

**FEDERAL TRADE COMMISSION****16 CFR Part 307****Extension of Time for Comments Concerning Regulations Implementing the Comprehensive Smokeless Tobacco Health Education Act of 1986**

**AGENCY:** Federal Trade Commission.

**ACTION:** Notice of reopening and extension of comment period.

**SUMMARY:** The Federal Trade Commission (the "Commission") has extended the date by which comments must be submitted concerning the review of its regulations ("smokeless tobacco regulations" or "the regulations") implementing the Comprehensive Smokeless Tobacco Health Education Act of 1986 ("Smokeless Tobacco Act"). This document informs prospective commenters of the change and sets a new date of July 21, 2000 for the end of the comment period.

**DATES:** Comments must be submitted on or before July 21, 2000.

**ADDRESSES:** Written comments should be identified as "16 CFR Part 307" and sent to the Secretary, Federal Trade Commission, Room H-159, 600 Pennsylvania Avenue, N.W., Washington D.C. 20580. The Commission requests that the original comment be filed with five copies, if feasible. The Commission also requests, if possible, that the comments be submitted in electronic form on a computer disc. (Programs based on DOS or Windows are preferred. Files from other operating systems should be submitted in ASCII text format.) The disc label should identify the commenter's name and the name and version of the word processing program used to create the document.

Alternatively, the Commission will accept comments submitted to the following E-Mail address: "SMOKELESS@ftc.gov".

All comments will be placed on the public record and will be available for public inspection in accordance with the Freedom of Information Act, 5 U.S.C. 552, and the Commission's Rules of Practice, 16 CFR 4.11, during normal business days from 8:30 a.m. to 5:00 p.m., at the Public Reference Room, Room H-130, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington D.C. 20580. In addition, comments will be placed on the Internet at the FTC web site: <http://www.ftc.gov>.

**FOR FURTHER INFORMATION CONTACT:** Rosemary Rosso (202) 326-3076, Division of Advertising Practices,

Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580, E-Mail (for questions or information only): [rosso@ftc.gov](mailto:rosso@ftc.gov).

**SUPPLEMENTARY INFORMATION:** On March 7, 2000, the Commission published in the *Federal Register* a Request for Comment on its regulations ("smokeless tobacco regulations" or "the regulations") implementing the Comprehensive Smokeless Tobacco Health Education Act of 1986 ("Smokeless Tobacco Act"), 16 CFR part 307, as part of its regulatory review program. 65 FR 11944. The regulations set forth the manner in which smokeless tobacco manufacturers, importers, and packagers must display and rotate the three health warnings mandated by the Smokeless Tobacco Act. The Federal Register Notice ("notice") posed twelve questions in all; some were general regulatory review questions, while others asked about material issues that are specific to the smokeless tobacco regulations. The notice requested commenters to provide answers where possible, and specifically asked for consumer research, studies or other data to support comments submitted to the Commission. Pursuant to the Federal Register Notice, the comment period ended on April 24, 2000.

Staff has received a request for an extension of the comment period from the Massachusetts Department of Public Health. The Department indicates that it is currently investigating issues that relate to smokeless tobacco warnings and requests additional time to compile relevant information for the Commission's consideration.

The Commission is mindful of the need to deal with this matter as expeditiously as possible. However, the Commission is also aware that some of the issues raised by the Federal Register Notice may be complex and it welcomes as much substantive input as possible to facilitate its decisionmaking process. Accordingly, in order to provide sufficient time for these and other interested parties to prepare useful comments, the Commission has decided to extend the deadline for comments until July 21, 2000.

**List of Subjects in 16 CFR Part 307**

Health warnings, Smokeless tobacco, Trade practices.

**Authority:** 15 U.S.C. 1401-1410.

By direction of the Commission.

**Donald S. Clark,**  
*Secretary.*

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**SECURITIES AND EXCHANGE COMMISSION****17 CFR Part 240**

[Release No. 34-42741; File No. S7-12-00]

**RIN 3235-AH69**

**Electronic Submission of Securities Trading Data by Exchange Members, Brokers and Dealers**

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Securities and Exchange Commission is proposing for comment Rule 17a-25 under Section 17 of the Securities Exchange Act of 1934. Proposed Rule 17a-25 would require brokers and dealers to submit electronically to the Commission, upon request, information on customer and firm securities trading. The Commission designed the proposal to improve its capacity to analyze electronic submissions of trading data and thereby facilitate Commission enforcement investigations and other trading reconstructions.

**DATES:** Comments must be received on or before June 7, 2000.

**ADDRESSES:** Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609.

Comments may also be submitted electronically at the following e-mail address: [rule-comments@sec.gov](mailto:rule-comments@sec.gov). All comment letters should refer to File No. S7-12-00; this file number should be included in the subject line if e-mail is used. All comment letters received will be available for public inspection and copying at the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Electronically submitted comment letters will be posted on the Commission's Internet web site (<http://www.sec.gov>).

**FOR FURTHER INFORMATION CONTACT:** Alton Harvey, Office Chief, at (202) 942-4167; or Anitra Cassas, Attorney, at (202) 942-0089, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-1001.

**SUPPLEMENTARY INFORMATION:****I. Introduction and Executive Summary**

In the course of its enforcement and market regulatory activities, the Securities and Exchange Commission ("Commission") regularly requests securities trading records from broker-dealers. For many decades, the

Commission requested this data by mailing questionnaire forms (known as "blue sheets" because of the color on which the forms were printed) to broker-dealers to be manually completed and mailed back to the Commission. In the late 1980s, as the volume of trading and securities transactions dramatically increased, the Commission and the securities self-regulatory organization ("SROs") worked together to develop and implement a system with a universal electronic format to replace the less efficient manual process. This system is commonly known as the "electronic blue sheet" or "EBS" system.

In general, the Commission uses the EBS system to obtain securities transaction information for one of two purposes: (1) to assist in the investigation of possible federal securities law violations, primarily involving insider trading or market manipulation; and (2) to conduct market reconstructions, primarily following significant market volatility.<sup>1</sup>

Since its inception, the EBS system has been an effective tool for most investigations, which usually require analyses of trading in only one or two stocks over a limited time period. When used for large scale investigations or market reconstructions involving numerous stocks during peak trading volume periods, however, data provided by the EBS system has not met certain of the Commission's needs. Specifically, the current EBS system format does not provide information that is needed by the Commission to effectively aggregate trading by market participants who trade through multiple accounts with more than one broker-dealer.

