floor member on the Exchange floor with a resultant Exchange print.

Failure to clear the post may result in a ''trade-through'' or ''trading ahead'' of other floor interest. In addition, failure to properly clear the post may result in a violation of the Exchange's Just and Equitable Trade Principles Rile (Article VIII, Rule 7) and a market maker rule that requires all market maker transactions to constitute a course of dealing reasonably calculated to contribute to the maintenance of a fair and orderly market (Article XXXIV, Rule 1). Failure to properly clear the post may also subject the violator to a minor rule violation under the Exchange's Minor Rule Violation Plan.

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

In its filing with the Commission, the self-regulatory organization 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 self-regulatory organization 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

The purpose of the proposed rule change is to codify the Exchange's existing clearing the post policies in the CHX Guide. The clearing the post policy will become an interpretation and policy of CHX Article XX, Rule 10. The Exchange's clearing the post policies are currently contained in several Notices to Members which had been approved by the Commission.[2] These Notices to Members, and their corresponding Approval Orders explain the Exchange's clearing the post requirements. No substantive change is being made to the clearing the post policy at this time.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b)(5) of the Act[3] in that it is designed to prevent fraudulent and manipulative acts and practices and to perfect the mechanism of a free and open market.

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

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

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

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

The foregoing rule change constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the Exchange pursuant to Section 19(b)(3)(A)[4] of the Act and subparagraph (e) of Rule 19b–4[5] thereunder. At any time within 60 days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. 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. Copies of the submissions, 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. 522, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CHX. All submissions should refer to File No. SR–CHX–97–30 and should be submitted by December 17, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[6]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–31017 Filed 11–25–97; 8:45 am]

BILLING CODE 8010–01–M

[2] Securities Exchange Act Release No. 33806 (March 23, 1994) 59 FR 15248 (Notice of Filing and Immediate Effectiveness of file No. SR–CHX–94–03); Securities Exchange Act Release No. 17766 (May 8, 1981) 46 FR 25745 (Order approving SR–MSE–81–3 and SR–MSE–81–5); and Securities Exchange Act Release No. 28638 (November 30, 1990) 55 FR 49731 (Order approving SR–MSE–90–7).

[3] 15 U.S.C. 78f(b)(5).

[4] 15 U.S.C. 78s(b)(3)(A).

[5] 17 CFR 240.19b–4(e).

[6] 17 CFR 200.30–3(a)(12).

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No. 28895]

Airport Privatization Pilot Program: Application Procedures

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of amendment to final application procedures; request for comments.

SUMMARY: Section 149 of the Federal Aviation Authorization Act of 1996 establishes an airport privatization pilot program, and authorizes the Department of Transportation to grant exemptions from certain Federal statutory and regulatory requirements for up to five airport privatization projects. On September 16, 1997, the FAA issued a notice of final procedures for application for an exemption under the program. The notice included a provision that air carriers that submitted a proposal for the private operation of an airport but were unsuccessful would not be counted as air carriers for the purpose of the requirement that certain aspects of the privatization application be approved by 65 percent of the air carriers at the airport. In this amendment to the procedures, the FAA is clarifying that the provision does not apply retroactively to requests for proposals issued prior to the issuance of the FAA procedures on September 16, 1997. With respect to future requests for proposals, the provision is suspended until the FAA undertakes further public process on this aspect of the procedures. A separate provision of the procedures, which states that an air carrier that is a *successful* bidder on a privatization proposal will not be considered an air carrier under the 65 percent rule, is not affected.

DATES: This policy amendment is effective on publication. Comments on the issue are due January 12, 1998.

ADDRESSES: Comments should be mailed, in quadruplicate, to: Federal Aviation Administration, Office of Chief Counsel, Attention: Rules Docket (AGC–200), Docket No. 28895, 800 Independence Avenue, SW., Washington, DC 20591. All comments must be marked: ''Docket No. 28895.'' Commenters wishing the FAA to acknowledge receipt of their comments must include a pre-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. 28895.'' The postcard will be date stamped and mailed to the commenter. Comments on this Notice may be examined in room 915G on weekdays, except on Federal holidays, between 8:30 a.m. and 5 p.m..

FOR FURTHER INFORMATION CONTACT: Benedict D. Castellano Manager, (202–267–8728) or Kevin C. Willis (202–267–8741) Airport Safety and Compliance Branch, AAS–310, Federal Aviation Administration, 800 Independence Ave. SW., Washington, DC 20591.

