

example, if prior to completion of NEPA documentation, all TDM measures are eliminated from consideration and the sole remaining question is the determination of an alignment for a highway capacity-expanding project (which may include TDM), subsequent project development activities are not exempt from highway sanctions.

The FHWA may not approve preliminary engineering for final design of a project, nor can approval be granted for a project's plans, specifications, and estimates (PS&E) after initiation of highway sanctions for projects that are not exempt under this policy. Neither right-of-way nor any necessary equipment may be purchased or leased with Federal funds for nonexempt projects while an area is under sanction. Federally-funded construction may not in any way begin on a project that does not meet the exemption criteria described in this policy while an area is under sanction.

Highway sanctions apply to those projects whose funds have not yet been obligated by the FHWA by the date the highway sanction applies. Those projects that have already received approval to proceed and had obligated funds before the EPA imposes the prohibition may proceed even while the area is under sanction, if no other FHWA action is required to proceed. In the case of a phased project, only those phases that have been approved and had obligated funds prior to the date of sanction application may proceed. For example, if preliminary engineering for a project was approved and funds were obligated prior to application of sanctions but no approval was secured for later project phases (such as right-of-way acquisition, construction, etc.), preliminary engineering could proceed while the highway sanction applies but no subsequent phases of the project could proceed with Federal highway funds unless the total project meets the exemption criteria in this policy. These restrictions pertain only to project development activities that are to be approved or funded under Title 23. Activities funded under title 49, U.S.C., or through State or other funds may proceed even after highway sanctions have been imposed unless: (1) approval or action by FHWA under title 23 is required; and (2) they do not otherwise meet the exemption criteria of this policy statement.

#### **F. Other Environmental Requirements**

Exemption of a transportation project from the section 179(b)(1) highway sanctions does not waive any applicable requirements under the NEPA (e.g., environmental documents), section

176— of the CAA (conformity requirement), or other Federal law.

**Authority:** 42 U.S.C. 7509(b); 23 U.S.C. 315; and 49 CFR 1.48.

Issued on: June 22, 1995.

**Rodney E. Slater,**

*Federal Highway Administrator.*

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#### **Maritime Administration**

[Docket S-921]

##### **Matson Navigation Company, Inc.; Notice of Application for Written Consent Pursuant to Section 506 of the Merchant Marine Act, 1936, as amended, for the Transfer of the President Hoover, President Grant, and President Tyler to the Domestic Trade**

Notice is hereby given that Matson Navigation Company, Inc. (Matson), by letter of June 19, 1995, requests a waiver of the provisions of section 506 of the Merchant Marine Act, 1936, as amended (Act), so as to permit Matson to operate in exclusively domestic service during the year commencing December 1, 1995, the U.S.-Flag C-8 containerships the President Hoover, President Grant, and President Tyler (Vessels) not to exceed six months, with respect to each vessel, during that year period. The Vessels were built in the United States with the aid of construction-differential subsidy (CDS), and are currently owned by American President Lines, Ltd. (APL). Matson intends to purchase the Vessel from APL.

Matson states that it intends to use the C-8S both in its Transpacific Alliance (Alliance) service, as well as in its Pacific Coast Shuttle (PCS) service, where they will engage on voyages among Vancouver, British Columbia, Canada; Seattle, Washington; Los Angeles and Oakland, California. The itinerary of the Alliance service vessels westbound will involve departures from California ports with calls at Honolulu and Guam outbound before arrival as Asian ports. The outbound calls at Hawaii and Guam are specifically permitted under section 506 of the Act. Matson explains that due to operational exigencies involved in the start-up of the Alliance service, it is likely that the Vessels will have to be used interchangeably among the Alliance and PCS services for an indefinite period. However, Matson indicates that only two of the Vessels will be used in the PCS service at any time. Acquisition of the C-8s will mean that the PCS can be expanded to a twice weekly service, and

that Oakland, CA can be added as port of call.

Any person, firm, or corporation having any interest in the application for section 506 consent and desiring to submit comments concerning Matson's request must by 5:00 p.m. on July 17, 1995, file written comments in triplicate, to the Secretary, Maritime Administration, Room 7210, Nassif Building, 400 Seventh Street, SW., Washington, D.C. 20590. The Maritime Administration, as a matter of discretion, will consider any comments submitted and take such action as may be deemed appropriate.

(Catalog of Federal Domestic Assistance Program No. 20.800 Construction-Differential Subsidies (CDS)).

By Order of the Maritime Administrator.

Dated: June 27, 1995.

**Joel C. Richard,**

*Secretary, Maritime Administration.*

#### **Federal Transit Administration**

##### **Environmental Impact Statement on the Introduction of Transportation Improvements on the East Side of New York County, NY**

**AGENCY:** Federal Transit Administration (FTA), DOT.

**ACTION:** Notice of intent to prepare an environmental impact statement.

**SUMMARY:** The FTA, the Federal Highway Administration (FHWA) and the New York City Transit Authority (NYC Transit) are issuing this notice to advise the public and all other interested parties that in accordance with the National Environmental Policy Act (NEPA), an Environmental Impact Statement (EIS) will be prepared for transportation improvements that will improve mobility on the east side of the island of Manhattan within the City of New York. NYC Transit will ensure that the EIS also satisfies the requirements of the State of New York Environmental Quality Review Act and the intent of the City of New York Environmental Quality Act. The Draft EIS (DEIS) will include a Major Investment Study (MIS) in accordance with the joint FTA/FHWA Metropolitan Planning Requirements, 23 CFR part 450.

High levels of auto congestion in the study area influence the region's ability to meet National Ambient Air Quality standards. The MIS/DEIS process will clearly identify these and other mobility problems in the study area and evaluate any alternative actions generated through the scoping process. Among the alternatives that the MIS/DEIS effort will evaluate are the No-Action and