

representative. These qualification requirements are enumerated in Phlx Rule 604.<sup>5</sup> No similar qualification requirement exists for persons who conduct trading activities from off the floor of the Exchange. The purpose of the proposed rule change is to bring the Exchange's qualification requirements in line with those of the other major securities exchanges and enhance the consistency of qualification requirements across the exchanges by adding testing requirements for off-floor traders and certain other associated persons of members who are not covered by the current qualification requirements for floor traders.

The Exchange has discovered that the majority of those persons to whom the proposed rule would apply are associated with certain limited liability companies ("LLC") for the purpose of conducting off-floor trading in their own accounts. These securities traders become members of the LLC to avail themselves of good faith margin provided through the LLC's Joint Back Office agreement with its clearing agent.

The new Series 7 Exam requirements, if approved, will apply to all previously registered persons, who will be required to successfully complete the Series 7 Exam within six months of notice by the Exchange. The new examination requirement would be phased in over a six-month period. Associated persons who are currently registered to trade from off the floor of the Exchange would be required to register to take the Series 7 Exam within 30 days of the Exchange's notice to membership of this requirement and those off-floor traders to whom the order applies will be required to notify the Exchange promptly that they have so registered. Off-floor traders required to register for the Series 7 Exam will have six months from the date of notice by the Exchange in which to successfully complete the Series 7 Exam.

Off-floor traders to whom the proposed rule applies who become associated with member organizations after notice of this requirement must successfully complete the Series 7 Exam prior to conducting securities trading activities for which the examination is required.

The proposed rule change is consistent with Section 6 of the Act<sup>6</sup> in general, and furthers the objectives of Section 6(c)(3)(A) of the Act<sup>7</sup> and

Section 6(c)(3)(B) of the Act<sup>8</sup> in particular, in that it is designed to prescribe appropriate standards of training, experience, and competence for brokers and dealers and persons associated with Exchange members in order to protect investors and the public. The proposed rule change is also consistent with Section 6(b)(5) of the Act<sup>9</sup> in general, in that it is designed to perfect the mechanisms of a free and open market and a national market system, and to protect investors and the public interest by requiring registered off-floor traders to demonstrate their qualifications to trade by successfully passing the Series 7 Examination.

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

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition.

#### *C. Self-Regulatory Organization's Statement on Comment on the Proposed Rule Change Received From Members, Participants or Others*

No written comments were either solicited or received.

#### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Phlx consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

#### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. 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 Phlx. All submissions should refer to File No. Sr-Phlx-99-07 and should be submitted by May 18, 1999.

For the Commission, by the Division on Market Regulation, pursuant to delegated authority.<sup>10</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-10455 Filed 4-26-99; 8:45 am]

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#### **DEPARTMENT OF STATE**

[Public Notice No. 3031]

#### **Advisory Committee on International Economic Policy; Meeting Notice**

The Advisory Committee on International Economic Policy (ACIEP) will meet from 9:00 a.m. to 1:00 p.m. on Tuesday, May 18, 1999, in Room 1107, U.S. Department of State, 2201 C Street, NW, Washington, DC 20520. The meeting will be hosted by Committee Chairman R. Michael Gadbaw and by Assistant Secretary of State for Economic and Business Affairs Alan P. Larson.

The ACIEP serves the U.S. Government in a solely advisory capacity concerning issues and problems in international economic policy. The objective of the ACIEP is to provide expertise and insight on these issues which are not available within the U.S. Government. Topics for the May 18 meeting will be: China: WTO Accession, Economic Relations, and Broader Agenda; Sanctions: Administration Initiatives, Status of Legislation, and State and Local Measures; Addressing Labor, Environmental, and Transparency Concerns in Economic Agreements; and U.S.-European Cooperation: Managing Trade Issues and Rebuilding a New Southeast Europe.

Members of the public may attend these meetings as seating capacity allows. While the meeting is open to the public, admittance to the Department of State Building is only by means of a pre-arranged clearance list. In order to be placed on this list, please provide your

<sup>5</sup> Securities Exchange Act Release No. 36515 (November 27, 1995), 60 FR 62119 (December 4, 1995) (File No. SR-Phlx-95-58) (order approving amendment of Phlx Rule 604).

<sup>6</sup> 15 U.S.C. 78f.

<sup>7</sup> 15 U.S.C. 78f(c)(3)(A).

<sup>8</sup> 15 U.S.C. 78f(c)(3)(B).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> 17 CFR 200.30-3(a)(12).

name, title, company or other affiliation if appropriate, social security number, date of birth, and citizenship to the ACIEP Executive Secretariat by phone at (202) 647-5968 or fax (202) 647-5713 (Attention: Sharon Rogers) by Tuesday, May 11, 1999. On the date of the meeting, persons who have registered should come to the "C" Street entrance. One of the following valid means of identification will be required for admittance: a U.S. driver's license with photo, a passport, or a U.S. Government ID.

**FOR FURTHER INFORMATION CONTACT:** Sharon Rogers, ACIEP Secretariat, U.S. Department of State, Bureau of Economic and Business Affairs, Room 6828, Main State, Washington, DC 20520.

