

Dated at Rockville, Maryland, this 31st day of March 1999.

For the Nuclear Regulatory Commission.

Jack N. Donohew,

Senior Project Manager, Project Directorate IV-1, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99-8772 Filed 4-7-99; 8:45 am]

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RAILROAD RETIREMENT BOARD

Agency Forms Submitted for OMB Review

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Railroad Retirement Board (RRB) has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

Summary of Proposal(s)

- (1) *Collection title:* Financial Disclosure Statement.
- (2) *Form(s) submitted:* G-423.
- (3) *OMB Number:* 3220-0127.
- (4) *Expiration date of current OMB clearance:* 6/30/1999.
- (5) *Type of request:* Extension of a currently approved collection.
- (6) *Respondents:* Individuals or households.
- (7) *Estimated annual number of respondents:* 1,200.
- (8) *Total annual responses:* 1,200.
- (9) *Total annual reporting hours:* 1,700.
- (10) *Collection description:* Under the Railroad Retirement and the Railroad Unemployment Insurance Acts, the Railroad Retirement Board has authority to secure from an overpaid beneficiary a statement of the individual's assets and liabilities if waiver of the overpayment is requested.

FOR FURTHER INFORMATION CONTACT: Copies of the form and supporting documents can be obtained from Check Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois, 60611-2092 and the OMB reviewer, Laurie Schack (202-395-7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, DC 20503.

Chuck Mierzwa,
Clearance Officer.

[FR Doc. 99-8675 Filed 4-7-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Rule 17a-11; SEC File No. 270-94.

OMB Control No. 3235-0085.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Rule 17a-11 (17 CFR 240.17a-11) requires broker-dealers to give notice when certain specified events occur. Specifically, the rule requires a broker-dealer to give notice of a net capital deficiency on the same day that the net capital deficiency is discovered or a broker-dealer is informed by its designated examining authority or the Commission that it is, or has been, in violation of its minimum requirement under Rule 15c3-1 (17 CFR 240.15c3-1) of the Securities Exchange Act of 1934 ("Exchange Act").

Rule 17a-11 also requires a broker-dealer to send notice promptly (within 24 hours) after the broker-dealer's aggregate indebtedness is in excess of 1,200 percent of its net capital, its net capital is less than 5 percent of aggregate debit items, or its total net capital is less than 120 percent of its required minimum net capital. In addition, a broker-dealer must give notice if it fails to make and keep current books and records required by Rule 17a-3 (17 CFR 240.17a-3), if any material inadequacy is discovered as defined in Rule 17a-5(g) (17 CFR 240.17a-5(g)), and if backtesting exceptions are identified pursuant to Appendix F of Rule 15c3-1 (17 CFR 240.15c3-1f) for a broker-dealer registered as an OTC derivatives dealer.

The notice required by the rule alerts the Commission, self-regulatory organizations ("SROs"), and the Commodity Futures Trading Commission ("CFTC") if the broker-dealer is registered as a futures commission merchant, which have oversight responsibility over broker-dealers, to those firms having financial or operational problems.

Because broker-dealers are required to file pursuant to Rule 17a-11 only when

certain specified events occur, it is difficult to develop a meaningful figure for the cost of compliance with Rule 17a-11. The Commission receives approximately 656 notices under this rule each year from approximately 362 broker-dealers. Each broker-dealer will spend approximately one hour per year complying with Rule 17a-11.

Accordingly, the aggregate burden is estimated to be approximately 656 hours. With respect to those broker-dealers that must give notice under Rule 17a-11, the cost is approximately \$10 per response for a total annual expense for all broker-dealers of \$6,560.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, NW, Washington, DC 20549.

Dated: March 30, 1999.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-8684 Filed 4-7-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41238; File No. SR-CSE-99-03]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by The Cincinnati Stock Exchange, Inc., Relating to Transaction and Book Fees

March 31, 1999.

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 March 1, 1999, the Cincinnati Stock Exchange,

¹ 15 U.S.C. 78s(b)(1)

² 17 CFR 240.19b-4.

