section. A priority rating will be assigned to each preapplication. Preapplications selected for funding will be based on the priority rating assigned each preapplication and the total funds available. All preapplications submitted for funding should contain sufficient information to permit RBS to complete a thorough priority rating.

§ 4284.541 Grant approval, fund obligation, grant closing, and third-party financial assistance.

The grantee will execute all documents required by RBS to make a grant under this subpart.

§§ 4284.542-4284.556 [Reserved].

§ 4284.557 Fund disbursement.

Grants will be disbursed as follows: (a) A "Request for Advance or Reimbursement" will be completed by the applicant and submitted to Rural Development not more frequently than monthly. Payments will be made by electronic funds transfer pursuant to the Debt Collection Improvement Act of 1996 (Pub. L. 104-134).

(b) The grantee's share in the cost of the project will be disbursed in advance of grant funds or on a pro-rata distribution basis with grant funds during the disbursement period. The grantee may not provide its contribution at the end of the grant period.

§ 4284.558 Reporting.

A "Financial Status Report" and a project performance activity report will be required of all grantees on a quarterly calendar basis. A final project performance report will be required with the last Financial Status Report. The final report may serve as the last quarterly report. The final report must include a final evaluation of the project. Grantees must constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. Grantees are to submit an original of each report to Rural Development. The project performance reports shall include, but not be limited to, the following:

- (a) A comparison of actual accomplishments to the objectives established for that period;
- (b) Reasons why established objectives (if any) were not met;
- (c) Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This

disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and

(d) Objectives and timetable established for the next reporting period.

§§ 4284.559—4284.570 [Reserved]

§ 4284.571 Audit requirements.

The grantee will provide an audit report in accordance with § 1942.17 of this title. Audits must be prepared in accordance with general accounting principles and standards using the publication, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions."

§ 4284.572 Grant servicing.

Grants will be serviced in accordance with part 1951, subpart E of this title.

§ 4284.573 Programmatic changes.

The grantee shall obtain prior approval for any change to the scope or objectives of the approved project. Failure to obtain prior approval of changes to the scope or budget can result in suspension or termination of grant funds.

§ 4284.574 Subsequent grants.

Subsequent grants will be processed in accordance with the requirements set forth in this subpart. Cooperative development projects receiving assistance under this program will be evaluated one year after assistance is received. If it is determined to be in the best interests of the program, preference may be given to a project or projects for an additional grant in the immediately succeeding year.

§ 4284.575 Grant suspension, termination, and cancellation.

Grants may be canceled by RBS by written notice. Grants may be suspended or terminated for cause or convenience in accordance with 7 CFR parts 3015 and 3019, as applicable.

§§ 4284.576—4284.586 [Reserved]

§ 4284.587 Exception authority.

The Administrator may, in individual cases, make an exception to any requirement or provision of this subpart if the Administrator determines that application of the requirement or provision would adversely affect U.S. Department of Agriculture interest.

§§ 4284.588—4284.599 [Reserved]

§ 4284.600 OMB control number.

The information collection requirements contained in this regulation have been approved by the Office of Management and Budget

(OMB) and have been assigned OMB control number 0575-0006. You are not required to respond to this collection of information unless it displays a valid OMB control number.

Dated: March 17, 1997.

Jill Long Thompson,

Under Secretary, Rural Development. [FR Doc. 97-7743 Filed 3-25-97; 8:45 am]

BILLING CODE 3410-XY-U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96-CE-51-AD]

RIN 2120-AA64

Airworthiness Directives; Mooney Aircraft Corporation Models M20F. M20J, and M20L Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking

(NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to Mooney Aircraft Corporation (Mooney) Models M20F, M20J, and M20L airplanes. The proposed action would require removing the fuel cap retaining lanyard from the fuel filler cap assemblies. A report of lost engine power during flight because of fuel starvation prompted the proposed action. The investigation revealed that the airplane fuel float became trapped by the fuel cap retaining lanyard, keeping the float from following the fuel level. This condition caused the pilot to get a false fuel quantity reading. The actions specified by the proposed AD are intended to prevent loss of engine power and fuel depletion during flight caused by a false fuel gauge reading.

DATES: Comments must be received on or before May 30, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 96-CE-51-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from Mooney Aircraft Corporation, Louis Schreiner Field, Kerrville, Texas 78028. This information also may be examined at the Rules Docket at the address above. FOR FURTHER INFORMATION CONTACT: Ms. Alma Ramirez-Hodge, Aerospace Engineer, FAA, Fort Worth Airplane Certification Office, 2601 Meacham Boulevard, Fort Worth, Texas 76193–0150; telephone (817) 222–5147; facsimile (817) 222–5960.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. 96–CE–51–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 96–CE–51–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Events Leading to the Proposed Action

The FAA received a report of an incident where a Mooney Model M20J airplane lost engine power during flight because of fuel starvation. The pilot noted that the fuel gauge indicated the tank was half full before the engine quit. The pilot switched fuel tanks, re-started the engine, and the airplane landed without further incident. Subsequent investigation of the incident revealed that after fueling the airplane, the fuel cap retaining lanyard trapped the

outboard float, preventing the float from following the fuel level downward. As a result, the fuel gauge showed the tank as half full of fuel when the tank was actually empty. The fuel cap lanyard and tank float design is the same for all Mooney Models M20F, M20J, and M20L airplanes.