To ensure the continued effectiveness of the Commission's enforcement and regulatory programs, the Commission is therefore proposing to enhance certain aspects of the EBS system to take into account evolving trading strategies used by institutional and professional traders. Proposed Rule 17a-25<sup>2</sup> would codify the requirement that brokers and dealers electronically submit to the Commission, upon request by the Commission staff, information on customer and proprietary securities trading necessary for the Commission's enforcement or regulatory programs.<sup>3</sup>

Specifically, proposed Rule 17a-25 would require firms to supply specific information already covered by the existing EBS system. For proprietary transactions, firms would be required upon request to report standard data elements such as security symbol, date executed, amount traded, type of transaction, transaction price, account number, location where the transaction was executed, and identification information for the parties on either side of the transaction. For customer transactions, standard data elements would also include the customer name, address, branch office number, registered representative number, type of order, date account opened, taxpayer identification number, employer name, and the role of the intermediary (agent or principal) if any.

Proposed Rule 17a-25 would also require firms, upon request, to supply three additional data elements that would assist the Commission in aggregating transactions by entities trading through multiple accounts.<sup>4</sup> In addition, the rule would require broker-dealers, upon request, to provide and keep current, information needed to process data requests in a timely manner (e.g., name, address, telephone and fax number, and e-mail address for each designated contact person responsible for receiving and processing EBS requests from the Commission).

Proposed Rule 17a-25 is intended to accomplish three objectives. First, the proposed rule would codify the requirement for broker-dealers to electronically submit securities trading data when requested by the Commission staff. Second, the rule is designed to improve the effectiveness of the Commission's enforcement and regulatory programs by providing the additional information necessary to aggregate the securities transactions of institutional and professional traders who maintain multiple accounts at more than one broker-dealer. Finally, by requiring broker-dealers to provide current contact person information, the proposed rule would significantly improve the Commission's ability to process securities trading data requests in a timely manner.

## II. Discussion of Proposed Rule 17a-25

### A. Background

The securities industry has witnessed tremendous change in the past two decades, both in the types of market

participants and in the variety of trading strategies and products. In particular, increasing numbers of institutional and professional traders now conduct their securities trading through multiple sub-accounts maintained at different broker-dealers. These market participants include institutional investors such as pension funds, insurance companies, foundations, endowments, mutual funds, and hedge funds.

For over a decade, the Commission's primary tool for identifying buyers and sellers of securities in enforcement or other regulatory inquiries has been the EBS system. When an inquiry is opened, the Commission staff sends requests for trading data to the most active clearing firms in the relevant security. Firms are requested to submit, within ten business days, information concerning transactions by all proprietary and customer accounts that bought or sold a security or securities during a specified review period. For each account, firms must identify, among other things: the name and address of the account; the account type (proprietary or customer); the date of the trades; the types of trades (buy, sell, or sell short); the amount traded; and the transaction price. Firms use software to scan their account records and download the appropriate information into the standard EBS format. Firms then transmit that electronic file to the Securities Industry Automation Corporation ("SIAC"), which in turn routes the file electronically to the Commission's mainframe computer.<sup>5</sup>

The EBS system has performed effectively as an enforcement tool for analyzing trading in one or two securities over a limited time period. Given the increasing complexity of trading strategies, however, the Commission believes that enhancements to the EBS system are necessary to improve the Commission's ability to analyze trading in more complex market-wide trading reconstructions, as well as in investigations involving activities in multiple securities during heavy trading periods. Specifically, new data elements would assist the Commission in aggregating transactions by entities trading through multiple accounts.

The Commission believes that an enhanced EBS system would also provide a more efficient and cost-effective way to conduct timely and accurate reviews of the activities of large traders for regulatory or enforcement purposes, than would further efforts to

<sup>1</sup> The surveillance and enforcement staffs of other SROs also routinely use the EBS system to obtain trading data from member firms for investigations into trading abuses such as insider trading or market manipulation.

<sup>2</sup> 17 CFR 240.17a-25.

<sup>3</sup> Section 17(a)(1) of the Securities Exchange Act of 1934 ("Exchange Act") requires registered broker-dealers to make, keep, furnish, and disseminate records and reports prescribed by

Commission rule "as necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of" the Exchange Act. 15 U.S.C. 78q(a)(1).

<sup>4</sup> See Part II.B.2, *infra*.

<sup>5</sup> If an SRO's surveillance or enforcement staff issues the data request, SIAC routes the EBS data from the broker-dealer to the appropriate SRO.

design and implement the large trader reporting system authorized by the Market Reform Act of 1990, and incorporated into section 13(h) of the Exchange Act.<sup>6</sup> Although the Commission proposed Rule 13h-1 for comment in 1991<sup>7</sup> to implement the large trader reporting system, and re-proposed a revised version of the rule in 1994,<sup>8</sup> the Commission has not proceeded with further development of this system in light of commenters' concerns.<sup>9</sup>

One of the primary objectives of the Market Reform Act of 1990 and proposed Rule 13h-1 was the enhancement of the Commission's ability to perform accurate and timely reconstructions of trading by large traders. The Commission believes that proposed Rule 17a-25 would accomplish this objective without imposing significant new burdens on broker-dealers or institutional investors. Under the current proposal, no major changes would be necessary for broker-dealer systems. The Commission preliminarily believes that all of the broker-dealers that are likely to handle large trader accounts already have in place systems to collect and transmit electronic reports over the existing EBS system. In addition, the Commission believes that the additional data elements contemplated by proposed Rule 17a-25 are readily available in broker-dealer systems and can be captured and electronically reported with only minor modifications to the firms' existing EBS software.

#### *B. Description of Proposed Recordkeeping and Reporting Requirements*

Section 17(a)(1) of the Exchange Act requires broker-dealers to make, keep, furnish, and disseminate records and reports prescribed by the Commission "as necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of

the purposes of" the Exchange Act.<sup>10</sup> Rules 17a-3 and 17a-4 under the Exchange Act specify minimum requirements with respect to the records that must be maintained by broker-dealers, as well as the periods during which such records and other documents relating to a broker-dealer's business must be preserved.<sup>11</sup>

Proposed Rule 17a-25 would apply to entities currently subject to Rules 17a-3 and 17a-4. This includes any member of a national securities exchange who directly deals in a securities business with non-members of a national securities exchange. Proposed Rule 17a-25 would also apply to any broker or dealer who conducts a securities business through any member of a national securities exchange, or is registered pursuant to Section 15 of the Exchange Act.<sup>12</sup>

The proposed rule is largely patterned after existing SRO rules that require member firms to use the EBS system to submit the customer and proprietary trading data that the SROs request in connection with their market surveillance or enforcement inquiries.<sup>13</sup> The SRO rules, which have been in place for ten years,<sup>14</sup> require the same standard transaction information to be submitted that would be required pursuant to proposed Rule 17a-25(a). The universal EBS format permits the SROs and the Commission to conduct timely and thorough surveillance and enforcement inquiries with minimal regulatory burdens on reporting broker-dealers.

