

dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airport/Facility Directory.

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Issued in Seattle, Washington, on June 2, 1997.

**Helen Fabian Parke,**

*Manager, Air Traffic Division, Northwest Mountain Region.*

[FR Doc. 97-15861 Filed 6-16-97; 8:45 am]

BILLING CODE 4910-13-M

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 71

[Airspace Docket No. 97-ANM-08]

#### Proposed Establishment of Class E Airspace; Twin Falls, Idaho

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This proposed rule would establish the Twin Falls, Idaho, Class E airspace. The recent commissioning of the Twin Falls Automated Surface Observing System (ASOS) qualifies the Twin Falls-Sun Valley Regional, Joslin Field for a Class E surface area. The area would be depicted on aeronautical charts for pilot reference.

**DATES:** Comments must be received on or before July 20, 1997.

**ADDRESSES:** Send comments on the proposal in triplicate to: Manager, Airspace Branch, ANM-520, Federal Aviation Administration, Docket No. 97-ANM-08, 1601 Lind Avenue S.W., Renton, Washington 98055-4056.

The official docket may be examined in the Office of the Assistant Chief Counsel for the Northwest Mountain Region at the same address.

An informal docket may also be examined during normal business hours at the address listed above.

**FOR FURTHER INFORMATION CONTACT:** James Riley, ANM-520.4, Federal Aviation Administration, Docket No. 97-ANM-08, 1601 Lind Avenue S.W., Renton, Washington 98055-4056; telephone number: (425) 227-2537.

**SUPPLEMENTARY INFORMATION:**

#### Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in

developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal.

Communications should identify the airspace docket number and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 97-ANM-08." The postcard will be date/time stamped and returned to the commenter. All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination at the address listed above both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

#### Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the Federal Aviation Administration, Airspace Branch, ANM-520, 1601 Lind Avenue S.W., Renton, Washington 98055-4056. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2A, which describes the application procedure.

#### The Proposal

The FAA is considering an amendment to part 71 of the Federal Aviation Regulations (14 CFR part 71) to establish Class E airspace at Twin Falls-Sun Valley Regional, Joslin Field. The recent commissioning of the Twin Falls ASOS qualifies the airport for a Class E surface area. The area would be depicted on aeronautical charts for pilot reference. The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas designated as a surface area for an airport are published in Paragraph 6002 of FAA Order 7400.9D dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this

document would be published subsequently in the Order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

#### List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

#### The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

#### PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389; 14 CFR 11.69.

#### § 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

*Paragraph 6002 Class E airspace designated as a surface area for an airport.*

\* \* \* \* \*

#### ANM ID E2 Twin Falls, ID [New]

Twin Falls-Sun Valley Regional, Joslin Field, ID

(Lat. 42°28'55"N, long. 114°29'13"W)

Within a 4.3-mile radius of the Twin Falls-Sun Valley Regional, Joslin Field. This Class E airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airport/Facility Directory.

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Issued in Seattle, Washington, on June 2, 1997.

**Helen Fabian Parke,**

*Manager, Air Traffic Division, Northwest Mountain Region.*

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## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 230

**Release Nos. 33-7422, 34-38728, File No. S7-17-97**

**RIN 3235-AH18**

### Covered Securities Pursuant to Section 18 of the Securities Act of 1933

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Commission proposes for comment Rule 146(b) under section 18 of the Securities Act of 1933, as amended. The Rule would designate securities listed on certain national securities exchanges, or tiers or segments thereof, as covered securities. Covered securities under section 18 of the Securities Act are exempt from state law registration requirements.

**DATES:** Comments should be submitted by July 17, 1997.

**ADDRESSES:** All comments should be submitted in triplicate and addressed to Jonathan G. Katz, Secretary, Securities and Exchange Commission, Mail Stop 6-9, 450 Fifth Street, NW., Washington, DC 20549. Comments also may be submitted electronically at the following E-mail address: rule-comments@sec.gov. All comments should refer to File No. S7-17-97; this file number should be included in the subject line if E-mail is used. Comment letters will be available for public inspection and copying at the Commission's Public Reference Room at the same address. Electronically submitted comment letters will be posted on the Commission's web site (<http://www.sec.gov>).

**FOR FURTHER INFORMATION CONTACT:** Sharon M. Lawson, Senior Special Counsel, James T. McHale, Special Counsel, or David S. Sieradzki, Esq., at 202/942-0181, 202/942-0190, or 202/942-0135; Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission (Mail Stop 5-1), 450 Fifth Street, NW, Washington, DC 20549.