Related Service Information

Mooney Aircraft has issued service bulletin M20–259, Issue Date: September 1, 1996, which specifies removing the lanyard from the fuel cap assembly.

Explanation of the Provisions of the Proposed Action

After examining the circumstances and reviewing all available information related to the incident described above, the FAA has determined that AD action should be taken to prevent loss of engine power and fuel depletion during flight caused by a false fuel gauge reading.

Since an unsafe condition has been identified that is likely to exist or develop in other Mooney Models M20F, M20J, and M20L airplanes of the same type design, the proposed AD would require removing the lanyard (nylon type material) from the fuel cap assembly.

Cost Impact

The FAA estimates that 2,526 airplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 1 workhour per airplane to accomplish the proposed action, and that the average labor rate is approximately \$60 an hour. There are no parts to include in this cost estimate. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be \$151,560 or \$60 per airplane. The FAA has no way to determine how many owners/ operators have accomplished this action, and would assume that no operator has accomplished this action.

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (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) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption ADDRESSES.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 USC 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding a new airworthiness directive (AD) to read as follows:

Mooney Aircraft Corporation: Docket No. 96–CE–51–AD.

Applicability: The following Models and serial numbered airplanes, certificated in any category.

Models	Serial numbers
M20F M20J M20L	All serial numbers. 24–0001 through 24–3381. 26–0001 through 26–0041.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (c) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required within the next 50 hours time-in-service (TIS) after the effective date of this AD, unless already accomplished.

To prevent loss of engine power and fuel depletion during flight caused by a false fuel gauge reading, accomplish the following:

- (a) Remove the lanyard (nylon type material) from the left-hand (LH) and righthand (RH) fuel filler cap assembly in accordance with the INSTRUCTIONS section of Mooney Aircraft Corporation Service Bulletin M20–259, Issue Date: September 1,
- (b) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.
- (c) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Fort Worth Airplane Certification Office, 2601 Meacham Boulevard, Fort Worth, Texas 76193-0150. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Fort Worth Airplane Certification Office.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Fort Worth Airplane Certification Office.

(d) All persons affected by this directive may obtain copies of the document referred to herein upon request to Mooney Aircraft Corporation, Louis Schreiner Field, Kerrville, Texas, 78028; or may examine this document at the FAA, Central Region, Office of the Assistant Chief Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on March 20, 1997.

Larry E. Werth,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 97-7679 Filed 3-25-97; 8:45 am] BILLING CODE 4910-13-U

14 CFR Part 39

[Docket No. 96-NM-182-AD]

RIN 2120-AA64

Airworthiness Directives; Airbus Industrie Model A300-600 Series **Airplanes**

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking

(NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Airbus Industrie Model A300-600 series airplanes. This proposal would require repetitive eddy current inspections to detect cracks of the outer

skin of the fuselage at certain frames, and repair or reinforcement of the structure at the frames, if necessary. This proposal also would require eventual reinforcement of the structure at certain frames, which, when accomplished, terminates the repetitive inspections. This proposal is prompted by a report indicating that fatigue cracks were found in the area of certain frames. The actions specified by the proposed AD are intended to prevent such fatigue cracking, which could reduce the structural integrity of the airframe and result in rapid decompression of the airplane.

DATES: Comments must be received by May 5, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 96-NM-182-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Tim Backman, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (206) 227-2797; fax (206) 227-1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by

interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 96–NM–182–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103. Attention: Rules Docket No. 96-NM-182-AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

The Direction Generale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, recently notified the FAA that an unsafe condition may exist on certain Model A300-600 series airplanes. The DGAC advises that, during inspection of inservice Model A300 series airplanes, fatigue cracks were found after 18,000 flight cycles in the area of frames 28A and 30A, at left and right-hand stringer 30. Fatigue cracking in this area of the fuselage could reduce the structural integrity of the airframe and result in rapid decompression of the airplane.

Explanation of Relevant Service Information

Airbus has issued Service Bulletin A300-53-6045, dated March 21, 1995, as revised by Change Notice No. O.A., dated June 1, 1995, which describes procedures for repetitive eddy current inspections to detect cracks of the outer skin of the fuselage at frames 28A and 30A above stringer 30, and repair or reinforcement of the structure of the frames, if necessary.

Airbus also has issued Service Bulletin A300-53-6037, dated March 21, 1995, which describes procedures for reinforcement of the structure at frames 28 and 29, and frames 30 and 31, between stringers 29 and 30. Accomplishment of the reinforcement will limit the risk of cracking in these areas. Such reinforcement eliminates the need for the repetitive inspections.

The DGAC classified Airbus Service Bulletin A300-53-6045 as mandatory and issued French airworthiness directive (C/N) 95-244-191(B), dated December 6, 1995, in order to assure the continued airworthiness of these airplanes in France. The DGAC