#### *1. Standard Transaction Information*

Proposed Rule 17a-25 would not impose additional recordkeeping requirements for broker-dealers; broker-dealers already maintain all of the information required for the proposed electronic reports pursuant to Exchange Act Rules 17a-3 and 17a-4. These elements include: (1) clearing house

number or alpha symbol used by the broker-dealer submitting the data; (2) clearing house number(s) or alpha symbol(s) of the broker-dealer(s) on the opposite side to the trade; (3) the security identifier; (4) execution date; (5) quantity executed; (6) transaction price; (7) account number; and (8) identity of the exchange or market where each transaction was executed.<sup>15</sup> If transactions are for customer accounts (as opposed to proprietary accounts), the following additional elements are included: (9) customer name, address, and related account information; and (10) if a transaction is effected for a customer of another member, broker or dealer, whether the other member, broker or dealer was acting as principal or agent on the transaction(s).<sup>16</sup>

#### *2. Additional Transaction Information*

Proposed Rule 17a-25 would also set forth requirements for broker-dealers to provide, upon request, additional data elements that are needed to aggregate trading by institutional and professional traders that often use multiple accounts maintained at different broker-dealers. In preliminary discussions with the securities industry, the Commission staff has identified several additional data elements, discussed below, which would be useful in analyzing this type of trading through multiple accounts. These data elements should be readily available in broker-dealer systems, and only minor modifications to the firms' existing EBS software should be necessary to capture and report these data elements. We also believe that, because only a limited number of broker-dealers are likely to handle transactions for the types of entities that use multiple accounts at different broker-dealers (we estimate that less than 100 firms are likely to fall into this category), the potential costs to the securities industry for necessary EBS software modifications should be limited.

#### *(a) Prime Brokerage Identifiers*

It is common for an institutional investor to route its buy or sell orders in securities through different broker-dealers, who will then forward the transactions to a single broker-dealer that is designated as the institution's "prime broker." The prime broker maintains a master account for the institution that simplifies recordkeeping and oversight of the institution's trading activity.

When an institution uses a prime brokerage arrangement, it is often

<sup>10</sup> 15 U.S.C. 78q(a)(1).

<sup>11</sup> 17 CFR 240.17a-3 and 240.17a-4.

<sup>12</sup> 15 U.S.C. 78o.

<sup>13</sup> See, e.g., Rule 410A of the New York Stock Exchange (NYSE); Rule 153A of the American Stock Exchange (Amex); Rule 15.7 of the Chicago Board Options Exchange (CBOE); Rule 8211 of the National Association of Securities Dealers, Inc. (NASD); and Rule 785 of the Philadelphia Stock Exchange (Phlx).

<sup>14</sup> See Securities Exchange Act Release Nos. 25859 (June 27, 1988), 53 FR 25029 (July 1, 1988) (approving both the NYSE and Amex's rules for the electronic submission of trading data); 26235 (November 1, 1988), 53 FR 44688 (November 4, 1988) (approving the CBOE's rule for the electronic submission of trading data); 26539 (February 13, 1989), 54 FR 7318 (February 17, 1989) (approving the NASD's rule for the electronic submission of trading data); and 27170 (August 23, 1989), 54 FR 37066 (approving the Phlx's rule for the electronic submission of trading data).

<sup>15</sup> 17 CFR 240.17a-3 and 240.17a-4.

<sup>16</sup> *Id.*

<sup>6</sup> 15 U.S.C. 78m(h).

<sup>7</sup> See Securities Exchange Act Release No. 29593 (August 22, 1991), 56 FR 42550 (August 28, 1991).

<sup>8</sup> See Securities Exchange Act Release No. 33608 (February 9, 1994), 59 FR 7917 (February 17, 1994).

<sup>9</sup> When proposed Rule 13h-1 was published for comment in 1991 and re-published in 1994, the Commission received numerous comments from the securities industry, potential large traders, and market commentators that the large trader reporting system would be unduly burdensome and costly. Public comments also raised concerns that a large trader registration system might cause large international investors to conduct their U.S. equity trading activities through foreign brokers and markets. Commenters also believed that the comprehensive system envisioned by Section 13(h) could prove difficult to implement and maintain, and most likely would not expedite trading reconstructions to the extent contemplated in 1990.

difficult for the Commission to identify instances when the same transaction may be reported twice in EBS submissions—once in the report by the executing broker-dealer and again in the report by the broker-dealer acting as prime broker. Broker-dealers employ different means to identify prime brokerage accounts in EBS submissions. For example, some broker-dealers identify the primer broker or an account executive at the prime broker in the account address field. Other broker-dealers do not indicate that an account's transactions involved a prime broker. As a result, some trades may be inadvertently double-counted when the Commission performs trading analyses.

Two new data elements in proposed Rule 17a-25 are designed to provide uniformity in identifying transactions involving a prime brokerage arrangement. First, if a broker-dealer effected trades for an institutional account but forwarded this account's transactions to a prime broker, this would have to be reflected in one of the new data fields in the enhanced EBS reports. This requirement is set forth in sub-paragraph (1)(i) under paragraph (b) of proposed Rule 17a-25. Second, if a broker-dealer acted as the prime broker for an institutional account, this also would have to be reflected in the new EBS data field. This requirement is set forth in sub-paragraph (1)(ii) under paragraph (b) of proposed Rule 17a-25.

These new data elements would permit the Commission staff to better analyze this type of increasingly frequent institutional activity and to avoid inadvertently double-counting such transactions.<sup>17</sup>

#### (b) Average Price Account Identifiers

Broker-dealers often use their "average price accounts" as a mechanism to buy or sell large amounts of a given security for their institutional customers. Under this arrangement, a broker-dealer's average price account may buy or sell a security in small increments throughout a trading session, and then transfer the accumulated long or short position to one or more institutional accounts for a volume-weighted average price after the market close.

