

Commission believes the proposal is consistent with the Exchange Act Section 6(b)(5)¹¹ requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, and, in general, to protect investors and the public. The proposal is designed to reduce the cost of operations for PCX Specialist firms, while ensuring that the Specialist firms maintain managerial control over the posts they supervise. The Program could enhance liquidity in equity securities traded on the Exchange and reduce costs to Exchange members by giving Specialist firms the opportunity to become specialists in more stocks without incurring additional membership costs.

In addition, the Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. The PCX has represented that seat prices on the Exchange are trading at record prices, thus making it increasingly difficult for equity specialists to operate at a profit.¹² Accordingly, the Commission believes it is appropriate for the PCX to implement the Supervisory Specialist Pilot Program without delay. Moreover, the Commission notes that the Program is effective only for ninety days, and that the companion filing will be published for the full twenty-one day comment period.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹³ that the proposed rule change (SR-PCX-98-14) is hereby approved on an accelerated basis through June 22, 1998. For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-8360 Filed 3-30-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39802; File No. SR-PHLX 98-13]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to the Continuing Education Requirements of Registered Persons

March 25, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on March 11, 1998, 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 and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval of the proposed rule change.²

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

The Phlx, in support of the recommendations of The Securities Industry/Regulatory Council on Continuing Education, proposes to amend both the regulatory and firm element requirements of Rule 640.

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 Exchange included statements concerning the purpose of, and statutory basis for, the proposed rule change. The text of these statements may be examined at the places specified in Item III below. The Exchange has prepared summaries, set forth in Sections A, B, and C below of the most significant aspects of such statements.

¹ 15 U.S.C. 78s(b)(1).

² The Commission has already published for comment rule proposals by four other self-regulatory organizations which are virtually identical to this Phlx filing. See Securities Exchange Act Release Nos. 39574 (January 23, 1998), 63 FR 4510 (January 29, 1998) (SR-NASD-98-03); 39575 (January 23, 1998), 63 FR 4507 (January 29, 1998) (SR-CBOE-97-68); 39576 (January 23, 1998), 63 FR 4509 (January 29, 1998) (SR-MSRB-98-02); and 39577 (January 23, 1998), 63 FR 4513 (January 29, 1998) (SR-NYSE-97-33). The Commission received 5 comment letters, which were discussed in the order approving the other proposals. See Securities Exchange Act Release No. 39712 (March 3, 1998).

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

1. Purpose

The purpose of the proposed rule change is to revise Rule 640 to strengthen the Continuing Education Requirements for registered persons and implement a new program specifically designed for managers and supervisors. Exchange Rule 640 provides for a continuing education program for registered persons of Exchange members and member organizations. The program, which is uniform within the industry, consists of two parts—a Regulatory Element and a Firm Element. The Regulatory Element requires registered persons to participate in interactive computer-based training at specified intervals and encompasses regulatory and compliance issues, sale practice concerns and business ethics.

The Regulatory Element program applies generally to all registered persons and currently does not discern between registration types or categories. The existing program contains content common to registered representatives, supervisory persons as well as other registration categories. The Securities Industry/Regulatory Council on Continuing Education (a council of broker-dealer and Self-Regulatory Organization ("SRO")³ representatives that oversees and provides ongoing development and operation of the program) has recommended development of a new program component specifically for supervisors. In addition, it is contemplated that in the future, specific programs may be implemented for other registration categories. The proposed amendments to Rule 640 will allow for the Exchange to require specific new programs as appropriate with customized training for various registration categories, with the supervisor's program, being the first such initiative. For purposes of Exchange rules, the following registration categories shall be deemed to be included in the supervisory category: Series 4 (Registered Options Principal Examination); Series 8 (General Securities Sales Supervisor Examination); Series 27 (Financial and Operations Principal Examination); Series 28 (Introducing Broker-Dealer Financial and Operational Principal Examination); the Series 53 (Municipal

³ SROs represented on the Council include the American Stock Exchange, Chicago Board Options Exchange, Municipal Securities Rulemaking Board, National Association of Securities Dealers, New York Stock Exchange, and the Phlx.

¹¹ *Id.*

¹² See Amendment No. 1, *supra*, note 3.

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 200.30-3 (a)(12).

Securities Principal Qualification Examination).

