

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will—

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

### 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, N.W., Washington, D.C. 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, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-99-07 and should be submitted by June 25, 1999.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-10806 Filed 4-29-99; 8:45 am]

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### SECURITIES AND EXCHANGED COMMISSION

[Release No. 34-41323; File No. SR-PHLX-99-13]

#### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to an Extension of a Pilot Program for a System Enhancement to the X.Station Electronic Book on the Options Floor

April 22, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 22, 1999,<sup>3</sup> the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III 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.

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

Phlx proposes to extend its pilot program for a system enhancement to the X.Station electronic book on the options floor for an additional six months, until October 23, 1999.

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

In its filing with the Commission, 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. 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 Statutory Basis for the Proposed Rule Change

##### 1. Purpose

On May 7, 1998, the Commission approved, on a pilot basis, the

implementation of the X.Station enhancement to the electronic book on the options floor of the Phlx.<sup>4</sup> The pilot was extended for an additional six months, until April 23, 1999.<sup>5</sup> As described in Rule 1080, Commentary .02, the electronic order book is automated mechanism for specialists to hold and display orders based on price/priority time. The X.Station<sup>6</sup> provides certain improvements such as expedited non-AUTO-X order execution and expedited cancel replacement processing.

AUTO-X is the automatic execution feature of the Automated Options Market ("AUTOM") System, the electronic order delivery and routing system for options orders. Previously, AUTO-X orders were executed against a "shadow account" for which the specialist was ultimately responsible. The execution was immediately reported back to the sending firm, and then, specialist manually input the contra-side interest representing the booked order that became due as a result of the AUTO-X trade.

At this time, the Exchange proposes to extend the X.Station pilot for an additional six months, until October 23, 1999. The pilot program is a system enhancement to the X.Station electronic book that match incoming AUTO-X orders with booked orders. The enhancement allows the specialist to match two participants directly, without the specialist participating in the trade, by dropping the order to manual status. The match is not automatic, as the specialist must ensure that crowd participation under current parity/priority rules in not due before executing the trade; thus, the specialist must "select" the orders to execute the trade. Because the AUTO-X order has dropped to manual, the sending firm will not receive and execution report until the specialist selects and executes the trade.

The enhancement affords specialists relief from the manual burden of inserting trade participant and clearing information by writing an order ticket for the booked order. An extension of the proposed enhancement should continue to reduce the amount of paper processed on the options floor; this in turn, should continue to reduce handling and processing time, including the likelihood of errors, thereby facilitating more prompt and accurate trade reporting.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> The filing was submitted April 14, 1999, however it was not accurate. Therefore, the Phlx consented to changes to the filing to make it accurate on April 22, 1999.

<sup>4</sup> Securities Exchange Act Release No. 39972 (May 7, 1998), 63 FR 26666 (May 13, 1998).

<sup>5</sup> Securities Exchange Act Release No. 40625 (November 2, 1998), 63 FR 60435 (November 9, 1998).

<sup>6</sup> The X.Station has been deployed floor wide.

## 2. Statutory Basis

Phlx believes that the proposed rule change is consistent with Section 6(b) <sup>7</sup> of the Act in general and furthers the objectives of Section 6(b)(5) <sup>8</sup> in particular, because it fosters cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, as well as to protect investors and the public interest by enhancing efficiency through automation in the options market.<sup>9</sup>

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

The Exchange 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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

The proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act <sup>10</sup> and Rule 19b-4(f)(5) thereunder.<sup>11</sup> The proposal effects a change in an existing order-entry or trading system of a self-regulatory organization that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) does not have the effect of limiting the access to or availability of the system. 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.

## 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 at the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-PHLX-99-13 and should be submitted by May 21, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>12</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-10805 Filed 4-29-99; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

### [Declaration of Disaster #3165]

#### State of Louisiana (Amendment #2)

In accordance with a notice received from the Federal Emergency Management Agency dated April 16, 1999, the above-numbered Declaration is hereby amended to include Claiborne and DeSoto Parishes in the State of Louisiana as a disaster area as a result of damages caused by severe storms, tornadoes, and flooding that occurred on April 3-7, 1999.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties or parishes may be filed until the specified date at the previously designated location: Lincoln, Natchitoches, Sabine, and Union Parishes in Louisiana; Columbia and Union Counties in Arkansas; and Shelby County, Texas.

All other information remains the same, i.e., the deadline for filing applications for physical damage is June 7, 1999, and for economic injury the deadline is January 7, 2000.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: April 19, 1999.

**Herbert L. Mitchell,**

*Acting Associate Administrator for Disaster Assistance.*

[FR Doc. 99-10789 Filed 4-29-99; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

### [Declaration of Disaster #3170]

#### Commonwealth of Massachusetts (and a Contiguous County in the State of New Hampshire)

Middlesex County and the contiguous Counties of Essex, Norfolk, Suffolk, and Worcester in Massachusetts, and Hillsborough County, New Hampshire constitute a disaster area as a result of damages caused by a fire that occurred on April 9-10, 1999 in the Town of Belmont. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on June 18, 1999 and for economic injury until the close of business on January 19, 2000 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 1 Office, 360 Rainbow Boulevard South, 3rd Floor, Niagara Falls, NY 14303.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere .....	6.875
Homeowners without credit available elsewhere .....	3.437
Businesses with credit available elsewhere .....	8.000
Businesses and non-profit organizations without credit available elsewhere .....	4.000
Others (including non-profit organizations) with credit available elsewhere .....	7.000
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere .....	4.000

The numbers assigned for physical damages are 317005 for Massachusetts and 317105 for New Hampshire. For economic injury the numbers are 9C5300 for Massachusetts and 9C5400 for New Hampshire.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: April 19, 1999.

**Aida Alvarez,**

*Administrator.*

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<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

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

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(2).

<sup>12</sup> 17 CFR 200.30-3(a)(12).