies, if the Advisers cannot sell the instrument, or the Portfolio's fractional interest in such instrument, pursuant to the preceding condition.

13. Every Participant in the Joint Accounts will not necessarily have its Cash Balances invested in every Short-Term Investment. However, to the extent that a Participant's Cash Balances are applied to a particular Short-Term Investment, the Participant will participate in and own its proportionate share of such Short-Term Investment, and any income earned or accrued thereon, based upon the percentage of such investment purchased with Cash Balances contributed by the Participant.

14. The Joint Accounts will be established as one or more separate cash accounts on behalf of the Participants at the Custodian. Each Participant may deposit daily all or a portion of its Cash Balances into the Joint Accounts. Each Participant whose regular custodian is a custodian other than the Custodian and that wishes to participate in a Joint Account, would appoint the Custodian as a sub-custodian for the limited purposes of: (i) receiving and disbursing Cash Balances; (ii) holding any Short-Term Investments; and (iii) holding any collateral received from a transaction effected through a Joint Account. All Portfolios that so appoint the Custodian will have taken all necessary actions to authorize such bank as its legal custodian, including all actions required under the Act.

For the SEC, by the Division of Investment management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–23388 Filed 9–8–99; 8:45 am]

BILLING CODE 8010–01–M