

listing bid price requirement from \$3 to \$1 for those issuers qualifying for continued listing based on the market value of listed securities or total assets and total revenue, as set forth in NASD Rule 4450(b).¹⁰ Nasdaq does not believe that any material additional protection is afforded to investors as a result of the \$3 bid price requirement. Further, investors and issuers are often confused by the dual price requirements. Nasdaq notes that no other marketplace has such a dual price requirement, and there are only about 40 issuers currently subject to the \$3 bid price requirement.

2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act¹¹ in that it is designed to prevent fraudulent and manipulative acts and practices, and to protect investors and the public interest. As previously mentioned, Nasdaq is proposing this rule change to allow issuers additional time to comply with the bid price requirements if they demonstrate compliance with heightened financial standards. Under the proposed pilot, issuers meeting heightened standards will have additional time to execute business and compliance plans, which Nasdaq states will minimize disruption to investors and provide greater transparency and consistency.

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

Nasdaq does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments were neither solicited nor received.

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

Nasdaq asserts that the proposed rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act¹² and paragraph (f)(6) of Rule 19b-4 thereunder,¹³ because the proposed rule change: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and

(3) does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.¹⁴ Nasdaq asserts that the proposed rule change does not alter the \$1 minimum bid price requirement, but merely extends the existing compliance periods applicable to this requirement. Nasdaq believes that the proposed compliance periods are generally comparable to, or more stringent than, those available on other marketplaces and already approved by the Commission.¹⁵ Nasdaq further states that the proposal to change the National Market continued listing bid price requirement from \$3 to \$1 for those issuers qualifying for continued listed under NASD Rule 4450(b) is comparable to, or more stringent than, bid price requirements currently existing on other markets and already approved by the Commission.¹⁶

Nasdaq has requested that the Commission waive the 30-day period, which would make the rule operative immediately. The Commission finds that it is consistent with the protection of investors and the public interest to waive the 30-day pre-operative period in this case.¹⁷ The Commission believes that no purpose would be served by having 30 days pass before the rule becomes operative because, issuers and investors could become confused as to which grace periods applied during the intervening period. Allowing the rule to become operative immediately will allow Nasdaq to explain its bid price standards more clearly to issuers that might have need of the grace period.

At any time within 60 days of this filing, the Commission may summarily abrogate this proposal if it appears to

¹⁴ In addition, Nasdaq complied with the requirement in Rule 19b-4(f)(6) that the self-regulatory organization give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of such proposed rule change, or such shorter time as designated by the Commission.

¹⁵ Nasdaq states that the proposed compliance period for the Nasdaq National Market is similar to the existing compliance period available on the New York Stock Exchange ("NYSE"). See NYSE Rule 802.01C. Nasdaq also states that the proposed compliance period for the Nasdaq SmallCap Market is more stringent than the American Stock Exchange ("Amex") listing standards, which do not have a specific minimum price requirement or compliance period. See Amex Rule 1003(f)(v).

¹⁶ The proposed \$1 bid price is the same as the NYSE continued listing requirement. See NYSE Rule 802.01C. As noted above, Amex does not have this requirement.

¹⁷ For purposes only of accelerating the operative date of this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 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 NASD. All submissions should refer to File No. SR-NASD-2003-34 and should be submitted by April 7, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁸

Margaret H. McFarland,
Deputy Secretary.

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DEPARTMENT OF STATE

[Public Notice-4310]

60-Day Notice of Proposed Information Collection: Form DS-4024, American Citizens Services Internet Based Registration Service (IBRS); OMB Control Number 1405-XXXX

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collection described below. The purpose of this notice is to allow 60 days for public comment in the **Federal Register** preceding submission to OMB. This process is conducted in accordance with the Paperwork Reduction Act of 1995.

¹⁸ 17 CFR 200.30-3(a)(12).

¹⁰ This proposal is not part of the pilot program discussed above.

¹¹ 15 U.S.C. 78o-3(b)(6).

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(6).