IV. Conclusion

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act,[9] that the proposed rule change (SE–ISE–00–09) is approved.

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

Maragret H. McFarland,

Deputy Secretary.

[FR Doc. 00–32806 Filed 12–22–00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43730; File No. SR–NYSE–00–54]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the New York Stock Exchange, Inc., Amending Section 807 of Its Listed Company Manual

December 18, 2000.

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 November 29, 2000, the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal pursuant to Section 19(b)(3)(A) of the Act,[3] and Rule 19b–4(f)(1) thereunder,[4] which renders the proposal effective upon filing with the Commission. 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 Exchange proposes to amend its Listed Company Manual, Section 807, Voluntary Transfer to Another Exchange by Company That Falls Below Criteria for Continued Listing, to state that the Exchange will daily disseminate ticker and information notices, and provide similar information on the Exchange's website, reflecting the status of the securities of a company which the Exchange has determined no longer meets its continued listing criteria and which has voluntarily undertaken to transfer the listing of its securities to another national securities exchange.

The text of the proposed rule change is available upon request from the Office of the Secretary, the NYSE, or the Commission.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and 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 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

In May 2000, the Commission approved amendments to the Exchange's procedures for delisting securities and handling related issuer appeals.[5] In its proposal filed with the Commission, the Exchange stated its belief that it is important for investors to have timely notice whenever the Exchange determines that an issuer's listed securities no longer meet the NYSE's continued listing criteria or when the Exchange has initiated delisting proceedings against an issuer for any reason. The Exchange therefore proposed, among other things, to attach an identifier suffix (.DL) to the ticker symbol of a company during the transition phase in which, having failed to meet the NYSE's continued listing criteria, such company undertook to transfer the listing of its securities to another national securities exchange.

The Exchange subsequently determined that, without making significant and costly changes to its systems to accommodate the identifier suffix, appending such a suffix would in fact change a company's ticker symbol.[6] In other words, if the suffix were added to a subject company's ticker symbol, an investor or broker would have to know to enter the ''new'' symbol (with .DL suffix) into a quotation device in order to obtain quotation or last sale information. Entering the ''former'' symbol of one, two, or three letters (without the suffix) would elicit the message ''security not found.'' The NYSE felt that this possible confusion about a company's ticker symbol would not meet its stated goal of informing interested parties about the status of the securities of a company subject to delisting. In addition, the Exchange has noted that clearance and settlement systems do not recognize non-alphabetic characters in ticker symbols. The use of the .DL suffix might therefore give rise to possible confusion between a symbol bearing the suffix and another symbol that uses DL as its last two characters.

The Exchange has stated that, even if the necessary work were done to its systems to permit the use of a suffix without effecting a symbol change, it would remain concerned that the added suffix might not be carried by every vendor. This potential for inconsistency, like the possible confusion about a company's ticker symbol, would undermine the Exchange's motive of better disclosure in seeking to employ the identifier suffix.

As a result of these realizations, the Exchange has not yet implemented the amended procedure previously approved by the Commission. In order to do so now, the Exchange proposes to employ the following mechanisms to inform investors when a company that fails to meet NYSE continued listing criteria has undertaken to transfer listing of its securities to another national securities exchange:

a. The Exchange will circulate a ticker notice each day prior to the opening, specifying the delisting status of each subject company;

b. The Exchange will distribute the same information notice daily via the Exchange's online information notices system to vendors, member firms, and other interested parties;

c. The Exchange will post a subject company's delisting status and information on the Exchange's web site.

The Exchange believes that implementing these mechanisms will achieve better dissemination of information about companies subject to delisting to all market participants, both professional and non-professional, than would use of the .DL suffix previously proposed.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6(b)(5) of the Act[7] in general and

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[9] 15 U.S.C. 78s(b)(2).

[10] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19(b)–4(f)(1).

[5] *See* Securities Exchange Act Release No. 42863 (May 30, 2000), 65 FR 36488 (June 8, 2000).

[6] *See* Securities Exchange Act Release No. 43442 (Oct. 13, 2000), 65 FR 63280 (Oct. 23, 2000) (notice of filing and immediate effectiveness of proposed rule change by the NYSE to amend its Listed Company Manual, Section 804).

[7] 15 U.S.C. 78f(b).

furthers the objectives of Section 6(b)(5) of the Act [8] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, 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.

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 that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organizations 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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(i) of the Act [9] and Rule 19b–4(f)(1) thereunder because the proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.[10] At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if its 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 purpose of the Act.[11]

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposal 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. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to file number SR–NYSE–00–54 and should be submitted by January 16, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[12]

Margaret H. McFarland,

Deputy Secretary.

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[8] 15 U.S.C. 78f(b)(5).

[9] 15 U.S.C. 78s(b)(3)(A)(i).

[10] 17 CFR 240.19b–4(f)(1).

[11] In its filing with the Commission, the Exchange inadvertently included the statement that the proposed new notification procedures would be implemented with any delisting determination made after August 10, 2000. The Exchange notes that the proposal should instead become effective upon filing with the Commission. Telephone conversation between Elena Daly, Assistant General Counsel, NYSE, and Florence Harmon, Senior Special Counsel, Division of Market Regulation, Commission, on Dec. 5, 2000.

[12] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Modifications to the Disability Determination Procedures; Disability Claims Process Redesign Prototype

AGENCY: Social Security Administration.

ACTION: Notice of revision to the disability prototype in the State of New York.

SUMMARY: The Social Security Administration is announcing a revision to the disability prototype in the State of New York. The test will be performed in those locations in the State of New York, listed below, that are not already processing cases under the disability prototype. In addition, the test will measure the operational impact of modifying the process by ''grandfathering'' pending initial claims in the additional locations into the prototype process.

DATES: Selection of cases to be included in this test will begin on January 2, 2001 in one location, and on April 2, 2001 in the other locations, according to the schedule outlined under **SUPPLEMENTARY INFORMATION.** Case selection is expected to end on or about December 31, 2001. If the Agency decides to continue the test beyond this date, we will publish another notice in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Phil Landis, Director, Disability Process Redesign Staff, Office of Disability, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965–5388.

SUPPLEMENTARY INFORMATION: Current rules codified at 20 CFR 404.906 and 416.1406 authorize us to test modifications to the disability determination procedures individually or in any combination. Under this authority, several tests have been conducted, including a prototype that incorporates several modifications to the disability determination procedures employed by State disability determination services (DDS) which have been shown to be effective in earlier tests. (64 FR 47218.) The prototype incorporates a series of changes that improve the initial disability determination process by: Providing greater decisional authority to the disability examiner and making more effective use of the expertise of the medical consultant; ensuring appropriate development and explanation of key issues; increasing opportunities for claimant interaction with the decision maker before a determination is made; and simplifying the appeals process by eliminating the reconsideration step. When we started the prototype on October 1, 1999, we applied the modified process only to claims filed on or after October 1, 1999 in certain States, or parts of States. With respect to claims in the State of New York, we announced that only applicants whose initial disability claims were processed by certain branches of the DDS in New York would participate in the prototype. The **Federal Register** notice listed those branches of the DDS in New York where the prototype would be applied. (64 FR at 47219.)

We are now announcing that we will test the prototype process in the remaining branches of the DDS in New York, and in addition test the effect of ''grandfathering'' pending claims in those branches into the modified process in the remaining branches of the DDS in New York. ''Grandfathering'' means that, in addition to following the modified processes for claims filed on or after a certain date, we will follow the modified process for initial claims filed before that date if the disability determination forms that we use to have the State agency certify the determination of disability to us have not been signed by a disability examiner and, if applicable, by a medical or