

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

The foregoing rule change has become effective pursuant to section 19(b)(3)(A)(i) of the Act⁷ and Rule 19b-4(f)(1) thereunder because the proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.⁸ At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purpose of the Act.

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 NYSE. All submissions should refer to File No. SR-NYSE-00-40 and should be submitted by November 13, 2000.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43436; File No. SR-PHLX-00-83]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. To Distribute Quality of Execution Reports to Specialists and Order Flow Providers

October 11, 2000.

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 September 5, 2000, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Phlx. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Phlx proposes to provide reports regarding the quality of execution of option orders in connection with its new payment for order flow fee.³ The text of the proposed rule change is available at the principal offices of the Phlx.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Phlx included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Phlx has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of the statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In view of recent developments in options trading, including the Phlx's new payment for order flow fee, the

Phlx has determined to provide Phlx specialists and order flow providers with sufficient information for them to determine whether order flow providers are receiving the best execution of their customers' orders at the Phlx.⁴ Specifically, the Exchange intends to distribute detailed daily and summary monthly Quality of Execution Reports to order flow providers and specialist units with respect to all orders delivered through the Phlx's Automated Options Market ("AUTOM") System.⁵ The Phlx represents that Quality of Execution Reports will reflect all orders that are entered electronically through AUTOM and are executed either by AUTO-X⁶ or by a specialist with the assistance of X.Station.⁷ Quality of Execution Reports are designed to provide statistical data so that firms may analyze whether the orders they directed to the Phlx received the best execution. The Exchange initially intends for the Quality of Execution Reports to list the national best bid or offer ("NBBO") that prevailed at the time AUTOM received each order and to identify the execution price, the execution volume, and the speed of execution for each order.⁸ Initially, the report will also identify trades that may have been executed outside of the NBBO and will show what action, if any, was taken to adjust the price. For trades that were not executed at the NBBO, the information will be reported on an intraday basis to the Exchange's Surveillance Department staff, who will assist members involved in the trade in deciding whether a price

⁴ The Phlx has imposed a payment for order flow fee on certain designated transactions of Phlx specialists and registered options traders. The funds are made available to Phlx specialists, who may use the funds to pay order flow providers for their options order flow. In publishing the Phlx's proposed rule change, the Commission stated its concerns that brokers who are paid to send their customers' orders to one exchange have a conflict of interest that may reduce their commitment to the duty they owe the customers to obtain the best execution available. See Securities Exchange Act Release No. 43177 (Aug. 18, 2000), 65 FR 51889 (Aug. 25, 2000).

⁵ AUTOM is the Phlx's electronic order routing, delivery, execution, and reporting system for equity and index options. See Phlx Rule 1080.

⁶ AUTO-X, the automatic execution feature of AUTOM, automatically executes public customer market and marketable limit orders for certain strike prices and expiration months in equity and index options. See Phlx Rule 1080.

⁷ The X.Station is an electronic order book on the Phlx options floor. See Securities Exchange Act Release No. 42006 (Oct. 13, 1999), 64 FR 57180 (Oct. 22, 1999).

⁸ The Phlx expects that this report may be revised to accommodate any suggested revisions of specialist units, order flow providers, Phlx staff, or others in order to enhance the report's effectiveness.

⁷ 15 U.S.C. 78s(b)(3)(A)(i).

⁸ 17 CFR 240.19b-4(f)(1).

⁹ 17 CFR 200.30-2(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 43177 (Aug. 18, 2000), 65 FR 51889 (Aug. 25, 2000).

adjustment is called for under the circumstances.⁹

The Exchange intends to provide a system enhancement to its AUTOM system that should allow AUTO-X eligible orders to be automatically executed at the NBBO.¹⁰ Orders executed at the NBBO through this new program will also be incorporated into the daily and monthly reports described above.

In the light of recent developments in options trading, the Phlx believes that it has become imperative to provide best execution data to its specialist units and order flow providers in order to show that Phlx members are providing their customers the best execution of their orders. The Phlx represents that the Quality of Execution Reports should provide members with greater assurance that they have acted in a manner consistent with the fulfillment of their fiduciary obligations of best execution. Moreover, the Phlx believes that once members and order flow providers have access to the information, the Phlx may be able to garner additional order flow because customers will see that they are receiving the best price for the orders that they send to the Phlx. Accordingly, the Exchange believes that the proposed rule change is consistent with the Act, specifically section 6(b)(5) thereof,¹¹ in that it is designed to promote just and equitable principles of trade, as well as to protect investors and the public interest.

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

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

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

No written comments were either solicited or received with respect to the proposed rule change.

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The Phlx represents that the Quality of Execution Reports will reflect all

⁹ According to the Phlx, reasons for executions at a price other than the NBBO may include crossed or locked markets, "fast market" conditions where AUTO-X is disengaged, and other unusual market conditions.

¹⁰ On August 29, 2000, the Exchange submitted a proposed rule change relating to a proposed enhancement to AUTO-X that would provide AUTO-X eligible orders, as described in Phlx Rule 1080(c), to be automatically executed at the NBBO. See SR-Phlx-00-82.

¹¹ 15 U.S.C. 78f(b)(5)

market orders and marketable limit orders that are entered through AUTOM, as described in Phlx Rule 1080. Because the Phlx has designated this proposed rule change as constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of existing Exchange rules and procedures, it has become effective pursuant to section 19(b)(3)(A)(i) of the Act¹² and Rule 19b-4(f)(1) thereunder.¹³ At any time within 60 days of the filing of this proposed rule change, the Commission may summarily abrogate the rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors or otherwise in the furtherance of the purposes of the Act.

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 the 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-00-83 and should be submitted by November 13, 2000.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Margaret H. McFarland,

Deputy Secretary.

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¹² 15 U.S.C. 78s(b)(A)(i).

¹³ 17 CFR 240.19b-4(f)(1).

¹⁴ 17 CFR 200.30-3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities: Proposed Request and Comment Request

In compliance with Public Law 104-13, the Paperwork Reduction Act of 1995, SSA is providing notice of its information collections that require submission to the Office of Management and Budget (OMB). SSA is soliciting comments on the accuracy of the agency's burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology.

I. The information collections listed below will be submitted to OMB within 60 days from the date of this notice. Therefore, comments and recommendations regarding the information collections would be most useful if received by the Agency within 60 days from the date of this publication. Comments should be directed to the SSA Reports Clearance Officer at the address listed at the end of this publication. You can obtain a copy of the collection instruments by calling the SSA Reports Clearance Officer on (410) 965-4145, or by writing to him at the address listed at the end of this publication.

1. Blood Donor Locator Service—0960-0501

Regulation 20 CFR 401.200 requires that participating State agencies provide the Social Security Administration (SSA) Blood Donor Locator Service (BDLS) specific information on blood donors who have tested positive for Human Immunodeficiency Virus (HIV). SSA uses the information to identify the donor, and locate the donor's address in SSA records for the purpose of notifying the states and to assure that states meet regulatory requirements to qualify for using the BDLS. SSA will retain no record of the request or the information after processing has been completed. The respondents are participating State agencies acting on behalf of authorized blood donor facilities.

Number of Respondents: 10.

Frequency of Response: 5.

Average Burden Per Response: 15 minutes.

Estimated Annual Burden: 12.5 hours.

2. Affective Disorder Treatment Demonstration Project—0960-NEW

Background

There is substantial research evidence that affective disorders (*i.e.*, mental