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 such statements.

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

1. Purpose

The purpose of the proposed rule change is to allow the current fixed monthly fee program and the related QQQ license fee to continue for an additional six-month period and allow additional specialist units the opportunity to elect the fixed monthly fee program. According to the Exchange, the fixed monthly fee program should create an incentive for specialist units to bring in more business, above the fixed monthly fee amount, which would be free of additional transaction charges assessed on specialist units. Additional order flow may generate transaction fees on the contra side that, in turn, may generate additional revenue for the Exchange. The additional six-month period should also give the Exchange the opportunity to further evaluate the fixed monthly fee program. According to the Phlx, making minor amendments to its monthly fixed fee program and to its fee schedule to clarify existing language and delete superfluous language should minimize member confusion relating to the implementation of the fixed monthly fee.

2. Statutory Basis

The Exchange believes that its proposal to amend its schedule of dues, fees and charges is consistent with Section 6(b) of the Act 14 in general, and furthers the objectives of Section 6(b)(4) of the Act 15 in particular, in that it is an equitable allocation of reasonable dues, fees, and other charges among Exchange members. The Exchange continues to believe that the fixed monthly fee program offers a fee alternative that has attracted additional business to the Exchange and therefore believes that the program should be extended for an additional six-month period. The Exchange believes that offering the fixed monthly fee program to additional specialist units should similarly attract additional business. The Exchange has determined to use volumes from a more recent time period (October through December 2003 as opposed to May through June 2003) to calculate the applicable fee for specialist units selecting the fixed monthly fee for the first time, in order to utilize a more current benchmark. The Exchange believes that it is reasonable and fair to apply to specialists not enrolled in the current fixed monthly fee program volumes from a more recent time period than for specialists previously subject to the program, because specialists previously subject to the program have known and relied upon the way the program operated in the original pilot to attract order flow and build their business model. The Exchange believes that if it were to change the time periods from which the volumes are calculated, particularly if the resulting fixed monthly fee is higher, it would change the specialist units’ expectation and adversely affect their business decisions with a financial penalty for accomplishing the objectives of bringing new business to the Exchange. Therefore the Exchange believes that offering the fixed monthly fee program to additional specialist units, although with volume statistics attributable to a more recent time period, should give them the opportunity to enter the fixed monthly fee program based on more recent activity which, in turn, should reflect their current business objectives.

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

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

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

Written comments were neither solicited nor received with respect to the proposed rule change.

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

The foregoing proposed rule change, as amended, has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act 16 and Rule 19b–4(f)(2) 17 thereunder, because it changes a fee imposed by the Exchange. 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, or otherwise in furtherance of the purposes of the Act. 18

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. Comments may also be submitted electronically at the following e-mail address: rule-comments@sec.gov. All comment letters should refer to File No. SR–Phlx–2004–17. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, comments should be sent in hardcopy or by e-mail but not by both methods. 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–2004–17 and should be submitted by April 21, 2004.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority. 19

Margaret H. McFarland,
Deputy Secretary.
[FR Doc. 04–7146 Filed 3–30–04; 8:45 am]

BILLING CODE 8010–01–P

SOCIAL SECURITY ADMINISTRATION

Privacy Act of 1974; as Amended

Altered System of Records and New Routine Use Disclosure

AGENCY: Social Security Administration (SSA).

ACTION: Altered system of records, including proposed new routine use.

18 For purposes of calculating the sixty-day abrogation period, the Commission considers the period to commence on March 23, 2004, the date on which the Phlx filed Amendment No. 1.
SUMMARY: In accordance with the Privacy Act (5 U.S.C. 552a(o)(4) and (e)(11)), we are issuing public notice of our intent to alter an existing system of records, the Medicare Savings Programs Information System, 60–0310. The proposed alterations will result in the following changes to the system of records:

1. Expansion of the categories of individuals covered by the system to include individuals who may be eligible for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program;

2. Expansion of the purposes for which SSA uses information maintained in the system; and

3. A proposed new routine use disclosure providing for the release of information to the Centers for Medicare & Medicaid Services in the Department of Health and Human Services.

All of the proposed alterations are discussed in the Supplementary Information section below. We invite public comments on this proposal.

DATES: We filed a report of the proposed altered system of records and routine use with the Chairman of the Senate Committee on Governmental Affairs, the Chairman of the House Government Reform Committee, and the Director, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB) on March 19, 2004. The proposed altered system of records, including the proposed new routine use will become effective on April 28, 2004 unless we receive comments that would result in a contrary determination.

ADDRESSES: Interested individuals may comment on this publication by writing to the Executive Director, Office of Public Disclosure, Office of the General Counsel, Social Security Administration, 3–A–6 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235–6401. All comments received will be available for public inspection at the above address.

