

Bulletin SB07–28–01, Revision 1, dated September 22, 2011.

(2) *For Group 3 and Group 4 Airplanes:* Within the next 100 hours TIS after March 13, 2012 (the effective date of this AD) or within the next 12 months after March 13, 2012 (the effective date of this AD), whichever occurs first, inspect the fuel return line assembly (Cessna P/N 0500118–49) for chafing. Do the inspection following Cessna Service Bulletin SB07–28–01, Revision 1, dated September 22, 2011.

(h) Replacement Requirement Retained From AD 2008–03–02, Amendment 39–15351 (73 FR 5737, January 31, 2008)

For All Airplanes: Before further flight after the inspection required in paragraph (g)(1) or (g)(2) of this AD where evidence of chafing was found, replace the fuel return line assembly (Cessna P/N 0500118–49). Do the replacement following Cessna Service Bulletin SB07–28–01, dated June 18, 2007; or Cessna Service Bulletin SB07–28–01, Revision 1, dated September 22, 2011.

(i) Inspection and Adjustment Requirement Retained From AD 2008–03–02, Amendment 39–15351 (73 FR 5737, January 31, 2008)

For All Airplanes: Before further flight after the inspection required in paragraph (g)(1) or (g)(2) of this AD if no chafing is found or after the replacement required in paragraph (h) of this AD, whichever of the previous situations applies, inspect for a minimum clearance of 0.5 inch between the following parts throughout the entire range of copilot rudder pedal travel. If less than 0.5 inch clearance is found, before further flight, adjust the clearance. Follow paragraph 6 of the Instructions section of Cessna Service Bulletin SB07–28–01, dated June 18, 2007; or Cessna Service Bulletin SB07–28–01, Revision 1, dated September 22, 2011. This AD requires a minimum clearance of 0.5 inch. The requirements of this AD take precedence over the actions required in the service information.

- (1) The fuel return line assembly (Cessna P/N 0500118–49) and the steering tube assembly (Cessna P/N MC0543022–2C); and
- (2) The fuel return line assembly (Cessna P/N 0500118–49) and the airplane structure.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Wichita Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in the Related Information section of this AD.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Related Information

For more information about this AD, contact Trenton Shepherd, Aerospace Engineer, Wichita ACO, FAA, 1801 Airport

Road, Room 100, Wichita, Kansas 67209; phone: (316) 946–4143; fax: (316) 946–4107; email: trent.shepherd@faa.gov.

(l) Material Incorporated by Reference

(1) You must use the following service information to do the actions required by this AD, unless the AD specifies otherwise. The Director of the Federal Register approved the incorporation by reference (IBR) under 5 U.S.C. 552(a) and 1 CFR part 51 of the following service information:

(i) Cessna Service Bulletin SB07–28–01, Revision 1, dated September 22, 2011, approved for IBR March 13, 2012.

(ii) Cessna Service Bulletin SB07–28–01, dated June 18, 2007, approved for IBR March 6, 2008 (73 FR 5737, January 31, 2008)

(2) For service information identified in this AD, contact Cessna Aircraft Company, Product Support, P.O. Box 7706, Wichita, KS 67277; telephone: (316) 517–6000; fax: (316) 517–8500; email: Customercare@cessna.textron.com; Internet: <http://www.cessna.com>.

(3) You may review copies of the service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329–4148.

(4) You may also review copies of the service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call (202) 741–6030, or go to: http://www.archives.gov/federal-register/cfr/ibr_locations.html.

Issued in Kansas City, Missouri, on January 18, 2012.

Earl Lawrence,

Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2012–1451 Filed 2–6–12; 8:45 am]

BILLING CODE 4910–13–P75

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9574]

RIN 1545–BK64

Application for Recognition as a 501(c)(29) Organization

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Temporary regulations.

SUMMARY: This document contains temporary regulations authorizing the IRS to prescribe the procedures by which certain entities may apply to the IRS for recognition of exemption from Federal income tax. These regulations affect qualified nonprofit health insurance issuers, participating in the Consumer Operated and Oriented Plan

program established by the Centers for Medicare and Medicaid Services, that seek exemption from Federal income tax under the Internal Revenue Code. The text of the temporary regulations also serves as the text of the proposed regulations set forth in the notice of proposed rulemaking on this subject in the Proposed Rules section in this issue of the **Federal Register**.

DATES: *Effective Date:* These regulations are effective on February 7, 2012.

Applicability Date: For date of applicability, see § 1.501(c)(29)–1T(c).

FOR FURTHER INFORMATION CONTACT:

Amy Franklin or Martin Schäffer, (202) 622–6070 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

Section 501(c)(29) of the Internal Revenue Code (Code) provides requirements for tax exemption under section 501(a) for qualified nonprofit health insurance issuers (QNHIs). Section 501(c)(29) was added to the Code by section 1322(h)(1) of the Patient Protection and Affordable Care Act (Affordable Care Act), Public Law 111–148 (March 23, 2010).

