

plans and marketing strategies together with local management, monitoring operating functions, and integrating its networks and businesses in a manner which is consistent with GTS's overall strategic objectives.

3. GTS intends to continue to expand its business. GTS maintains that the telecommunications business is capital intensive and, in order to compete, that it requires substantial capital to continue to develop its networks and meet the funding requirements of its operations, including losses, as well as to provide capital for acquisition and business development initiatives. In the past three years, GTS states that it raised over \$600 million through a combination of public and private offerings of equity and debt securities. In addition, GTS states that it raised approximately \$1.6 billion over the past two years through the issuance of debt.

4. GTS currently holds its cash in short-term investments pending deployment of the cash in building out its telecommunications projects. In addition, GTS states that it may need to raise additional capital to execute its current business plan, fund expected operating losses, consummate future acquisitions and exploit opportunities to expand and develop its businesses. GTS states that its need to raise and maintain large amounts of capital to meet its anticipated capital expenditures may create uncertainty as to its status as an investment company under section 3(a) of the Act.

Applicant's Legal Analysis

1. Under section 3(a)(1)(C) of the Act, an issuer is an investment company if it "is engaged or proposes to engage in the business of investing, reinvesting, owning, holding, or trading in securities, and owns or proposes to acquire investment securities having a value exceeding 40 per centum of the value of such issuer's total assets (exclusive of government securities and cash items) on an unconsolidated basis." Section 3(a)(2) of the Act defines "investment securities" to include all securities except Government securities, securities issued by employees' securities companies, and securities issued by majority-owned subsidiaries of the owner which are not investment companies and which are not excepted from the definition of investment company by section 3(c)(1) or section 3(c)(7) of the Act.

2. GTS states that it meets the definition of an investment company under section 3(a)(1)(C) of the Act because it owns investment securities with a value in excess of 62% of its total assets (excluding cash items) on an

unconsolidated basis. In addition, GTS states that because it anticipates raising additional capital to finance its capital expenditures and operations, it is unable to estimate when its holdings of investment securities, within the meaning of section 3(a)(2) of the Act, will represent less than 40% of GTS's total assets.

3. Section 3(b)(2) provides that, notwithstanding section 3(a)(1)(C) of the Act, the SEC may issue an order declaring an issuer to be primarily engaged in a business or businesses other than that of investing, reinvesting, owning, holding, or trading in securities either directly, through majority-owned subsidiaries, or controlled companies conducting similar types of businesses. GTS requests an order under section 3(b)(2) declaring that GTS is primarily engaged through its wholly- and majority-owned subsidiaries in a business other than that of investing, reinvesting, owning, holding, or trading in securities.

4. In determining whether a company is primarily engaged in a non-investment company business under section 3(b)(2), the SEC considers: (a) the applicant's historical development; (b) its public representations of policy; (c) the activities of its officers and directors; (d) the nature of its present assets; and (e) the sources of its present income.¹

(a) *Historical Development:* GTS states that it was formed in 1983 to provide telecommunications services in foreign markets and to establish a high speed transmission network across Western Europe. Since its inception, GTS states that it also has developed into a leading independent provider of telecommunications services to businesses, other high usage customers, and telecommunications carriers in Europe.

(b) *Public Representations of Policy:* GTS states that it does not now, and has never, held itself out as an investment company. GTS asserts that, in its annual reports, shareholder letters, prospectuses, SEC filings, and on its Internet web site, it consistently represents itself to shareholders and the public as a company providing telecommunications services.

(c) *Activities of Officers and Directors:* GTS states that its officers and directors are actively engaged in the management and development of its telecommunications businesses. GTS further states that of its ten principal officers, only one spends any time (approximately 5%) monitoring the

Group's cash reserves and short-term securities.

(d) *Nature of Assets:* GTS states that, as of December 31, 1998, its total assets, on a consolidated basis, were \$2,614 million. Of these, \$986 million, or approximately 37%, represented investment securities as that term is defined in section 3(a)(2) of the Act. GTS states that these investment securities consist of short-term, liquid instruments that are held by GTS not for investment purposes but to preserve its assets pending using these monies for business operations or for purchase of operating assets.

(e) *Source of Income:* GTS states that in 1998, it had total net losses of \$255.8 million. Of these, 91% were attributable to GTS's operations and 9% to GTS's investment activities. GTS's investment expenses exceeded its investment income because GTS paid \$83 million of interest on its short- and long-term debt and earned \$60 million of interest income from its investment securities.

5. GTS thus states that it meets the factors that the SEC considers in determining whether an issuer is primarily engaged in a business other than that of investing, reinvesting, owning, holding, or trading in securities.

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

Margaret H. McFarland,
Deputy Secretary.

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BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Public Meeting; Satellite-Based Navigation User Forum

AGENCY: Federal Aviation Administration, Office of System Architecture and Investment Analysis.

SUMMARY: The Federal Aviation Administration (FAA) Office of System Architecture and Investment Analysis (ASD) will hold a forum to present findings and obtain information from the aviation user community as part of the investment analysis process as we transition to a satellite-based navigation (Sat/Nav) infrastructure.

DATES: The (Sat/Nav) user forum public meeting will be held on July 7, 1999, at the Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC, in the third-floor auditorium from 9:00 a.m. to 12 Noon, followed by a question and answer session. In addition, time will be made

¹ See *Tonopah Mining Company of Nevada, 26 S.E.C. 426, 427 (1947)*.

available for specific follow-on meetings as needed. Contact the Sat/Nav Investment Analysis Team Lead for this purpose.