SUPPLEMENTARY INFORMATION:

Introduction and Background

This notice of amendment to application procedures to be used by applicants for an airport privatization project and request for comments is being published pursuant to § 149 of the Federal Aviation Administration Authorization Act of 1996, Pub. L. No. 104–264 (October 9, 1996) (1996 Reauthorization Act), which adds a new § 47134 to Title 49 of the U.S. Code. Section 47134 authorizes the Secretary of Transportation, and through delegation, the FAA Administrator, to exempt a sponsor of a public use airport that has received Federal assistance, from certain Federal requirements in connection with the privatization of the airport by sale or lease to a private party. Specifically, the Administrator may exempt the sponsor from all or part of the requirements to use airport revenues for airport-related purposes, to pay back a portion of Federal grants upon the sale of an airport, and to return airport property deeded by the Federal Government upon transfer of the airport. The Administrator is also authorized to exempt the private purchaser or lessee from the requirement to use all airport revenues for airport-related purposes, to the extent necessary to permit the purchaser or lessee to earn compensation from the operations of the airport.

On September 16, 1997, the FAA issued a notice of procedures to be used in applications for exemption under the Airport Privatization Pilot Program (62 FR 48693). The FAA has identified one issue in that notice that requires clarification.

Specifically, 49 U.S.C. § 47134(b)(1)(i)(ii) limits the exemption to permit the use of funds by the public airport sponsor for non-airport purposes, to amounts approved by 65 percent of the air carriers serving the airport and 65 percent of the air carriers by total landed weight of air carriers from the preceding calendar year. The same approval is required for increases in air carrier fees that exceed the increase in the Consumer Price Index. In interpreting this requirement, the FAA stated that the air carriers included in the calculation of the 65 percent would not include otherwise qualified air carriers that submitted proposals or that participate in consortia that submitted proposals for the privatization of the subject airport. This position was based on the consideration that the vote of such a carrier, whether or not it is the successful proponent, could be based on its interests as a proponent rather than its interests as a user of the airport and would not further the congressional objective of the 65 percent approval requirement.

On September 17, 1997, counsel for several Allegheny County Airport Part 135 operators filed comments arguing that the FAA had exceeded its authority by disqualifying otherwise qualified air carriers that submitted proposals or that participate in consortia that submitted proposals for the privatization of the subject airport from exercising their voting rights expressly granted in 49 U.S.C. Section 47134. The comments requested that the FAA delete provisions in question.

The comments argue that Congress did not intend for air carriers to lose their voting rights in the privatization process. The statute provides no basis for carrier exclusion or limitation other than the creation of the two classes, number serving the airport and percentage of landed weight. The comments further argue that the disqualification provision was issued in final notice without an opportunity for public comment and review. As a result, this provision violates the Administrative Procedure Act. Additionally, its application, retroactively is unlawful and a denial of due process. In the case of Part 135 operators at Allegheny County Airport, the provision would exclude many of the air carriers from exercising their voting rights under the statute because many of the air carriers responded to the airport's RFP without notice that doing so would jeopardize their voting rights under the statute.

After consideration of counsel's arguments, the FAA has decided to amend its application procedures and suspend the effectiveness of one provision. First, air carrier exclusion from the 65 percent approval rule based upon participation as a bidder in the privatization process will not be applied retroactively, i.e., to a solicitation issued before September 16, 1997, the date of the final notice, on the basis that this provision was not proposed for public comment and review. To impose it retroactively on carriers that participated in a bidding process prior to publication of the final procedures would inappropriately exclude them from exercising their voting rights without the benefit of notice of the adverse consequences of their participation as a bidder. Second, the FAA suspends indefinitely the provision in Part VI Certification of Air Carrier Approval (62 FR 48707) excluding otherwise qualified air carriers who submitted unsuccessful proposals as a private operator from participating in the voting process.

This provision was not proposed by the FAA and was not suggested in the **Federal Register** comment process. Moreover, it is not obvious that an unsuccessful bidder would give more weight to its interests as an unsuccessful bidder than its interests as an air carrier in deciding how to cast its vote.

In contrast, the proposal to exclude successful air carrier bidders from participation in the voting process was proposed in a comment in the **Federal Register** process, and the September 17 comments do not oppose such an exclusion. Moreover, the potential conflict of interest for a successful bidder is clear.

The FAA is suspending the provision, rather than deleting it, because we believe that the issue deserves further public comment before a final decision is made. We are therefore, providing a 45-day comment period to permit interested persons to address specifically the issue of whether otherwise qualified air carriers should be disqualified from participating in the statutory voting process because of their participation as unsuccessful bidders in a privatization proposal.

Pending further action, the FAA will exclude from the air carrier voting process only otherwise qualified air carriers that have been selected as the private operator (either individually or as a participant in a consortium) by the public agency.

Issued in Washington, DC, on November 20, 1997.

Susan L. Kurland,

Associate Administrator for Airports.

[FR Doc. 97–31106 Filed 11–25–97; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

RTCA, Inc., Special Committee 186; Automatic Dependent Surveillance—Broadcast (ADS–B)

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (P.L. 92–463, 5 U.S.C., Appendix 2), notice is hereby given for Special Committee 186 meeting to be held December 15–19, 1997, starting at 9:00 a.m. on Monday, December 15. The meeting will be held at RTCA, Inc., 1140 Connecticut Avenue, N.W., Suite 1020, Washington, D.C. 20036.