Dated: April 21, 1999.

**William J. McGlynn,**

*Executive Secretary.*

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

[Docket No. 29547]

#### 207-Minute Extended Range Operations With Two-Engine Aircraft (ETOPS) Operation Approval Criteria

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Request for public comment.

**SUMMARY:** This notice announces the request by the Air Transport Association for the FAA to issue a policy for 207-minute ETOPS operation approval criteria. The material was presented to the FAA by mail dated March 22, 1999. In addition, this notice opens [29547] and that docket serves as a repository for all recorded material regarding the aforementioned meeting.

**DATES:** Comments must be received on or before June 11, 1999.

**ADDRESSES:** Comments on this notice should be mailed or delivered, in duplicate, to: Federal Aviation Administration, Office of Chief Counsel, Rules Docket Office, [29547], 800 Independence Avenue, SW., Room 915-G, Washington, DC 20591. Comments may also be submitted electronically to the following Internet address: 9-NPRM-CMTS@faa.gov. Comments must be marked [20547]. Comments may be filed and/or examined in Room 915-G weekdays between 10:00 a.m. and 5:00 p.m., except on Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Eric van Opstal, Air Transportation Division

(AFS-200), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591, Telephone (202) 267-8166.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

Interested parties are invited to comment on the Air Transport Association's request by submitting such written data, views, or arguments to the address listed above. The FAA will consider all communications before taking action.

Following is the full text of the Air Transportation Association letter. The FAA is publishing this request without endorsement. The purpose of this notice is to request comments on the Air Transport Association request for 207-Minute ETOPS Operation Approval Criteria.

##### Air Transport Association

February 26, 1999.

Mr. Thomas E. McSweeney,  
*Associate Administrator for Regulation and Certification, Federal Aviation Administration, 800 Independence Avenue, SW AVR-1, Washington, DC 20591*

Dear Mr. McSweeney: In conjunction with the planning and implementation of Extended Range Operations with Two-Engine Aircraft (ETOPS) in the North Pacific area of operations, the Air Transport Association (ATA) member airlines determined that a need exists for expanded ETOPS authority beyond 180 minutes. The ETOPS Subcommittee established a process where associated airlines, the Pilots associations, Boeing, Federal Aviation Administration representatives and other parties worked together to determine the criteria to support the establishment of a proposed 15 percent operational extension of 180 minute ETOPS. The result of the effort is the attached draft proposal, including the associated application and approval criteria, for an ETOPS policy letter providing for 207 minutes ETOPS authority.

As reflected in the proposed policy letter, it was determined that there would be additional requirements associated with the new authority. Most of these requirements are self evident. However, to assist in your analysis and review of this proposal, we have included an Executive Summary of the Boeing Reliability Study which was conducted in support of this effort.

There are many issues associated with 207 minute ETOPS, especially in the North Pacific area of operations. One example is the availability and support functions of Alternate and Emergency airports. ATA ETOPS operators have conducted airport visits and inspections of selected airports in Alaska and Russia, and are establishing plans to expand these and foreign governments to ensure airport availability to support all international air Transport operations.

In conclusion, we request your consideration and approval of the attached

policy letter establishing 207 minute ETOPS authority. Since there are airlines conducting ETOPS in the North Pacific now and three more airlines plan to start operations in that area this year, we respectfully request accelerated processing of this proposal.

Sincerely,

Captain Paul McCarthy,  
*Executive Air Safety Chairman, Air Line Pilots Association.*

Captain William Borrelli,  
*President, Independent Association of Continental Pilots.*

Robert H. Frenzel,  
*Senior Vice President, Aviation Safety and Operations, Airlines Transport Association.*

#### Draft Proposal February 4, 1999

*Information:* 207-minute ETOPS Operation Approval Criteria. ETOPS Policy Letter EPL.

#### Discussion

It has been determined by the FAA that a need exists for an additional ETOPS authority beyond 180 minutes. The ETOPS concept has been successfully applied since 1985 and is now widely employed. The number of ETOPS operators has increased dramatically, and, in the North Atlantic, U.S. operators have more twin operations than the number of operations accomplished by three- and four-engine airplanes. ETOPS is now well established.

It is apparent that the excellent propulsion related safety record and the success of two-engine airplane operations has not been maintained, but potentially enhanced, by the process-related provisions associated with ETOPS.

The data shows ETOPS requirements and processes are generally applicable to all long-range operations including those by three- and four-engine airplanes. Ensuring availability of en route alternate airports, adequate fire fighting coverage at these airports, fuel planning to account for depressurization are sound operational practices for all airplanes including three- and four-engine airplanes.

It is the position of the FAA that a need exist to normalize the requirements for enroute alternates across all long-range operations. Because such operations operate over increasingly remote and demanding areas of operation, it is also necessary to develop a long term solution to the requirements of adequate levels of Rescue and Fire Fighting Services (RFFS) for non-destination airports. Until such consistent requirements addressing all "Long Range Operations" are established, the FAA will continue to use AC120-42A, Extended Range