FOR FURTHER INFORMATION CONTACT: Ms. Millie Butler-Harris, CNS Facility Investment Analysis, ASD-410, at (202) 358-5399 and via e:mail at *millie.butler-harris@faa.gov* or Dr. Robert Rovinsky, the SatNav Investment Analysis Team Lead, ASD-410, at (202) 358-5212 and via e:mail at *robert.rovinsky@faa.gov*.

SUPPLEMENTARY INFORMATION: The Federal Aviation Administration is reviewing its plan to transition to a totally satellite-based navigation (Sat/Nav) infrastructure. A Sat/Nav public meeting is planned to obtain input from the aviation community as the FAA considers the analysis and develops the alternatives for a particular approach to navigation within the Nation's airspace.

At this meeting, the FAA will review the economic information that the team has already received along with the cost, benefits the risk findings. The team will also discuss its overall findings including the alternatives analysis. This is the last in a series of three public meetings prior to the investment analysis team's presentation before the FAA's Joint Resources Council with its recommended baseline for Sat/Nav.

The public is invited to attend the meeting as observers and/or to provide comment. Requests to attend this meeting and to obtain information should be directed to the contact persons listed above. Additional information will be posted on the Internet at *www.faa.gov/asd*.

Issued in Washington, DC., on June 9, 1999.

Janice L. Peters,

Designated Official.

[FR Doc. 99-15294 Filed 6-15-99; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Intent To Rule on Application (99-01-C-00-CEZ) To Impose and To Use a Passenger Facility Charge (PFC) at Cortez Municipal Airport, Submitted by the City of Cortez, CO.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of intent to rule on application.

SUMMARY: The FAA proposes to rule and invites public comment on the application to impose and to use a PFC at Cortez Municipal Airport under the provisions of 49 U.S.C. 40117 and Part

158 of the Federal Aviation Regulations (14 CFR part 158).

DATES: Comments must be received on or before July 16, 1999.

ADDRESSES: Comments on this application may be mailed or delivered in triplicate to the FAA at the following address: Alan Wiechmann, Manager; Denver Airports District Office, DEN-ADO; Federal Aviation Administration; 26805 E. 68th Avenue, Suite 224; Denver, CO 80249-6361.

In addition, one copy of any comments submitted to the FAA must be mailed or delivered to Mr. Russ Machen, Acting Airport Manager, at the following address: Cortez Municipal Airport, 210 East Main Street, Cortez, Colorado 81321.

Air Carriers and foreign air carriers may submit copies of written comments previously provided to Cortez Municipal Airport, under section 158.23 of part 158.

FOR FURTHER INFORMATION CONTACT: Mr. Christopher Schaffer, (303) 342-1258; Denver Airports District Office, DEN-ADO; Federal Aviation Administration; 26805 E. 68th Avenue, Suite 224; Denver, CO 80249-6361. The application may be reviewed in person at this same location.

SUPPLEMENTARY INFORMATION: The FAA proposes to rule and invites public comment on the application (99-01-C-00-CEZ) to impose and to use a PFC at Cortez Municipal Airport, under the provisions of 49 U.S.C. 40117 and part 158 of the Federal Aviation Regulations (14 CFR part 158).

On June 9, 1999, the FAA determined that the application to impose and to use a PFC submitted by the City of Cortez, Colorado, was substantially complete within the requirements of section 158.25 of Part 158. The FAA will approve or disapprove the application, in whole or in part, no later than September 7, 1999.

The following is a brief overview of the application.

Level of the proposed PFC: \$3.00.

Proposed charge effective date: September 1, 1999.

Proposed charge expiration date: August 1, 2007.

Total requested for approval: \$200,078.00.

Brief description of proposed projects: Install distance remaining signs, construct electrical vault; Reconstruct commercial ramp; Purchase snowplow; Construct Taxiway "B"; Construct south half parallel Taxiway "A"; Land acquisition (Parcels 21 and 22); Acquire Index "A" fire truck.

Class or classes of air carriers which the public agency has requested not be

required to collect PFC's: Withdrawn per letter dated June 3, 1999.

Any person may inspect the application in person at the FAA office listed above under **FOR FURTHER INFORMATION CONTACT** and at the FAA Regional Airports Office located at: Federal Aviation Administration, Northwest Mountain Region, Airports Division, ANM-600, 1601 Lind Avenue SW., Suite 540, Renton, WA 98055-4056.

In addition, any person may, upon request, inspect the application, notice and other documents germane to the application in person at the Cortez Municipal Airport.

Issued in Renton, Washington on June 9, 1999.

Carolyn T. Read,

Acting Manager, Planning, Programming and Capacity Branch, Northwest Mountain Region.

[FR Doc. 99-15296 Filed 6-15-99; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: Butte and Yuba Counties, California

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Butte and Yuba Counties, California.

FOR FURTHER INFORMATION CONTACT: Robert F. Tally, Chief, Program Delivery Team—North, Federal Highway Administration, California Division, 980 Ninth Street, Suite 400, Sacramento, California 95814, Telephone: (916) 498-5020.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the California Department of Transportation (Caltrans), will prepare an environmental impact statement (EIS) on a proposal to construct approximately 30 miles of expressway/freeway to provide facility continuity from the existing freeway at the junction of State Routes 65 and 70 south of Oroville, located in Butte County, and bypassing the City of Marysville, in order to better serve inter-regional transportation needs.

Alternatives under consideration include (1) taking no action; (2) an alternative which utilizes portions of existing State Route 70; and (3) several alternatives involving construction or