The agenda will include: (1) Chairman's Introductory Remarks/ Review of Meeting Agenda; (2) Review and Approval of Minutes of the Previous Meeting; (3) Response to SICASP Paper Concerning the Use of ADS–B Information for Collision Avoidance; (4) Editorial Committee Report; (5) Review of work accomplished during the meeting on September 29–October 2, 1997, and continuation of the ballot review and approval of the ADS–B MASPS (Only written comments will be considered); (6) Other Business; (7) Date and Place of Next Meeting. (At the conclusion of the plenary meeting, the 1090 MHz MOPS drafting group will meet for the remainder of the week.)

Attendance is open to the interested public but limited to space availability. With the approval of the chairman, members of the public may present oral statements at the meeting. Persons wishing to present statements or obtain information should contact the RTCA Secretariat, 1140 Connecticut Avenue, N.W., Suite 1020, Washington, DC, 20036; (202) 833–9339 (phone); (202) 833–9434 (fax); or http://www.rtca.org (web site). Members of the public may present a written statement to the committee at any time.

Issued in Washington, DC, on November 18, 1997.

Janice L. Peters,

Designated Official.

[FR Doc. 97–31076 Filed 11–25–97; 8:45 am]

BILLING CODE 6560–50–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Intent to Rule on Application (#98–04–C–00–MFR) to Impose and Use the Revenue From a Passenger Facility Charge (PFC) at Rogue Valley International-Medford Airport, Submitted by Jackson County, Medford, Oregon

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of intent to rule on application.

SUMMARY: The FAA proposes to rule and invites public comment on the application to impose and use PFC revenue at Rogue Valley International-Medford Airport under the provisions of 49 U.S.C. 40117 and part 158 of the Federal Aviation Regulations (14 CFR 158).

DATES: Comments must be received on or before December 26, 1997.

ADDRESSES: Comments on this application may be mailed or delivered in triplicate to the FAA at the following address: J. Wade Bryant, Manager; Seattle Airports District Office, SEA–ADO; Federal Aviation Administration; 1601 Lind Avenue SW, Suite 250; Renton, WA 98055–4056.

In addition, one copy of any comments submitted to the FAA must be mailed or delivered to Mr. Bern E. Case, A.A.E., Airport Director, at the following address: 3650 Biddle Road, Medford, OR 97504.

Air Carriers and foreign air carriers may submit copies of written comments previously provided to Rogue Valley International-Medford Airport, under section 158.23 of part 158.

FOR FURTHER INFORMATION CONTACT: Ms. Mary E. Vargas, (425) 227–2660; Seattle Airports District Office, SEA–ADO; Federal Aviation Administration; 1601 Lind Avenue SW, Suite 250; Renton, WA 98055–4056. The application may be reviewed in person at this same location.

SUPPLEMENTARY INFORMATION: The FAA proposes to rule and invites public comment on the application (#98–04–C–00–MFR) to impose and use PFC revenue at Rogue Valley International-Medford Airport, under the provisions of 49 U.S.C. 40117 and part 158 of the Federal Aviation Regulations (14 CFR part 158).

On November 19, 1997, the FAA determined that the application to impose and use the revenue from a PFC submitted by Jackson County, Rogue Valley International-Medford Airport, Medford, Oregon, was substantially complete within the requirements of § 158.25 of Part 158. The FAA will approve or disapprove the application, in whole or in part, no later than February 17, 1998.

The following is a brief overview of the application.

Level of the proposed PFC: $3.00.

Proposed charge effective date: March 1, 1998.

Proposed charge expiration date: March 1, 2001.

Total requested for use approval: $1,540,000.00.

Brief description of proposed project: Security fencing; Master plan update/ terminal area study; Jet blast fence; GA parking apron immediately NW of main terminal.

Class or classes of air carriers which the public agency has requested not be required to collect PFC's: Air Taxi/ Commercial Operators when enplaning revenue passengers in limited, irregular, special service air taxi/commercial operations such as air ambulance services, student instruction, non-stop sightseeing flights that begin and end at the airport and are conducted within 25 mile radius of the airport.

Any person may inspect the application in person at the FAA office listed above under **FOR FURTHER INFORMATION CONTACT** and at the FAA Regional Airports Office located at: Federal Aviation Administration, Northwest Mountain Region, Airports Division, ANM–600, 1601 Lind Avenue S.W., Suite 540, Renton, WA 98055–4056.

In addition, any person may, upon request, inspect the application, notice and other documents germane to the application in person at the Rogue Valley International-Medford Airport.

Issued in Renton, Washington, on November 19, 1997.

George K. Saito,

Acting Manager, Planning, Programming and Capacity Branch, Northwest Mountain Region.

[FR Doc. 97–31077 Filed 11–25–97; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Intent To Rule on Application (#98–01–C–00–SGU) To Impose a Passenger Facility Charge (PFC) and Use the Revenue From a PFC at St. George Municipal Airport, Submitted by the City of St. George, St. George, Utah

AGENCY: Federal Aviation Administration (FAA), DOT.