FOR FURTHER INFORMATION CONTACT: Mr. Willie J. Polk, Team Leader, Strategic Issues Team, Office of Public Disclosure, Office of the General Counsel, Social Security Administration, Room 3–A–6 Operations Building, 6401 Security Boulevard, Baltimore, Maryland 21235–6401, telephone (410) 965–1753, e-mail: willie.j.polk@ssa.gov.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose of the Proposed Alterations to the Medicare Savings Programs Information System

A. General Background

The Medicare Savings Programs Information System was established to implement provisions of section 1144 of the Social Security Act (Act) (42 U.S.C. 1320b–14). This statute requires the Commissioner of Social Security to conduct outreach efforts to identify individuals entitled to benefits, under the Medicare program under Title XVIII of the Act, who may be eligible for medical assistance for payment of the cost of Medicare cost-sharing under the Medicare program. We published a notice of the Medicare Savings Programs Information System in the Federal Register (FR) on May 17, 2002. See 67 FR 35179. This system covered Medicare Parts A and B under Title XVIII of the Act.

On December 8, 2003, the President signed into law public Law 108–173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. This new law amended section 1144 of the Act to require the Commissioner of Social Security to conduct additional outreach efforts to identify individuals entitled to benefits, or enrolled under the Medicare program under title XVIII, who may be eligible for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program. The outreach responsibility to low-income Medicare beneficiaries for payment of Medicare cost-sharing under the Medicaid program continues.

In conducting the outreach efforts under section 1144 of the Act, SSA will furnish the agency of each State responsible for the administration of the Medicaid program, and any other appropriate State agency, with information consisting of the name and address of individuals residing in the State that the SSA determines may be eligible for these types of assistance. Additionally, information may be disclosed to the General Accounting Office for its evaluation of the effort as required by the statute.

B. Discussion of Proposed Alterations to the Altered Medicare Savings Programs Information System

1. Expansion of the Categories of Individuals Covered by the Medicare Savings Programs Information System

We are adding two new categories of individuals to the Medicare Savings Programs Information System: (1) Individuals eligible for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program, and (2) individuals eligible for premium and cost-sharing subsidies under the Prescription Drug Card Part D Program. In addition, we are clarifying language in the “Categories of individuals covered by the system” section of the Medicare Savings Programs Information System to indicate that the individuals covered by the system include Social Security beneficiaries who have attained age 65, disabled Social Security beneficiaries with amyotrophic lateral sclerosis, disabled Social Security beneficiaries who have received 24 months of benefits, and persons who meet certain eligibility criteria with end-stage renal disease. See the “Categories of individuals covered by the system” section in the Medicare Savings Programs Information System notice below for a full description of the information maintained.

2. Additional Use of Information in the Medicare Savings Programs Information System

We are expanding the purposes for which we use the information maintained in the Medicare Savings Programs Information System to include use of the information to determine individuals’ eligibility for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program.

II. Proposed New Routine Use Disclosure of Data Maintained in the Medicare Savings Programs Information System

A. Establishment of New Routine Use

We are proposing to establish a new routine use which allows disclosure of information maintained in the Medicare Savings Programs Information System to the Centers for Medicare and Medicaid Services (CMS) in the Department of Health and Human Services to assist CMS in determining individuals’ eligibility for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program. The proposed new routine use, numbered 8, provides for disclosure of information—

To the Centers for Medicare and Medicaid Services in the Department of Health and Human Services for the purpose of
determining individuals’ eligibility for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program.

The disclosures to CMS will assist that agency in establishing individuals’ eligibility for the transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program, provide information necessary to enforce eligibility restrictions in those programs, and combat and prevent fraud, waste and abuse in those programs.

B. Compatibility of Proposed New Routine Use Disclosure

The Privacy Act (5 U.S.C. 552a(b)(3)) and our disclosure regulations (20 CFR part 401) permit us to disclose information under a published routine use for a purpose which is compatible with the purpose for which we collected the information. Section 401.150(c) of the regulations permits us to disclose information under a routine use where necessary to carry out SSA programs or assist other agencies in administering similar programs. The proposed new routine use, numbered 8, will assist CMS in establishing individuals’ eligibility for the transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program. Thus, the proposed new routine use disclosure is appropriate and meets the relevant statutory and regulatory criteria.

C. Revision of Language in Routine Use, Numbered 5, Providing for Disclosure of Information to the Department of Justice (DOJ), a Court or Other Tribunal, or Another Party Before Such Court or Tribunal

We have revised the language in this routine use as follows:

- In discussing the circumstances under which SSA will disclose information under this routine use, the current routine use states, in part: "**" * SSA determines that the use of such records by DOJ, a court or other tribunal is relevant and necessary to the litigation * * **" We are revising this phrase to include the bolded text below:

- **" * SSA determines that the use of such records by DOJ, a court or other tribunal, or another party before such tribunal is relevant and necessary to the litigation * * **"

See routine use, numbered 5, in the notice below for the full text of the routine use statement.