## SUPPLEMENTARY INFORMATION:

### I. Introduction

On October 11, 1996, The National Securities Markets Improvement Act of 1996 ("NSMIA")<sup>1</sup> was signed into law. Among other changes made to the federal securities laws, NSMIA amends section 18 of the Securities Act of 1933, as amended ("Securities Act")<sup>2</sup> to provide for exclusive federal registration of securities listed, or authorized for listing, on the New York Stock Exchange ("NYSE"), the American Stock Exchange ("Amex"), or listed on the National Market System of the Nasdaq Stock Market ("Nasdaq/NMS"), or any other national securities exchange designated by the Commission to have substantially similar listing standards to those markets. More specifically, section 18(a) provides that "no law, rule, regulation, or order, or other administrative action of any State \* \* \* requiring, or with respect to, registration or qualification of securities \* \* \* shall directly or indirectly apply to a security that—(A) is a covered security." Covered securities are defined in section 18(b)(1) to include those securities listed, or authorized for listing, on the NYSE, Amex, or listed on Nasdaq/NMS, or those securities listed, or authorized for listing, on a national securities exchange (or tier or segment thereof) that has listing standards that the Commission determines by rule are "substantially similar" to those of the NYSE, Amex, or Nasdaq/NMS.

The Pacific Exchange, Incorporated ("PCX"), the Chicago Board Options Exchange, Incorporated ("CBOE"), the Chicago Stock Exchange, Incorporated ("CHX"), and the Philadelphia Stock Exchange, Incorporated ("Phlx") (collectively the "Petitioners") have petitioned the Commission to adopt a rule which finds their listing standards to be substantially similar to those of the NYSE, Amex, or Nasdaq/NMS and, therefore, entitling securities listed pursuant thereto to be deemed covered securities under section 18 of the Securities Act.<sup>3</sup> After careful

comparison, the Commission preliminarily believes that currently the listing standards of Tier I of the PCX and the listing standards of the CBOE are substantially similar to the listing standards of the NYSE, Amex, or Nasdaq/NMS. With regard to the CHX and Phlx, the Commission preliminarily believes that while most of their Tier I listing standards are substantially similar to those of the NYSE, Amex, or Nasdaq/NMS, they differ in several important areas. Accordingly, the Commission today is soliciting comments on proposed Rule 146(b), and on whether securities listed on Tier I of the CHX and Phlx should be included in the Rule.<sup>4</sup> The proposed rule finds that the listing standards of Tier I of the PCX and the listing standards of the CBOE are substantially similar to those of the NYSE, Amex, or Nasdaq/NMS, and securities listed thereon should be deemed covered securities under section 18(b)(1) of the Securities Act. If adopted, the rule would provide those covered securities with an exemption from state blue sky provisions as set forth under section 18(a) of the Securities Act.

### II. Background

The development and enforcement of adequate standards governing the initial and continued listing of securities on an exchange is an activity of critical importance to financial markets and the investing public. Listing standards serve as a means for a self-regulatory organization ("SRO") to screen issuers and to provide listed status only to bona fide companies with sufficient float, investor base and trading interest to maintain fair and orderly markets. Once a security has been approved for initial listing, maintenance criteria allow an exchange to monitor the status and trading characteristics of that issue to ensure that it continues to meet the exchange's standards for market depth and liquidity.

Indeed, many States have recognized the importance of listing standards by excepting from state registration requirements securities traded on the NYSE, the Amex, or Nasdaq/NMS.<sup>5</sup> In enacting section 18, Congress intended to codify in the Securities Act an exemption from state registration requirements similar to these state law

<sup>1</sup> Pub. L. No. 104-290, 110 Stat. 3416 (1996).

<sup>2</sup> 15 U.S.C. 77r.

<sup>3</sup> See Letter from David P. Semak, Vice President, Regulation, Pacific Stock Exchange, Incorporated (n/k/a Pacific Exchange, Inc.), to Arthur Levitt, Jr., Chairman, Commission, dated November 15, 1996 ("PCX Petition"); letter from Alger B. Chapman, Chairman, CBOE, to Jonathan G. Katz, Secretary, Commission, dated November 18, 1996 ("CBOE Petition"); letter from J. Craig Long, Esq., Foley and Lardner, to Jonathan G. Katz, Secretary, Commission, dated February 4, 1997 ("CHX Petition"); and letter from Michele R. Weisbaum, Vice President and Associate General Counsel, Phlx, to Jonathan G. Katz, Secretary, Commission, dated March 31, 1997 ("Phlx Petition") (collectively the "Petitions").

<sup>4</sup> As discussed herein, if the CHX and Phlx decide to revise their Tier I listing standards in several areas to more closely conform to those of the NYSE, Amex, or Nasdaq/NMS, the Commission likely will include securities listed on these markets in the Rule. See Section III, C, *infra*.

<sup>5</sup> See, e.g., Del. Code Ann. tit. 6 § 7309(a)(8) (1996).