Inc. ("CSE" 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 CSE. 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 CSE proposes to amend its schedule of books and transaction fees. The text of the proposed rule change is as follows (additions are italicized; deletions are in brackets):

Rule 11.10 National Securities

Trading System Fees

A. Trading Fees

(a)-(i) No Change.

(j) Tape B Transactions. The CSE will not impose a transaction fee on Consolidated Tape B securities. In addition, Members will receive a 50 per cent pro rata transaction credit of Tape B revenue.³ [based on the following schedule:

Average Quarterly Exchange Tape B Transaction	Percentage of Tape B Revenue Credited
1-2.99%	10
3-4.99%	25
5-6.99%	30
7% and	40
greater

(k) DD Issue/Book Fees. Designated Dealers will be charged a monthly book fee based on the following incremental schedule:

Number of Issues	Fee Per Issue
0 to 150 [500]	\$20.00 [25.00]
[500] 151 to 300 [750]	10.00
[751] 301 and higher	5.00

[The DD Issue/Book Fee shall be \$5.00 per issue where there is only one Designated Dealer in that issue.]

(l)-(n) No Change.

B. Membership Fees.

No Change.

* * * * *

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 CSE 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 CSE has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The CSE is modifying its book fees and is implementing an improvement to its CTA Network B ("Tape B") transaction credit in order to create additional incentives to trade on the Exchange. These actions are consistent with the CSE's ongoing efforts to remain the low-cost provider of exchange services in the National Market System. Book fees are charged to Designated Dealers for each issue in which they are registered as a specialist. The fee for the first tier of issues is reduced from \$25 per issue to \$20 per issue, and the upper limit of the first tier is reduced from 500 issues to 150 issues. Although the fee per issue for the second and third tiers will remain the same, the number of issues covered by the second tier is now 151 to 300, and the number of issues covered by the third tier is now 301 and higher. Finally, the limitation of the fee per issue to \$5 for issues in which there is only Designated Dealer is deleted. Under the revised Tape B program, member firms will receive fifty percent (50%) of all Tape B revenue on a pro rata without regard to market share prerequisites.

2. Statutory Basis

The CSE believes the proposed rule change is consistent with section 6(b) of the Act,⁴ in general, and furthers the objectives of section 6(b)(5),⁵ in particular, in that it is 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. In addition, the Exchange believes that the proposed rule change is consistent with section 6(b)(4) of the Act⁶ in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among Exchange members by crediting members on a pro rata basis.

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

The CSE 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 comments were solicited in connection with the proposed rule change.

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) of the Act⁷ and subparagraph (f) of Rule 19b-4 thereunder⁸ because it establishes or changes a due, fee, or other charge. 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 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.⁹ 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 filings will also be available for inspection and copying at the principal office of the CSE. All submissions should refer to File No. SR-CSE-99-03 and should be submitted by April 29, 1999.

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(2).

⁹ In reviewing the proposed rule change, the Commission considered its potential impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

³ Telephone conversation between David Colker, President and Chief Operating Officer, CSE, and Daniel M. Gray, Special Counsel, Division of Market Regulation, Commission, on March 31, 1999.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

⁶ 15 U.S.C. 78f(b)(4).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-8682 Filed 4-7-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41234; File No. SR-NYSE-99-01]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 by the New York Stock Exchange, Inc. Relating to a Pilot for Adjusted Stabilization Measure of Specialist Performance

March 31, 1999.

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 January 11, 1999, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") a proposed rule change regarding "adjusted stabilization" as a measure of specialist performance. The Exchange filed an amendment to its proposal on March 25, 1999.³ The proposed rule change, as amended, is described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice and order to solicit comments on the proposed rule change and Amendment No. 1 from interested persons and to approve the proposal, as amended, until June 30, 2000, on an accelerated basis.

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

The proposed rule change consists of a pilot program which would utilize a new measure of specialist performance that the NYSE refers to as an "adjusted stabilization" rate.

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 NYSE 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 III below. The Exchange 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 Statutory Basis for the Proposed Rule Change

1. Purpose

On November 21, 1997, the Commission approved a rule proposal to add, on a one-year pilot basis, a new measure of specialist performance that the NYSE refers to as an "adjusted stabilization" rate.⁴ The pilot expired on November 21, 1998. The current rule filing clarifies the scope of the pilot and proposes to renew it through June 30, 2000.