- This routine use contains the statement: “Wage and other information which are subject to the disclosure provisions of the Internal Revenue Code (IRC) (26 U.S.C. 6103) will not be disclosed under this routine use unless disclosure is expressly permitted by the IRC.” We are revising this language to state:

- **“Disclosures of any information defined as “return or return information” under 26 U.S.C. 6103 of the Internal Revenue Code (IRC) will not be made unless authorized by a statute, the Internal Revenue Service (IRS), or IRS regulations.”**

III. Records Storage Medium and Safeguards for the Information Maintained in the Medicare Savings Programs Information System

The Medicare Savings Programs Information System maintains information in electronic and paper form. Only authorized SSA personnel and contractor personnel who have a need for the information in the performance of their official duties are permitted access to the information. Security measures include the use of access codes to enter the computer systems that will maintain the data, and storage of the computerized records in secured areas that are accessible only to employees who require the information in performing their official duties. Manually maintained records are kept in locked cabinets or in otherwise secure areas. Contractor personnel having access to data in the proposed system of records will be required to adhere to SSA rules concerning safeguards, access and use of the data. SSA and contractor personnel having access to the data on this system will be informed of the criminal penalties of the Privacy Act for unauthorized access to or disclosure of information maintained in this system. See 5 U.S.C. 552a(i)(1).

IV. Effect of the Proposed Alterations to the Medicare Savings Programs Information System on the Rights of Individuals

The proposed alterations to the Medicare Savings Programs Information System pertain to SSA’s responsibilities in collecting, maintaining, and disclosing information about individuals’ potential eligibility for transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program. We will adhere to all applicable statutory requirements, including those under the Social Security Act and the Privacy Act, in carrying out our responsibilities. Therefore, we do not anticipate that the proposed system of records will have an unwarranted adverse effect on the rights of individuals.

V. Minor Housekeeping Changes Relating to the Notice of the Medicare Savings Programs Information System

1. System name—we have revised the name of the Medicare Savings Programs Information System to reflect the name of the SSA component having substantive responsibility for the system (see the System name section of the notice below).

2. Authority for maintenance of the system—we have revised this section of the notice of the Medicare Savings Programs Information System by deleting reference to the Public Law. Public Law 106–554, that established the authority for the system. This section now simply cites the statutory authority for the system, section 1144 of the Act (42 U.S.C. 1320b–14).

3. System manager(s) and address(es)—we have revised this section of the notice of the Medicare Savings Programs Information System to reflect the name of the current manager of the system.

Jo Anne B. Barnhart, Commissioner.

Notice of System of Records Required by the Privacy Act of 1974; as Amended

System number: 60–0310

SYSTEM NAME:
Medicare Savings Programs Information System, Social Security Administration, Office of Income Security Programs.

SECURITY CLASSIFICATION:
None.

SYSTEM LOCATION:
Social Security Administration, Office of Systems Operations, 6401 Security Boulevard, Baltimore, Maryland 21235.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:
All Social Security beneficiaries who have attained age 65 or are about to attain age 65; disabled Social Security beneficiaries who have received 24 months of Social Security benefits; disabled Social Security beneficiaries with amyotrophic lateral sclerosis; beneficiaries with a disabling impairment(s) who lost entitlement to free Medicare Part A because of work and certain individuals who suffer from
end-stage renal disease; beneficiaries who may be eligible for subsidized transitional assistance prescription drug cards; and beneficiaries who may be eligible for subsidized payment of the cost of Medicare cost-sharing for voluntary prescription drug coverage under Medicare Part D.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

This system contains information about the beneficiary from records available to SSA. This information may include the individual’s name, Social Security number (SSN), date of birth, address, marital status and income. Information will be obtained from other SSA systems of records (e.g., Master Beneficiary Record, 60–0090, and Supplemental Security Income Record and Special Veterans Benefits, 60–0103) and from other databases available to SSA, such as the Department of Veterans Affairs and Office of Personnel Management benefits files.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

Section 1144 of the Social Security Act (42 U.S.C. 1320b–14).

**PURPOSE(S):**

Information in this system will be used to determine a beneficiary’s potential eligibility for Medicare Part B buy-in; for subsidized purchase of Medicare Part A; for potential eligibility for subsidized transitional assistance prescription drug cards and for potential eligibility for subsidized Medicare Part D coverage. Information kept in the system will be used to increase Medicare buy-in applications and enrollments, and may be used by the General Accounting Office (GAO) for its evaluation of the effort as required by the statute.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:**

Disclosure may be made for routine uses as indicated below. However, disclosure of any information defined as “return or return information” under 26 U.S.C. 6103 of the Internal Revenue Code (IRC) will not be made unless authorized by a statute, the Internal Revenue Service (IRS), or IRS regulations.

