

for examination in the Office of the Assistant Chief Counsel, Federal Aviation Administration, Southwest Region, 2601 Meacham Boulevard, Fort Worth, TX, 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 Notice of Proposed Rulemaking (NPRM) by submitting a request to the Operations Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Fort Worth, TX 76193-0530. 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 that 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 revise the Class E airspace, controlled airspace extending upward from 700 feet AGL, at Corsicana, TX. A new GPS SIAP to RWY 14 at Corsicana Municipal Airport has made this proposal necessary. The intended effect of this proposal is to provide adequate Class E airspace for aircraft executing the GPS SIAP to RWY 14 at Corsicana Municipal Airport, Corsicana, TX.

The coordinates for this airspace docket are based on North American Datum 83. Designated Class E airspace areas extending upward from 700 feet or more above ground level are published in Paragraph 6005 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 that need frequent and routine amendments 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 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. 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389; 49 U.S.C. 106(g); 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 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.*

\* \* \* \* \*

ASW TX E5 Corsicana, TX. [Revised]

Corsicana, C. David Campbell Field-Corsicana Municipal Airport, TX.  
(Lat. 32°01'29" N., long. 96°23'53" W.)

Corsicana RBN  
(Lat. 32°01'40" N., long. 96°23'43" W.)

Powell RBN  
(Lat. 32°03'51" N., long. 96°25'41" W.)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of C. David Campbell Field-Corsicana Municipal Airport and within 2.5 miles each side of the 155° bearing from the Corsicana RBN extending from the 6.5-mile radius to 7.4 miles southeast of the airport and within 2.4 miles each side of the 325° radial from the Powell RBN extending from the 6.5-mile radius to 9.7 miles northwest of the airport.

\* \* \* \* \*

Issued in Fort Worth, TX, on November 12, 1996.

Albert L. Viselli,

*Acting Manager, Air Traffic Division,  
Southwest Region.*

[FR Doc. 96-29955 Filed 11-21-96; 8:45 am]

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#### 14 CFR Part 71

[Airspace Docket No. 96-ASW-10]

#### Proposed Establishment of Class E Airspace; Paragould, AR.

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

**ACTION:** Proposed rule; withdrawal.

**SUMMARY:** This action withdraws a Notice of Proposed Rulemaking (NPRM) that proposed to revise the Class E airspace at Kirk Field, Paragould, AR. The proposal was to revise the controlled airspace extending upward from 700 feet above the ground (AGL) was needed to contain aircraft executing a Nondirectional Radio Beacon (NDB) Standard Instrument Approach Procedure (SIAP) to Runway (RWY) 04. Prior to completing the Notice of Proposed Rulemaking process for the revised airspace, a second NDB SIAP to RWY 22 was developed. To avoid confusion and duplication within the rulemaking actions, the proposal to revise the Class E airspace at Kirk Field as proposed in Airspace Docket No. 96-ASW-10 is withdrawn.

**FOR FURTHER INFORMATION CONTACT:** Donald J. Day, Operations Branch, Air Traffic Division, Federal Aviation Administration, Southwest Region, Fort Worth, TX 76193-0530; telephone: (817) 222-5593.

**SUPPLEMENTARY INFORMATION:** On June 19, 1996, an NPRM was published in the Federal Register (61 FR 31065) to revise Class E airspace at Kirk Field, Paragould, AR. The intended effect of the proposal was to provide adequate Class E airspace to contain aircraft executing the NDB SIAP to RWY 04 at Kirk Field. After publication of the NPRM, a new NDB SIAP to RWY 22 was developed that also requires revision of the Class E airspace at Kirk Field. To avoid confusion and to revise the Class E airspace as a result of two new approaches at Kirk Field, the proposed rule is withdrawn.

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

Airspace, Incorporation by reference, Navigation (air).

#### The Withdrawal of Proposed Rule

Accordingly, pursuant to the authority delegated to me, Airspace Docket No. 96-ASW-10, as published in the Federal Register on June 19, 1996 (61 FR 31065), is withdrawn.

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

Issued in Fort Worth, TX on November 12, 1996.

Albert L. Viselli,

*Acting Manager, Air Traffic Division,  
Southwest Region.*

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## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Parts 1 and 5

#### Revised Procedures for Commission Review and Approval of Applications for Contract Market Designation and of Exchange Rules Relating to Contract Terms and Conditions

**AGENCY:** Commodity Futures Trading  
Commission.

**ACTION:** Proposed rulemaking.

**SUMMARY:** The Commodity Futures Trading Commission ("Commission") is proposing to amend its procedures relating to its review and approval of applications for contract market designation and proposed exchange rules relating to contract terms and conditions. These fast-track review procedures are intended further to streamline Commission review of applications for contract market designation and proposed exchange rule amendments of contract terms and conditions.