As with transactions involving prime brokerage arrangements, there currently is no uniformity in how broker-dealers identify these transactions in EBS submissions. As a result, the Commission's trading analyses may inadvertently double-count such

transactions—once in the EBS submission for the firm's average price account, and again in the EBS submission for the institutional account receiving positions from the average price account. Two additional data elements in proposed Rule 17a-25 are designed to provide uniformity in identifying transactions involving average price accounts.

First, if an institutional account's transactions involved transfers from the broker-dealer's average price accounts, this would have to be reflected in one of the new data fields in the enhanced EBS format. This requirement is set forth in sub-paragraph (2) (i) under paragraph (b) of proposed Rule 17a-25. Similarly, if the account covered by an EBS submission were itself an average price account, this also would have to be reflected in a new field in the enhanced EBS format. This requirement is set forth in sub-paragraph (2) (ii) under paragraph (b) of proposed Rule 17a-25.<sup>18</sup>

#### (c) Identifiers Used by Depository Institutions

Many of the largest institutional investors in U.S. equity securities process their transactions through the Depository Trust Company ("DTC") or similar organizations. Pursuant to paragraph (b)(3) of proposed Rule 17a-25, if a broker-dealer effected trades for an institutional account and processed these transactions through a depository institution, the account's depository identifier would have to be reflected in one of the new data fields in the enhanced EBS reports. The inclusion of a depository account identifier in EBS reports would greatly expedite efforts by the Commission staff to aggregate institutional trading when conducting a complex trading reconstruction involving multiple securities over an extended trading period.<sup>19</sup>

#### 3. Information to Facilitate Data Requests

A recurring problem with the EBS system has been the time delay in ensuring that data requests from the Commission staff are directed to the appropriate personnel at broker-dealers. Currently, the Commission staff initiates a data request by mailing a standard letter to the compliance personnel at any firm that was active in the selected security during the designated review period. Due to frequent staff turnover

and reorganizations at broker-dealers, however, the correct compliance official at the firm often does not receive the request. Under certain circumstances, such as when a compliance officer has recently left the firm or is out of the office, it may be several days before a request reaches the appropriate staff person, thereby unnecessarily delaying the Commission's inquiry.

The Commission believes that requiring broker-dealers to supply the Commission with up-to-date information about personnel responsible for processing EBS requests would expedite the process. The Commission currently stores EBS contact person information in an electronic database. This database, however, is often incorrect because firms fail to notify the Commission that contact persons have changed. Accordingly, paragraph (c) of the proposed rule would require broker-dealers to submit, upon request, certain information about their contact persons and to keep this information current with the Commission. The Commission contemplates initially making such requests only to broker-dealers that have recently received EBS requests from the Commission.<sup>20</sup>

#### 4. Other Information

The Commission is specifically requesting comment on other types of information that may be useful in analyzing trading in more complex market-wide trading reconstructions, as well as in investigations involving trading in multiple securities during very active markets. For example, execution times would be useful in trading reconstructions, particularly those that focus on trading during critical time periods during sharp market swings. To date, however, execution times have not been included in EBS reports because this information generally has not been available through broker-dealer account records systems ("back office" records) that are used to prepare EBS reports (although execution time information may be available in other broker-dealer recordkeeping systems). Some representatives of the securities industry have indicated to the

<sup>20</sup> The Commission has determined that the most efficient means of obtaining EBS contact information from the appropriate broker-dealers is by request rather than imposing a general reporting obligation on all broker-dealers. Thousands of broker-dealers who clear their trades through other firms never receive EBS data requests from the Commission. In addition, firms who do not trade with the public or are otherwise extremely inactive traders are rarely asked to supply trading data. Accordingly, the Commission believes it would be most cost-effective to build its database of EBS contacts based on the staff's experience with the types of broker-dealers that are likely to be recipients of future data requests.

<sup>17</sup> The Commission is specifically requesting comment on prime brokerage identifiers; see Section III, *infra*.

<sup>18</sup> The Commission is specifically requesting comment on average price account identifiers; see Section III, *infra*.

<sup>19</sup> The Commission is specifically requesting comment on depository account identifiers; see Section III, *infra*.

Commission staff that, at least for transactions effected through automated order-routing systems, "order sequence" identifiers<sup>21</sup> could be used for EBS reports in lieu of actual execution times.

The inclusion of order sequence identifiers in EBS reports would enable the Commission staff to derive order entry times for particular trades. Once such trades are isolated, the transactions' order sequence numbers could be matched with timed order entry reports captured by either the broker-dealer's internal systems or with timed audit trails and related SRO reports. In view of the large number of institutional and professional trades that are routed and executed using automated systems, particularly program trading activity, the capture of the appropriate order sequence identifiers in EBS reports could greatly expedite trading reconstructions in which precise timing of particular trading activity is critical. The Commission is therefore soliciting comments concerning the feasibility of, and costs associated with, capturing order sequence identifiers in EBS reports.

In addition, information captured by the NASD's Order Audit Trail System ("OATS") and the NYSE's proposed order tracking system<sup>22</sup> could be useful to the Commission in its trading analyses. For example, these systems generally capture the date and time of origination or receipt of the order and information on when the order is transmitted to another department within the member firm, to another member firm, or to a non-member. The Commission is, therefore, soliciting comments concerning the feasibility of, and costs associated with, capturing this type of information for Commission enforcement and trading reconstruction efforts.

### C. Exemptions

The Commission recognizes that, particularly for some small broker-dealers, it may sometimes be appropriate to exempt a firm from some of the reporting requirements of proposed Rule 17a-25. The Commission would rely on its general exemptive authority under Section 36 of the Exchange Act<sup>23</sup> to exempt particular

broker-dealers when the application of the reporting requirements of proposed Rule 17a-25 would not be necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the rule.