1. To the Office of the President for the purpose of responding to an individual pursuant to an inquiry received from that individual or from a third party on his or her behalf.
2. To a congressional office in response to an inquiry from that office made at the request of the subject of a record.
3. To third parties in situations where the party to be contacted has, or is expected to have, information relating to the individual’s eligibility for, or entitlement to, benefits under a Social Security Act program when the data are needed to establish the validity of evidence or to verify the accuracy of information presented by the individual, and it concerns one or more of the following:
   a. His or her eligibility for benefits under a Social Security Act program;
   b. The amount of his or her benefit payment;
   c. Any case in which the evidence is being reviewed as a result of suspected fraud, concern for program integrity, quality appraisal, or evaluation and measurement activities.
4. To State or local agencies (or agents on their behalf), for the purpose of assisting SSA in the efficient administration of its programs.
5. To the Department of Justice (DOJ), a court or other tribunal, or another party before such tribunal when:
   a. SSA, or any component thereof, or
   b. Any SSA employee in his/her official capacity; or
   c. Any SSA employee in his/her individual capacity where DOJ (or SSA where it is authorized to do so) has agreed to represent the employee; or
   d. The United States or any agency thereof where SSA determines that the litigation is likely to affect the operations of SSA of any of its components, is party to litigation or has an interest in such litigation, and SSA determines that the use of such records by DOJ, a court or other tribunal, or another party before such tribunal is relevant and necessary to the litigation, provided, however, that in each case, SSA determines that such disclosure is compatible with the purpose for which the records were collected.

Disclosures of any information defined as “return or return information” under 26 U.S.C. 6103 of the Internal Revenue Code (IRC) will not be made unless authorized by a statute, the Internal Revenue Service (IRS), or IRS regulations.

6. To student volunteers and other workers, who technically do not have the status of Federal employees, when they are performing work for SSA as authorized by law, and they need access to personally identifiable information in SSA records in order to perform their assigned Agency functions.
7. Non-tax return information which is not restricted from disclosure by Federal law may be disclosed to the General Services Administration (GSA) and the National Archives and Records Administration (NARA) under 44 U.S.C. 2904 and 2906, as amended by the NARA Act of 1984, for the use of those agencies in conducting records management studies.
8. To the Centers for Medicare and Medicaid Services in the Department of Health and Human Services for the purpose of determining individuals’ eligibility for subsidized transitional assistance under the Medicare Prescription Drug Discount Card Program and premium and cost-sharing subsidies under the Prescription Drug Card Part D Program.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEM:**

**(STORAGE):**

Data may be stored in paper form and on magnetic media (e.g., discs).

**(RETRIEVABILITY):**

Records in this system are indexed and retrieved by the SSN and/or name, and/or address.

**(SAFEGUARDS):**

Security measures include the use of access codes to enter the computer system which will maintain the data, and storage of the computerized records in secured areas which are accessible only to employees who require the information in performing their official duties. Any paper records will be kept in locked cabinets or in otherwise secured areas. Contractor personnel having access to data in the system of records will be required to adhere to SSA rules concerning safeguards, access and use of the data. SSA and contractor personnel having access to the data will be informed of the criminal penalties of the Privacy Act for unauthorized access to or disclosure of information maintained in this system of records.

**(RETENTION AND DISPOSAL):**

Electronic files and other files with personal identifiers are retained in secure areas accessible only to authorized personnel and will be disposed of as soon as they are determined to be no longer needed for contractor or SSA analysis. Means of disposal will be appropriate to the storage medium; e.g., deletion of magnetic discs or shredding of paper records. Records used in administering the demonstration and experimental programs will be retained indefinitely.

**(SYSTEM MANAGER(S) AND ADDRESS(ES)):**

Director, Office of Beneficiary Determinations and Services, Office of Income Security Programs, Social Security Administration, 6401 Security Boulevard, Baltimore, Maryland 21235.
OFFICE OF THE SECRETARY

Aviation Proceedings, Agreements Filed the Week Ending March 19, 2004

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C. Sections 412 and 414. Answers may be filed within 21 days after the filing of the application.

Date Filed: March 15, 2004.

Parties: Members of the International Air Transport Association.


Date Filed: March 15, 2004.

Parties: Members of the International Air Transport Association.


Technical Corrections to Resolutions 002 and 072nw.

Technical Corrections to Resolution 084ss.
Intended effective date: 01 May 2004

Andrea M. Jenkins,
Program Manager, Docket Operations,
Federal Register Liaison.

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 March 19, 2004

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.

Date Filed: March 15, 2004.
Due Date for Answers, Conforming Applications, or Motion to Modify Scope: April 5, 2004.

Description: Application of ASTAR Air Cargo, Inc., requesting renewal and amendment of its certificate of public convenience and necessity for Route 725, Segments 7 through 9, to engage in...