Specifically, the Commission is proposing a new rule 5.1, providing that exchanges which have already been designated as a contract market may request fast-track review for additional designation applications as an alternative to the current review procedures. Under proposed rule 5.1, applications for designation of certain cash-settled contracts will be deemed to be approved ten days after receipt, unless the exchange is notified otherwise. All other fast-track designation applications will be deemed to be approved, unless the exchange is notified otherwise, forty-five days after receipt.

The Commission also is proposing to amend rule 1.41 to provide an alternative fast-track review of proposed amendments to contract terms or conditions. Similar to the fast-track designation procedures, many categories of exchange rules relating to contract terms already are deemed to be approved ten days after receipt. The Commission is proposing that all other proposed exchange rules relating to contract terms be deemed to be approved forty-five days after receipt by the Commission, unless the exchange is

notified otherwise. Notification by the Commission that a contract application or proposed exchange rule relating to a contract term or condition may not be made effective will extend the applicable period for review for an additional thirty days.

**DATE:** Comments must be received by December 23, 1996.

**ADDRESS:** Comments should be mailed to the Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, attention: Office of the Secretariat; transmitted by facsimile at (202) 418-5521; or transmitted electronically at [secretary@cftc.gov]. Reference should be made to "Fast-track Designation and Rule Approval Procedures."

**FOR FURTHER INFORMATION CONTACT:** Paul M. Architzel, Chief Counsel, Division of Economic Analysis, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, (202) 418-5260, or electronically, [PArchitzel@cftc.gov].

#### SUPPLEMENTARY INFORMATION:

##### I. Statutory and Regulatory Requirements for Commission Designation of Proposed Contract Markets

The requirement that boards of trade meet specified conditions in order to be designated as contract markets has been a fundamental tool of federal regulation of commodity futures exchanges since the Futures Trading Act of 1921, Public Law No. 67-66, 42 Stat. 187 (1921).<sup>1</sup> Currently, the statutory requirements for designation are found in Sections 5 and 5a of the Commodity Exchange Act, 7 U.S.C. § 1 *et seq.* ("Act"), and additionally, for indexes of equities, in Section 2(a)(1)(B) of the Act. In the Commission's experience, problems of possible price manipulation, cornering or other market distortions are most readily avoided when the terms of a futures contract are properly designed, reflecting closely the underlying cash market. Thus, one of the most effective market surveillance tools has proven to

be prophylactic, close examination of the terms of a contract before it begins to trade.

In the absence of properly designed contract terms, damage to hedgers or industry pricing may result before corrections to the contract can be made. The impact of a market manipulation or other disruption in a newly introduced futures contract potentially could be far wider than the futures market itself, adversely affecting the underlying cash market, as well.<sup>2</sup> Correcting this type of problem after trading has already begun may require extraordinary measures such as emergency action. At a minimum, such an occurrence would probably result in diminished credibility for futures trading in that contract, and possibly for futures trading, generally.

The designation process yields important benefits by ensuring a mechanism for public input relating to contract design before trading commences. Thus, in addition to independently evaluating the proposal through its own research, Commission staff identifies and interviews knowledgeable trade sources regarding a proposed contract's terms. Moreover, a notice of the public availability of the terms of proposed contracts is published in the Federal Register along with a request for public comment. The proposed contract is also sent by the Commission to its sister agencies having a regulatory interest in the underlying commodity for analysis and possible comment. Not infrequently, this process has identified deficiencies in proposed contracts, many of them serious, which have been corrected before trading has begun. Exchanges have also determined with some frequency to modify proposed contracts in response to suggestions by Commission staff, other government agencies or the public.

The goals of the designation process are reflected in the Act's requirements that, to be designated, contract markets provide for delivery periods which will prevent market congestion (Section 5a(a)(4) of the Act); permit delivery on

<sup>2</sup> Section 3 of the Act recognizes the national interest in properly functioning futures markets, noting that

The prices involved in such transactions are generally quoted and disseminated throughout the United States and in foreign countries as a basis for determining the prices to the producer and the consumer of commodities and the products and byproducts thereof and to facilitate the movements thereof in interstate commerce. [P]rices of commodities on such boards of trade are susceptible to excessive speculation and can be manipulated, controlled, cornered or squeezed, to the detriment of the producer or the consumer \* \* \* rendering regulation imperative for the protection of such commerce and the national public interest therein.

<sup>1</sup> Designation as a contract market under the 1921 Act was contingent upon a board of trade's providing for the prevention of manipulative activity and the prevention of dissemination of false information, upon providing for certain types of recordkeeping, for admission into exchange membership of cooperative producer associations, and upon location of the contract market at a terminal cash market. See, §§ 5(a), (b), (c), (d) and (e) of the Future Trading Act of 1921. Although the constitutionality of this Act was successfully challenged as an improper use of the Congressional taxing power in *Hill v. Wallace*, 259 U.S. 44 (1922), all subsequent legislation regulating the futures industry was patterned after this statutory scheme.