### III. Request for Comments

The Commission invites interested persons to submit written comments on all aspects of proposed Rule 17a-25. The Commission specifically requests comments from broker-dealers on the feasibility of capturing and reporting the new data elements discussed above for activity by entities that use multiple accounts at broker-dealers. In particular, the Commission requests comments on whether prime brokerage and average price account identifiers are likely to prevent double counting, and whether there are other methods to identify and address this problem. The Commission also is seeking comments on the proposal to have EBS reports include, upon request, an institutional account's depository identifier. Furthermore, the Commission is soliciting comments concerning the feasibility of, and costs associated with, proposing additional data elements in EBS reports that would assist the Commission in determining when particular orders to buy or sell stocks have been entered. Finally, the Commission is soliciting comments from broker-dealers on the costs associated with providing and updating EBS contact person information. Commenters should also discuss if there are ways that any of the costs associated with proposed Rule 17a-25 could be reduced. Comments should be submitted by June 7, 2000.

### IV. Paperwork Reduction Act

Certain provisions of proposed Rule 17a-25 contain "collection of information" requirements within the meaning of the Paperwork Reduction Act of 1995,<sup>24</sup> and the Commission has submitted them to the Office of Management and Budget for review in accordance with 44 U.S.C. 3507(d) and 5 CFR 1320.11. The title for the collection of information is: Rule 17a-25, Electronic Submission of Securities Trading Data by Exchange Members, Brokers and Dealers. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

### A. Summary of Collection of Information under Proposed Rule 17a-25

Proposed Rule 17a-25 would set forth the obligation of registered broker-dealers to electronically submit securities trading data in a standardized format when requested by the Commission staff for enforcement and other regulatory purposes. The proposed rule would also require the electronic submission of trading information to include, upon request, new data elements that will improve the Commission's ability to analyze securities transactions by entities that trade through multiple accounts maintained at different broker-dealers. The rule would also require broker-dealers to submit and, keep current, contact person information for EBS requests.

### B. Proposed Use of Information

The Commission would use the information collected pursuant to proposed Rule 17a-25 for enforcement inquiries or investigations and trading reconstructions, as well as for inspections and examinations.

### C. Respondents

While proposed Rule 17a-25 would apply to all of the approximately 7,700 broker-dealers that are currently registered with the Commission, most provisions would apply only to the 5,500 broker-dealers who do business with the general public. Based on its experience, the Commission believes that the requirement for submission of new data elements for trade data concerning entities that use multiple accounts at broker-dealers would affect a significantly smaller number of broker-dealers, estimated at less than 100 firms.<sup>25</sup>

### D. Total Annual Reporting and Recordkeeping Burden

Proposed Rule 17a-25 should not impose additional burdens on the vast majority of the broker-dealers. Most of the requirements of the proposed rule involve collections of information that broker-dealers already maintain in compliance with existing regulations. In addition, virtually all of these firms already have systems in place that are routinely used to submit data to the Commission or SROs over the EBS system. The Commission staff will work with the few broker-dealers who might

<sup>21</sup> Firms use these identifiers to trace orders routed through automated systems. These identifiers are also routinely captured by some audit trail systems and other recordkeeping systems, such as the NYSE's daily program trading reports from member firms.

<sup>22</sup> See SR-NYSE-99-51.

<sup>23</sup> 15 U.S.C. 78mm. Procedures for Filing applications for orders for exemptive relief under Section 36 are found in the Commission's Rules of General Application, 17 CFR 240.0-12.

<sup>24</sup> 44 U.S.C. 3501 *et seq.*

<sup>25</sup> The estimate that less than 100 firms handle transactions from entities that use multiple accounts at broker-dealers is based on the Commission staff's use of the EBS system for several trading reconstructions in the 1990s.

not have EBS systems in place to develop cost-effective means of obtaining requested securities trading data, whether using the EBS system or other mechanisms. In addition, if electronic reporting of securities transaction data is not feasible or is unreasonably expensive for a particular small broker-dealer, the Commission staff will consider using its general exemptive authority under Section 36 of the Exchange Act to issue an exemptive order to the firm.

The Commission believes the proposed rule will present new burdens only to those broker-dealers who have customers trading through multiple accounts. These broker-dealers would need to perform a one-time modification of their EBS-related software to capture and report the new data elements. The cost to these firms is discussed below. In addition, because SIAC serves as an intermediary to route electronic files both to the Commission and the SROs, the analysis below discusses the costs SIAC and the SROs will incur to make their systems compatible with the broker-dealers' systems.

#### 1. Burden-hours for broker-dealers

The annual hour burden of the proposed rule for individual broker-dealers would vary widely because of differences in the levels of activities of the respondents and because of differences in the current recordkeeping systems of the respondents. However, it is estimated that electronic response firms would spend approximately 8 minutes and manual response firms would spend 1½ hours responding to an average blue sheet request. Based on its experience with the EBS system, the Commission estimates that it sends approximately 14,000 electronic blue sheet requests per year, of which approximately 350 are sent to manual response firms. Accordingly, the annual aggregate hour burden for electronic response firms is estimated to be 1,820 hours ( $13,650 \times 8 \div 60$ ). The annual aggregate hour burden for manual response firms is estimated to be 525 hours ( $350 \times 90 \div 60$ ).

In addition, the Commission estimates that it will request 1,400 broker-dealers to supply the contact information identified in proposed Rule 17a-25(f), and the submission should take each broker-dealer approximately 5 minutes to prepare. To be conservative, the Commission estimates that each of these broker-dealers will revise the contact information twice a year, and each revision will also take approximately 5 minutes to prepare (10 minutes total). Accordingly, the annual aggregate burden for supplying the information

requested in proposed Rule 17a-25(f) is 350 hours ( $1400 \times 15 \div 60$ ). The annual aggregate burden for all respondents to the collection of information requirements of proposed Rule 17a-25 is, therefore, estimated to be 2,695 hours ( $1,820 + 525 + 350$ ).

#### 2. Capital Cost to Broker-Dealers and SROs

As previously stated, the Commission estimates approximately 100 broker-dealers will have to make modifications to their existing EBS software to capture the additional data elements. On average, each of these broker-dealers will incur capital or start-up costs of \$150,000. The Commission also preliminarily believes that there will be no additional costs associated with the operation and maintenance of the modified EBS systems. Accordingly, the total start-up, operating and maintenance cost burden for broker-dealers is estimated to be \$15 million ( $100 \times \$150,000$ ).

Based on its discussions with the SROs, the Commission estimates that three SROs will each incur approximately \$29,500 in capital costs to make their systems compatible with the broker-dealers. The Commission preliminarily believes that the SROs will not incur additional costs in association with the operation and maintenance of the modified EBS systems.

