

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.

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

Because the foregoing proposed rule change: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days after the date of filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest,¹⁵ the proposed rule change has become effective pursuant to section 19(b)(3)(A)¹⁶ of the Act and Rule 19b-4(f)(6)¹⁷ thereunder.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii) permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Phlx seeks to have the proposed rule change become operative immediately in order to remain competitive with other exchanges with similar rules in effect.¹⁸

The Commission, consistent with the protection of investors and the public interest, has determined to make the proposed rule change operative immediately upon filing as of May 21, 2001, to allow the Phlx to compete with other options exchanges that currently have a maximum automatic execution eligibility limit of 100 contracts.¹⁹ At any time within 60 days of the filing of the 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,

¹⁵ As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date or such shorter period as designated by the Commission.

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(6).

¹⁸ See *supra* note 8.

¹⁹ For purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

or otherwise in furtherance of the purposes of the Act.²⁰

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-2001-51 and should be submitted by July 9, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²¹

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44405; File No. SR-Phlx-2001-08]

Self-Regulatory Organizations; Order Approving and Notice of Filing and Other Granting Accelerated Approval of Amendment No. 1 to the Proposed Rule Change of the Philadelphia Stock Exchange, Inc. Concerning the Maintenance, Retention, and Furnishing of Records and Other Information Related to Payment for Order Flow Arrangements

June 11, 2001.

On January 19, 2001, pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (Act)¹ and Rule 19b-4 thereunder,² the Philadelphia

²⁰ See Section 19(b)(3)(C) of the Act, 15 U.S.C. 78(b)(3)(C).

²¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Stock Exchange, Inc. (Phlx) filed with the Securities and Exchange Commission a proposed rule change to amend Phlx Rule 760 to require Phlx members and member organizations to make, keep current, and preserve records relating to payment for order flow arrangements and, upon request, to make those records available to the Phlx for inspection and review. The proposed change was published for comment in the **Federal Register** on April 2, 2001.³ The Commission received no comments on the proposal.

On May 22, 2001, the Phlx filed Amendment No. 1 to the proposed rule change, which replaced the original filing in its entirety. Amendment No. 1 added supplemental language to Phlx Rule 760 to clarify that the recordkeeping requirement apply only to Phlx specialists and specialist units that participate in the Phlx's payment for order flow program, and not to all Phlx members generally. The text of the proposed rule change is available at the principal offices of the Phlx and at the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended by Amendment No. 1, and is issuing this Order approving the proposed amended rule change.

Pursuant to Section 19(b)(2) of the Act,⁴ the Commission has determined to accelerate approval of the proposed rule change. The Commission notes that, prior to the filing of Amendment No. 1, the proposed rule change was noticed for public comment and did not attract any comments. Because Amendment No. 1 to the proposed rule change simply clarifies that the proposed recordkeeping requirements apply only to Phlx specialists and Phlx specialist units and not to Phlx members generally, the Commission finds good cause to approve the proposed rule change prior to the thirtieth day after the date of publication of notice of this filing in the **Federal Register**. The Commission believes that the proposed rule change, as amended, will assist the Phlx to review and verify that its payment for order flow program is being administered pursuant to the terms that the Phlx has established.

The Commission finds that the proposed rule change, as amended by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, particularly Section 6 of the

³ Securities Exchange Act Release No. 44102 (March 26, 2001), 66 FR 17591 (April 2, 2001).

⁴ 15 U.S.C. 78s(b)(2).

Act⁵ and the rules and regulations thereunder.⁶ The Commission also finds that the proposed rule change, as amended, will promote just and equitable principles of trade consistent with Section 6(b)(5) of the Act.⁷

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, is consistent with the Act. Persons making written submission 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-2001-08 and should be submitted by July 9, 2001.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (File No. SR-Phlx-2001-08), as amended, be, and it hereby is, approved.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-15223 Filed 6-15-01; 8:45 am]

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SOCIAL SECURITY ADMINISTRATION

Notice of Changes in Magnetic Media Filing Requirements for Form W-2 Wage Reports

AGENCY: Social Security Administration (SSA).

ACTION: Notice.

SUMMARY: Notice is hereby given that SSA will incorporate a change to its

Magnetic Media Reporting and Electronic Filing (MMREF) publication under which SSA will no longer accept annual Form W-2 wage reports filed using value added networks (VANs) or dial-up networking, beginning with calendar year 2002. Instead, such wage reports shall be filed by employers or third-party preparers using SSA's Employer Services Online (ESO), 3 1/2 inch diskettes, 1/2 inch tapes, or 3480/3490 cartridges. The MMREF publication and additional information on wage report filing can be obtained by accessing SSA's employer reporting web site at www.ssa.gov/employer or by calling 800-772-6270.

DATES: Comments must be received on or before July 15, 2001.

ADDRESSES: Comments on this change should be mailed or delivered to Norman Goldstein, Senior Financial Executive, Social Security Administration, Room 834, Altmeyer Building, Baltimore, MD 21235; or sent by telefax to (410) 966-8753.

FOR FURTHER INFORMATION CONTACT: Mark Ruley, Financial Management Analyst, Social Security Administration, Room 834, Altmeyer Building, Baltimore, MD 21235; telefax (410) 966-8753.

Dated: June 12, 2001.

Richard Harron,

Director, Division of Coverage and Support.

[FR Doc. 01-15351 Filed 6-15-01; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart B (Formerly Subpart Q) During the Week Ending June 8, 2001

SUMMARY: The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart B (formerly Subpart Q) of the Department of Transportation's Procedural Regulations (See 14 CFR 301.201 *et seq.*). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period, DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

Docket Number: OST-1995-969.

Date Filed: June 5, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: June 26, 2001.

Description: Application of Northwest Airlines, Inc., pursuant to 49 U.S.C. Section 41101 and Subpart B, requesting that the Department renew Segment 2 of Northwest's Route 378 Certificate of Public Convenience and Necessity. Northwest also requests that the Department integrate this certificate authority with all of Northwest's existing certificate and exemption authority to the extent consistent with U.S. bilateral agreements and DOT policy.

Docket Number: OST-2001-9855.

Date Filed: June 7, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: June 28, 2001.

Description: Application of Delta Air Lines, Inc., pursuant to 49 U.S.C. Sections 41102 and 41108 and Subpart B, requesting renewal of its authority to engage in foreign air transportation of persons, property and mail between the United States and Athens, Greece, which is a foreign point named on segments 3 and 9 of its certificate of public convenience and necessity for Route 616.

Docket Number: OST-1995-869.

Date Filed: June 8, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: June 29, 2001.

Description: Application of Continental Micronesia, Inc., pursuant to 49 U.S.C. Section 41102 and Subpart B, requesting renewal of its Segment 10 (Guam-Tokyo) Route 171 certificate authority for a period of no less than five years.

Docket Number: OST-1996-1318.

Date Filed: June 8, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: June 29, 2001.

Description: Application of Continental Airlines, Inc., pursuant to 49 U.S.C. Section 41102, requesting renewal of its Route 645 certificate authorizing Continental to provide scheduled air transportation of persons, property and mail between Houston and the coterminal points Barranquilla, Bogota and Cali, Colombia, via the intermediate point San Jose, Costa Rica, and to combine services on Route 645 with other Continental services authorized by certificate and exemption for a period of no less than five years.

Docket Number: OST-2001-9880.

Date Filed: June 8, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: June 29, 2001.

⁵ 15 U.S.C. 78f.

⁶ In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f(b)(5).

⁸ 15 U.S.C. 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).