The Exchange generally expects a specialist to stabilize stock price movements in the stocks traded by the specialist unit by buying and selling from its own account against the prevailing trend of the market. The rate at which the specialist performs such stabilizing function (*i.e.*, stabilization rate) is the percentage of shares purchased by specialists on minus and zero-minus ticks and the percentage of shares sold by specialists on plus and zero-plus ticks. This measurement focuses on the specialist's obligation as a dealer, which holds that a specialist must buy or sell securities as principal when such transactions are necessary to minimize an actual or reasonably anticipated short-term imbalance between supply and demand in the market.⁵

Under the proposal, the Exchange would adopt a new measure of specialist performance which it refers to as "adjusted stabilization." Adjusted stabilization would measure a specialist's proprietary purchases on

zero-plus ticks on the current bid (provided the current bid is below the offer at the time of the immediately preceding trade) and proprietary sales on zero-minus tickets on the current offer (provided the current offer is above the bid at the time of the immediately preceding trade).⁶ These trades would be grouped with stabilizing trades to determine the adjusted stabilization rate.

The Exchange believes that "adjusted stabilization" could be a useful measure of specialist performance in that it might reflect depth added to the market by specialists. In the example provided by the Exchange in Amendment No. 1,⁷ the specialist's sale has added depth to the current market by allowing Broker B to complete his order at a single price, and the trade was executed at a price set by the market, not by the specialist.

Programming to initiate collection and storage of the data necessary to calculate adjusted stabilization percentages was completed in mid-1998. The Exchange then began to accumulate data to produce percentages for "rolling" three-month performance review periods. A separate programming effort was completed in November 1998 to revise: (1) the monthly report to the Allocation Committee (covering the three most recent months) that would provide each specialist unit's adjusted stabilization percentage, and (2) the monthly report to each specialist unit (covering the most recent month) that provides, for each stock and the unit overall, its dealer participation percentage, stabilization percentage, and the new adjusted stabilization percentage. To date, the Exchange has not released adjusted stabilization information collected during the initial pilot to the specialists or the Allocation committee. However, the Exchange will begin including each specialist unit's adjusted stabilization percentage in the monthly reports as soon as practicable after approval of the new pilot.⁸

⁶In Amendment No. 1, the Exchange provided the following example of an adjusted stabilization transaction: The market in XYZ is 25 4/16-25 8/16. The last sale is 25 6/16 on minus tick. Broker A enters the crowd and offers to sell 1,000 shares at 25 6/16. The quotation becomes 25 4/16-25 6/16. Broker B then enters the crowd with an order to buy 2,500 shares at the market. Broker A sells the 1,000 shares at 25 6/16 to Broker B. The specialist, whose dealer position is long, then fills the remainder of Broker B's order by selling 1,500 shares at 25 6/16. Thus, the specialist's transaction would qualify as an adjusted stabilization transaction because the specialist is selling on a zero-minus tick on the current offer (*i.e.* 25 6/16) and that offer is above the bid at the time of the immediately preceding trade (*i.e.*, 25 4/16).

⁷ See note 6.

⁸ Telephone conversation between Donald Siemer, Director, Market Surveillance, NYSE, and

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Letter from Donald Siemer, Director, Market Surveillance, NYSE, to Richard Strasser, Assistant Director, Division of Market Regulation ("Division"), Commission, dated March 25, 1999 ("Amendment No. 1"). Amendment No. 1 provides further details regarding use of the specialist performance measure under the Exchange's Allocation Policy and provides an example of an adjusted stabilization transaction.

⁴ See Securities Exchange Act Release No. 39344 (November 21, 1997), 62 FR 63592 (December 1, 1997).

⁵ NYSE Rule 104.10(3) states, in pertinent part, "[t]ransactions on the Exchange for his own account affected by a member acting as specialist must constitute a course of dealings reasonably calculated to contribute to the maintenance of price continuity with reasonable depth, and to the minimizing of the effects of temporary disparity between supply and demand, immediate or reasonably to be anticipated."