#### E. General Information about the Collection of Information

Any collection of information pursuant to proposed Rule 17a-25 would be mandatory. The retention periods for the collection of information are already specified in Rule 17a-4 of the Exchange Act.<sup>26</sup> Any collection of information pursuant to proposed Rule 17a-25 would be kept confidential, subject to the provisions of the Freedom of Information Act, 5 U.S.C. 552.

#### F. Request for Comment

Pursuant to 44 U.S.C. 3506(c)(2)(B), the Commission solicits comments to:

- (1) evaluate whether the proposed collection of information is necessary for the proposed performance of the functions of the agency, including whether the information shall have practical utility;
- (2) evaluate the accuracy of the Commission's estimate of the burden of the proposed collection of information;
- (3) enhance the quality, utility, and the clarity of the information to be collected; and
- (4) minimize the burden of collection on those who are to respond, including

through the use of electronic collection techniques or other forms of information technology.

Persons wishing to submit comments on the collection of information requirements should direct them to the following persons: (1) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503; and (2) Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609, with reference to File No. S7-12-00. The Commission has submitted the proposed collection of information to OMB for approval. Members of the public should direct any general comments to both the Commission and OMB within 30 days. OMB is required to make a decision concerning the collection of information between 30 and 60 days after publication in the **Federal Register**, so a comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication. Requests for materials submitted to OMB by the Commission with regard to this collection of information should be in writing, refer to File No. S7-12-00, and be submitted to the Securities and Exchange Commission, Records Management, Office of Filings and Information Services.

#### V. Costs and Benefits of the Proposed Rule

The proposed rule will significantly assist the Commission staff's ability to conduct timely and accurate trading analyses for market reconstructions and complex enforcement inquiries or investigations, as well as inspections and examinations. The current system severely limits the Commission's ability to aggregate transactions effected by entities that use multiple accounts at broker-dealers and can produce trading compilations that double count some transactions effected through multiple accounts. Augmented trading analyses will improve the Commission's ability to monitor the securities markets and increase levels of investor confidence in the markets.

##### A. Broker-dealers<sup>27</sup>

For purposes of the PRA, the Commission has estimated that the annual aggregate hour burden for all respondents to the collection of information requirements of proposed

<sup>27</sup> Both the time burden and the costs were derived from information supplied by several broker-dealers.

<sup>26</sup> 17 CFR 240.17a-4.

Rule 17a-25 to be 2,695 hours. The total annualized cost burden for those broker-dealers that make modifications to their existing EBS software is estimated to be \$15 million in capital or start-up costs. The Commission also anticipates that these broker-dealers will not incur additional costs for the operation and maintenance of the modified EBS systems. The Commission specifically requests comments on whether the annual hour burden, the initial capital or start-up costs, and the costs for the operation and maintenance of broker-dealer EBS systems are reasonable estimates based on reasonable assumptions.

#### *B. SROs*

The estimate of total annualized cost burden to the SROs is \$88,500.<sup>28</sup> This cost burden is computed by estimating that approximately three SROs will need to modify their systems to receive the new data elements, at an approximate cost of \$29,500 per SRO. The Commission specifically requests comments on whether the annualized cost burden is a reasonable estimate.

To assist the Commission in its evaluation of the costs and benefits that may result from the proposed rule, commenters are requested to provide analyses and data relating to the costs and benefits associated with any of the proposals.

#### **VI. Consideration of Burden on Competition, and Promotion of Efficiency, Competition, and Capital Formation**

Section 23 of the Exchange Act requires the Commission, in adopting rules under the Exchange Act, to consider the anti-competitive effects of any rule that it adopts. The Commission does not believe the proposed rule would have any anti-competitive effects. We request comment on the anti-competitive effects, if any, of proposed Rule 17a-25. Furthermore, Section 3(f) of the Exchange Act requires the Commission, when engaging in rulemaking that requires it to consider or determine whether an action is necessary or appropriate in the public interest, to consider whether the action will promote efficiency, competition, and capital formation. We request comment on these matters in conjunction with the proposed rule.

For purposes of the Small Business Regulatory Enforcement Fairness Act of 1996, the Commission is also requesting information regarding the potential impact of the proposed amendment on

the economy on an annual basis. If possible, commenters should provide empirical data to support their views.

#### **VII. Summary of Initial Regulatory Flexibility Act Analysis**

The Commission has prepared an Initial Regulatory Flexibility Analysis ("IRFA") in accordance with 5 U.S.C. 603 concerning proposed Rule 17a-25. The following summarizes the IRFA.

As discussed in the IRFA, the purpose of proposed Rule 17a-25 is to facilitate the collection, analysis and evaluation of relevant trading data for enforcement and other regulatory reviews. In particular, the proposed rule is intended to provide an effective system for reviewing securities transactions of entities that trade through multiple accounts at different broker-dealers. The Commission believes that the proposed rule will protect investors, as well as preserve the fair and orderly operation of the nation's securities markets.

The IRFA also discusses the effect of proposed rule 17a-25 on small broker-dealers.<sup>29</sup> The Commission estimates that approximately 12% of registered broker-dealers, or approximately 1,000 broker-dealers, qualify as small broker-dealers.

The Commission's experience with the EBS system over the last ten years indicates that entities that trade through multiple accounts at different firms generally do not effect their trades through "small" broker-dealers. Accordingly, the Commission does not believe that any small broker-dealer would be required to modify its EBS-related software to capture and report the new data elements that are needed to analyze transactions by entities using multiple accounts.

The IRFA further states that proposed Rule 17a-25 would not impose any additional recordkeeping requirements for small broker-dealers. The elements of trade information required for electronic reports to the Commission are already maintained by broker-dealers pursuant to Rules 17a-3 and 17a-4 and SRO rules. In addition, because EBS requests are sent to large clearing firms or those broker-dealers that self-clear, these firms would also generally fall outside the definition of a small broker-dealer.

Small broker-dealers would incur some costs when they report transaction data pursuant to requests by the Commission staff for enforcement purposes. The Commission believes,

however, that any new costs associated with the current rule proposal would be minimal. As discussed above, small broker-dealers are already subject to SRO rules that mandate transaction data reports for surveillance or enforcement inquiries. Accordingly, even small broker-dealers are already required to have in place adequate systems and procedures to submit transaction reports to the appropriate SRO; no new systems would need to be developed pursuant to proposed Rule 17a-25. Moreover, the Commission staff has traditionally been flexible when working with small broker-dealers who need to supply transaction reports. In cases in which a small broker-dealer does not already have the capacity to submit data over the EBS system, the Commission staff has accepted manual transmissions. Proposed Rule 17a-25 is not intended to change this flexible approach in obtaining necessary transaction reports from small broker-dealers.