The proposed amendments also address the time-frames at which registered persons must participate in the Regulatory Element computer-based training. Rule 640 currently requires all registered persons to complete the training on three occasions, *i.e.*, their second, fifth and tenth registration anniversaries, and also when they are the subject of significant disciplinary action(s). Once persons are registered for more than ten years they are currently graduated from the program and are not required to participate further in the Regulatory Element unless they become subject to significant disciplinary action. The Council has recommended that the requirement be revised to require ongoing participation in the program by registered persons. In accordance with that recommendation, the proposed amendments to Rule 640 will require participation in the Regulatory Element throughout a registered person's career, specifically, on the second registration anniversary and every three years thereafter (*i.e.*, the fifth, eighth, eleventh, etc. anniversaries), with no graduation from the program.

Proposed amended Rule 640 will allow a one-time exemption for persons currently graduated from the program by providing that those persons who have been registered for more than ten years as of the effective date of the rule amendments, and who have not been the subject of a disciplinary action during the past ten years, will continue to be excluded from required ongoing participations in the Regulatory Element. However, persons registered in a supervisory capacity will have to have been registered in a supervisory capacity for more than 10 years in order to be covered by this one-time provision for graduation from participation in the program. Therefore, those supervisors who have graduated from the program requirements based on their initial registration date, but who have not completed 10 years as a supervisor, will be required to re-enter the program to participate in the supervisory program.

The Firm Element requires that each member and member organization conduct annually an analysis of their training needs and administer such training, as is appropriate, to their registered persons who have direct contact with customers and the immediate supervisors of such registered persons, on an ongoing basis in topics specifically related to their business such as new products, sales practices, risk disclosure and new regulatory requirements and concerns.

The proposed amendments to Rule 640 will required members and member organizations to additionally focus on supervisory training needs in conducting their analysis of training needs and, if it is determined that there is a specific need for supervisory training, address such training needs in the Firm Element training plan.

2. Statutory Basis

The proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and in particular, with Section 6(c)(3) of the Act.⁴ Under that Section, it is the Exchange's responsibility to prescribe standards of training, experience and competence for persons associated with Exchange members and member organizations. Pursuant to this statutory obligation, the Exchange has proposed this rule change in order to enhance the establishment continuing education program for registered persons.

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

The Exchange believes that the proposal does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

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

III. 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, N.W., Washington, D.C. 20549. 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 at

⁴ 15 U.S.C. 78f(c)(3).

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 the file number SR-Phlx-98-13 and should be submitted by April 21, 1998.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Commission finds that the Exchange's proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange. Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,⁵ which requires, among other things, that the rules of an exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. The Commission further believes that the proposed rule change is consistent with the provisions of Section 6(c)(3)(B) of the Act,⁶ which makes it the responsibility of an exchange to prescribe standards of training, experience, and competence for persons associated with SRO members.

The Commission also believes that the proposed rule change is consistent with the purposes underlying Section 15(b)(7) of the Act, which generally prohibits a registered person from effecting any transaction in, or inducing the purchase or sale of, any security unless such registered person meets the standard of training, competence and other qualifications as the Commission finds necessary or appropriate in the public interest or for the protection of investors. The Commission believes that the Exchange's proposed rule change is an appropriate means of maintaining and reinforcing the initial qualification standards required of a registered person and will significantly enhance the continuing education program by requiring all registered persons to participate in the Regulatory Element throughout their securities industry careers.⁷

The Commission therefore finds good cause for approving the proposed rule change (SR-Phlx-98-13) prior to the

⁵ 15 U.S.C. 78f(b)(5).

⁶ 15 U.S.C. 78f(c)(3)(B).

⁷ These amendments proposed by the Phlx on continuing education have been uniformly adopted by the other SRO Council members. See Securities Exchange Act Release Nos. 39711 (March 3, 1998) and 39712 (March 3, 1998).

thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (File No. SR-Phlx-98-13) be, and hereby is, approved. The rule change shall become effective on July 1, 1998.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-8362 Filed 3-30-98; 8:45 am]

BILLING CODE 8010-01-M

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities; Submissions for OMB Review

This notice lists information collection packages that have been sent to the Office of Management and Budget (OMB) for clearance, in compliance with Pub. L. 104-13 effective October 1, 1995, The Paperwork Reduction Act of 1995.