Small broker-dealers would also incur some costs when they are asked to supply information, pursuant to paragraph (c) of proposed Rule 17a-25, about contact persons who would handle transaction data requests from the Commission. The Commission believes, however, that any new costs associated with this requirement would be minimal. Small broker-dealers are already required to have personnel and procedures in place to respond to enforcement or regulatory inquiries from the Commission or the SROs. In addition, because relatively few data requests are submitted by the Commission to small broker-dealers, only a small number of firms in this category would be requested to supply contact person information. Moreover, the costs associated with supplying this type of information appear to be minimal. Firms would simply be required to submit a brief letter or e-mail providing information concerning the appropriate contact person or persons, such as their names, telephone numbers, fax numbers, and e-mail addresses (if any), and to send a follow-up letter or e-mail when this information is no longer accurate.

The IRFA also discusses the various alternatives considered by the Commission in connection with the proposed rule that might minimize the effect on small entities. These include, among others, creating differing compliance or reporting requirements or timetables that take into account the resources available to small entities, and whether such entities could be exempted from the proposed rule, or any part thereof. The Commission has drafted the proposal to be consistent

<sup>28</sup> The estimated cost is based upon discussions with the SROs.

<sup>29</sup> For purposes of the regulatory flexibility analysis, a broker-dealer is considered a small entity if its total capital is less than \$500,000, and it is not affiliated with a broker-dealer that has \$500,000 or more in total capital. 17 CFR 240.0-10.



with the concerns for small entities. For example, as discussed above, the Commission has often permitted small broker-dealers to submit the trading data in a manual, rather than an electronic, format. The Commission will continue to rely on its exemptive authority under Section 36 of the Exchange Act to grant relief, when necessary, to small broker-dealers from the requirements of the proposed rule. A wholesale exemption from the proposed rule for small broker-dealers, however, would prevent the Commission from fully protecting investors and maintaining the fair and orderly operation of the nation's securities markets.

The Commission encourages the submission of written comments regarding any aspect of the IRFA. In particular, the Commission requests comments on: (1) The number of small broker-dealers that would be affected by the proposed rule, especially the number of small broker-dealers which maintain institutional accounts, and (2) the nature and extent of new costs to small broker-dealers as a result of the proposed rule. Commentators are asked to describe the nature of any impact and provide empirical data supporting the extent of the impact. Written comments will be considered in preparation of the Final Regulatory Flexibility Analysis if the proposed rule is adopted. Such comments will be placed in the public file designated for the proposed rule. A copy of the IRFA may be obtained by contacting Anitra Cassas, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-1001, (202) 942-0089.

### VIII. Statutory Basis

Proposed Rule 17a-25 under the Exchange Act is being proposed pursuant to 15 U.S.C. 78a *et seq.*, particularly Sections 17(a) and 23(a) of the Act, unless otherwise noted.

### List of Subjects in 17 CFR Part 240

Broker-dealers, Reporting and record-keeping requirements, Securities.

### Text of the Proposed Rule

In accordance with the foregoing, Title 17, Chapter II of the *Code of Federal Regulations* is proposed to be amended as follows:

### PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

1. The authority citation for Part 240 continues to read, in part, as follows:

**Authority:** 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77z-2, 77eee, 77ggg, 77nnn, 77sss, 77ttt,

78c, 78d, 78f, 78i, 78j, 78j-1, 78k, 78k-1, 78l, 78m, 78n, 78o, 78p, 78q, 78s, 78u-5, 78w, 78x, 78ll(d), 78mm, 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 and 80b-11, unless otherwise noted.

\* \* \* \* \*

2. Section 240.17a-25 is added to read as follows:

#### **§ 240.17a-25 Electronic submission of securities trading data by exchange members, brokers and dealers.**

(a) Every member, broker or dealer subject to § 240.17a-3 shall electronically submit to the Commission the data elements specified in this section for transactions that are the subject of a particular request for information made by the Commission:

(1) If the transaction was a proprietary transaction effected or caused to be effected by the member, broker or dealer for any account in which such member, broker or dealer, or person associated with the member, broker or dealer, is directly or indirectly interested, such member, broker or dealer shall submit or cause to be submitted the following information:

(i) Clearing house number, or alpha symbol as used by the member, broker or dealer submitting the data;

(ii) Clearing house number(s), or alpha symbol(s) as may be used from time to time, of the member(s), broker(s) or dealer(s) on the opposite side of the transaction;

(iii) Identifying symbol assigned to the security;

(iv) Date transaction was executed;

(v) Number of shares, or quantity of bonds or options contracts, for each specific transaction; whether each transaction was a purchase, sale, or short sale; and, if an options contract, whether open long or short or close long or short;

(vi) Transaction price;

(vii) Account number; and

(viii) The identity of the exchange or other market where the transaction was executed.

(2) If the transaction was effected or caused to be effected by the member, broker or dealer for any customer account, such member, broker or dealer shall submit or cause to be submitted the following information:

(i) Data elements contained in paragraphs (a)(1)(i) through (a)(1)(viii) of this section;

(ii) Customer name, address(es), branch office number, identification number for the associated person handling the account, whether order was solicited or unsolicited, date account opened and employer name and the tax identification number(s); and

(iii) If the transaction was effected for a customer of another member, broker or

dealer, whether the other member, broker or dealer was acting as principal or agent on the transaction or transactions that are the subject of the Commission's request.

(b) In addition to the trading data elements in paragraph (a) of this section, a member, broker or dealer shall, upon request, submit or cause to be electronically submitted to the Commission the following information for transactions involving entities that trade using multiple accounts:

(1)(i) If part or all of an account's transactions at the reporting broker-dealer have been transferred or otherwise forwarded to one or more accounts at another broker-dealer, the data submission to the Commission shall include the clearing house number, or alpha symbol used by the broker-dealer receiving the transaction;

(ii) If part or all of an account's transactions at the reporting broker-dealer have been transferred or otherwise received from one or more other broker-dealers, the data submission to the Commission shall include the clearing house number(s), or alpha symbol(s) used by the broker-dealer(s) transferring or otherwise forwarding the transactions.