1. *Government Pension Questionnaire—0960-0160*. The Social Security Act and Regulations provide that an individual receiving spouse's benefits and concurrently receiving a Government pension, based on the individual's own earnings, may have the Social Security benefit amount reduced by two-thirds of the pension amount. The data collected on Form SSA-3885 is used by the Social Security Administration (SSA) to determine if the individual's Social Security benefit will be reduced, the amount of reduction, the effective date of the reduction and if one of the exceptions in 20 CFR 404.408a applies. The respondents are individuals who are receiving (or will receive) Social Security spouse's benefits and also receive their own Government pension.

Number of Respondents: 76,000.
Frequency of Response: 1.
Average Burden Per Response: 12.5 minutes.
Estimated Annual Burden: 15,833 hours.

2. *Telephone Replacement Card Interview Script—0960-0570*. SSA will conduct a pilot study by telephone to obtain information from individuals who need a duplicate Social Security Number (SSN) card. The information collected will be used to properly identify an individual prior to releasing

a replacement SSN card, thus eliminating the need for the respondent to take or mail his/her identity documents to a Social Security office. The information provided, which should be known by the true Social Security number holder, will be compared to information available in our current electronic systems. The respondents are U.S. Citizens applying for a replacement SSN card.

Number of Respondents: 100,000.
Frequency of Response: 1.
Average Burden Per Response: 4 minutes.

Estimated Average Burden: 6,667 hours.

3. *Reconsideration Report for Disability Cessation—0960-0350*. Form SSA-782-BK will be used by claimants and SSA field offices to document new developments on the claimant's condition (as perceived by the claimant), since the prior continuing disability interview was conducted. The form will also be used by the SSA interviewer to provide his/her observations of the claimant. The respondents are claimants for Old-Age, Survivors and Disability Insurance and Supplemental Security Income, who file a Request for Reconsideration—Disability Cessation.

Number of Respondents: 100,000.
Frequency of Response: 1.
Average Burden Per Response: 30 minutes.
Estimated Average Burden: 50,000 hours.

Written comments and recommendations regarding the information collection(s) should be directed within 30 days to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses:

(OMB)

Office of Management and Budget,
OIRA Attn: Laura Oliven, New
Executive Office Building, Room
10230, 725 17th St., NW.,
Washington, D.C. 20503

(SSA)

Social Security Administration,
DCFAM, Attn: Nicholas E. Tagliareni,
1-A-21 Operations Bldg., 6401
Security Blvd., Baltimore, MD 21235

To receive a copy of any of the forms or clearance packages, call the SSA Reports Clearance Officer on (410) 965-4125 or write to him at the address listed above.

Dated: March 25, 1998.

Nicholas E. Tagliareni,

Reports Clearance Officer, Social Security Administration.

[FR Doc. 98-8277 Filed 3-30-98; 8:45 am]

BILLING CODE 4190-29-P

SOCIAL SECURITY ADMINISTRATION

Statement of Organization, Functions and Delegations of Authority

This statement amends part T of the Statement of the Organization, Functions and Delegations of Authority which covers the Social Security Administration (SSA). Chapter TE covers the Deputy Commissioner for Communications. Notice is given that Chapter TE, the Office of Communications is being amended to reflect the establishment of subordinate components within the Office of Communications Policy and Technology (TEB) and the retitling of the component. The changes are as follows: Section TE.10 *Office of*

Communications—(Organization):
Retitle:

D. The "Office of Communications Policy and Technology" (TEB) to the "Office of Communications Planning and Technology" (TEB).

Establish:

1. The Office of Media Development (TEBA).

2. The Office of Media Technologies (TEBB).

Section TE.20 *The Office of*

Communications—(Functions):

Retitle:

D. The "Office of Communications Policy and Technology" (TEB) to the "Office of Communications Planning and Technology" (TEB).

Establish:

1. The Office of Media Development (TEBA).

a. Directs the Agency's overall internal and external communications and public information activities.

b. Oversees the development, implementation and monitoring of national policies, standards, guidelines, objectives and measures related to all SSA PI/PA activities.

c. Directs a comprehensive program of internal SSA communication activities for employees at all levels in all headquarters and field locations.

d. Directs the dissemination of PI/PA material ranging from program pamphlets and information packets for external consumption to broadcast quality video productions.

e. Provides Agency leadership in the identification of the special communications needs of the non-English speaking population and directs and/or coordinates related PI/PA activities for this population.

f. Provides ongoing consultative advice and support to other SSA headquarters and field components regarding program specific, regional and/or local PI/PA activities.

⁸ 15 U.S.C. 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).