(2)(i) If part or all of an account's transactions at the reporting broker-dealer have been transferred or otherwise received from another account at the reporting broker-dealer, the data submission to the Commission shall include the identifier for this other account;

(ii) If part or all of an account's transactions at the reporting broker-dealer have been transferred or otherwise forwarded to one or more other accounts at the reporting broker-dealer, the data submission to the Commission shall include the identifiers for these other accounts; and

(3) If an account's transaction was processed by a depository institution, the data submission to the Commission shall include the identifier assigned to the account by the depository institution.

(c) Every member, broker or dealer subject to § 240.17a-3 shall submit upon request to the Commission and keep current information containing the full name, title, address, telephone number(s), facsimile number(s), and electronic-mail address(es) for each person designated by the member, broker or dealer as responsible for processing securities transaction data requests from the Commission.

(d) Unless otherwise specified by Commission rule or order, the member, broker, or dealer should comply with the format for the electronic submission



of the trading data described in paragraphs (a) and (b) of this section as specified by the self-regulatory organization of which it is a member.

Dated: May 2, 2000.

By the Commission.

**Jonathan G. Katz,**  
*Secretary.*

[FR Doc. 00-11405 Filed 5-5-00; 8:45 am]

BILLING CODE 8010-01-P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-116567-99]

RIN 1545-AX67

#### Definition of Hyperinflationary Currency for Purposes of Section 988; Hearing Cancellation

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Cancellation of notice of public hearing on proposed rulemaking.

**SUMMARY:** This document provides notice of cancellation of a public hearing on proposed regulations relating to hyperinflationary currency for purposes of section 988.

**DATES:** The public hearing originally scheduled for Wednesday, May 17, 2000, at 10 a.m., is canceled.

**FOR FURTHER INFORMATION CONTACT:** Guy Traynor of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622-7180 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** A notice of proposed rulemaking and notice of public hearing that appeared in the *Federal Register* on January 13, 2000, (65 FR 2084), announced that a public hearing was scheduled for May 17, 2000 at 10 a.m., in room 2615, Internal Revenue Building, 1111 Constitution Avenue NW., Washington, DC. The subject of the public hearing is proposed regulations under section 988, of the Internal Revenue Code. The deadline for requests to speak and outlines of oral comments expired on April 20, 2000.

The notice of proposed rulemaking and notice of public hearing, instructed those interested in testifying at the public hearing to submit a request to speak and an outline of the topics to be addressed. As of April 24, 2000, no one has requested to speak. Therefore, the

public hearing scheduled for May 17, 2000, is canceled.

**Cynthia E. Grigsby,**

*Chief, Regulations Unit, Assistant Chief Counsel (Corporate).*

[FR Doc. 00-11343 Filed 5-5-00; 8:45 am]

BILLING CODE 4830-01-P

## NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

### 36 CFR Part 1253

RIN 3095-AA98

#### Location of NARA Facilities and Hours of Use

**AGENCY:** National Archives and Records Administration (NARA).

**ACTION:** Proposed rule.

**SUMMARY:** The National Archives and Records Administration proposes to revise its regulation that lists NARA facilities and hours when the public and other Federal agency staff may use the records in those facilities. This proposal updates information on NARA facilities throughout the United States, including the addition of two new facilities and the deletion of a closed NARA facility. Additional revisions include corrections to addresses, providing e-mail addresses for the Presidential libraries, the addition and correction of phone and fax numbers, and, in some cases, modifications to the hours that these facilities are open for research. This proposed rule will affect members of the public who do research at NARA.

**DATES:** Comments must be received by June 7, 2000.

**ADDRESSES:** Comments must be sent to Regulation Comments Desk (NPLN), Room 4100, National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740-6001. They may be faxed to 301-713-7270.

**FOR FURTHER INFORMATION CONTACT:** Shawn Morton at telephone number 301-713-7360, ext. 253, or fax number 301-713-7270.

**SUPPLEMENTARY INFORMATION:** This proposed regulation includes information on several facility changes that have occurred since the last update to 36 CFR part 1253. In 1997, the George Bush Presidential Library was dedicated. The listing for the Bush Library is included in proposed § 1253.3, Presidential Libraries. In 1998, the Military Ocean Terminal, Bayonne, New Jersey, site of the New York Federal Records Center was closed and the NARA—Central Plains Region (Lee's Summit, MO) records center was

opened. These changes are reflected in proposed § 1253.6, Records Centers.

Listings of Presidential libraries, records centers, and regional archives are revised to include uniform facility names, corrected addresses, telephone numbers, research hours, and, for Presidential libraries, e-mail addresses. The core hours of research for the libraries, records centers, and regional archives are minimally affected by the revisions found in this proposed rule.

This rule is being issued as a proposed rule with a 30-day comment period because we believe this rule will have no substantive impact on the public using records in NARA facilities.

This proposed rule is not a significant regulatory action for purposes of Executive Order 12866 of September 30, 1993, and has not been reviewed by the Office of Management and Budget. As required by the Regulatory Flexibility Act, it is hereby certified that this proposed rule will not have a significant impact on a substantial number of small entities. This proposed rule does not have federalism implications.

#### List of Subjects in 36 CFR Part 1253

Archives and records.

For the reasons set forth in the preamble, NARA proposes to revise part 1253 of title 36, Code of Federal Regulations, to read as follows:

#### PART 1253—LOCATION OF RECORDS AND HOURS OF USE

Sec.

- 1253.1 National Archives Building.
- 1253.2 National Archives at College Park.
- 1253.3 Presidential libraries.
- 1253.4 Washington National Records Center.
- 1253.5 National Personnel Records Center.
- 1253.6 Records centers.
- 1253.7 Regional archives.

**Authority:** 44 U.S.C. 2104(a).

#### § 1253.1 National Archives Building.

(a) The National Archives Building is located at 700 Pennsylvania Avenue, NW., Washington, DC 20408. Business hours are 8:45 a.m. to 5:15 p.m., Monday through Friday, except Federal holidays when the building is closed. Hours for the Central Research Room and Microfilm Research Room are as follows, except Federal holidays:

(1) Monday and Wednesday, 8:45 a.m. to 5 p.m.;

(2) Tuesday, Thursday, and Friday, 8:45 a.m. to 9 p.m.; and

(3) Saturday, 8:45 a.m. to 4:45 p.m.

(b) The phone number for the research rooms is 800-234-8861.

(c) The location and business hours of the Office of the Federal Register are located in 1 CFR 2.3.