Section 1322 of the Affordable Care Act directs the Centers for Medicare and Medicaid Services (CMS) to establish the Consumer Operated and Oriented Plan (CO–OP) program. The purpose of the CO–OP program is to foster the creation of member-governed QNHIs that will operate with a strong consumer focus and offer qualified health plans in the individual and small group markets. CMS will provide loans and repayable grants (collectively, loans) to organizations applying to become QNHIs, to help cover start-up costs and meet any solvency requirements in States in which the organization is licensed to issue qualified health plans. A Funding Opportunity Announcement for the CO–OP program (CFDA Number 93.545), published by CMS on July 28, 2011 (and amended on September 16, 2011), provides that for each loan the appropriate CMS official will issue a Notice of Award and Loan Agreement to the QNHII. In addition, the Chief Executive Officer of the QNHII, or an officer of the QNHII's Board of Directors, must sign and return the Loan Agreement to CMS. On December 13, 2011, CMS issued final regulations implementing the CO–OP program at 76 FR 77392.

The CMS final regulations define a QNHII as an entity that, within specified time frames, satisfies or can reasonably be expected to satisfy the standards in section 1322(c) of the Affordable Care Act and in the CMS final regulations.

The entity will constitute a QNHII until such time as CMS determines the entity does not satisfy or cannot reasonably be expected to satisfy these standards. Section 1322(c) of the Affordable Care Act imposes a number of requirements, including that a QNHII be organized as a nonprofit member corporation under State law and that substantially all its activities consist of the issuance of qualified health plans in the individual and small group markets in each State in which it is licensed to issue such plans.

Section 501(c)(29)(A) of the Code provides that a QNHII (within the meaning of section 1322(c) of the Affordable Care Act) which has received a loan or grant under the CO-OP program may be recognized as exempt from taxation under section 501(a), but only for periods for which the organization is in compliance with the requirements of section 1322 of the Affordable Care Act and of any loan or grant agreement with the Secretary of Health and Human Services. Section 501(c)(29)(B) provides that a QNHII will not qualify for tax-exemption unless it meets four additional requirements. First, the QNHII must give notice to the Secretary of the Treasury, in such manner as the Secretary may by regulations prescribe, that it is applying for recognition of exemption as an organization described in section 501(c)(29). Second, no part of the QNHII's net earnings may inure to the benefit of any private shareholder or individual, except to the extent permitted by section 1322(c)(4) of the Affordable Care Act (which requires that any profits be used to lower premiums, to improve benefits, or for other programs intended to improve the quality of health care delivered to the organization's members). Third, no substantial part of the QNHII's activities may consist of carrying on propaganda, or otherwise attempting, to influence legislation. Finally, the QNHII may not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office. As required by section 1322(b)(2)(C)(iii) of the Affordable Care Act, CMS must notify the IRS of any determination of a failure to comply with the CO-OP program standards, including any loan agreement, that may affect a QNHII's tax-exempt status under section 501(c)(29) of the Code.

The IRS issued Notice 2011-23, 2011-13 IRB 588 (March 10, 2011) (see § 601.601(d)(2)(ii)(b) of this chapter), which addresses the requirements for tax exemption for QNHIIs described in

section 501(c)(29). The Notice provides guidance on the annual filing requirement for QNHIIs that intend to apply for recognition of exempt status under section 501(c)(29). The Notice also states that the Treasury Department and the IRS intend to recognize a QNHII that has received a loan or grant under the CO-OP program as exempt effective from the later of the date of its formation or March 23, 2010, provided that the organization's purposes and activities have been consistent with the requirements for exemption since that date. In addition, the Notice states that the IRS intends to issue a revenue procedure explaining how and when a QNHII may apply for recognition of exempt status as an organization described in section 501(c)(29).

Under the authority provided by these temporary regulations, the Treasury Department and the IRS are issuing a revenue procedure regarding the application for recognition of exemption as an organization described in section 501(c)(29). The revenue procedure will provide that a substantially completed application for recognition of exemption under section 501(c)(29) must include a copy of both the Notice of Award issued by CMS and the fully executed Loan Agreement with CMS.

Explanation of Provisions

Section 501(c)(29)(B)(i) provides that a QNHII which has received a loan through the CO-OP program may be recognized as exempt from taxation under section 501(a) only if, among other things, the QNHII gives notice to the IRS, in such manner as the Secretary may by regulations prescribe, that it is applying for recognition as an organization described in section 501(c)(29). These temporary regulations provide that the Commissioner has the authority to prescribe the application procedures that a QNHII seeking such recognition must follow. These temporary regulations expressly authorize the Commissioner to recognize a QNHII as exempt effective as of a date prior to the date of its application, provided that the application is submitted in the manner and within the time prescribed by the Commissioner and the QNHII's prior purposes and activities were consistent with the requirements for exempt status under section 501(c)(29).

Special Analyses

It has been determined that this Treasury Decision is not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory

assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply. For the applicability of the Regulatory Flexibility Act (5 U.S.C. chapter 6), refer to the Special Analyses section of the preamble to the cross-referenced notice of proposed rulemaking published in the Proposed Rules section of this issue of the **Federal Register**. Pursuant to section 7805(f) of the Code, this regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comments regarding its impact on small businesses.

Drafting Information

The principal authors of these regulations are Amy Franklin and Martin Schäffer of the Office of Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities), although other persons in the IRS and the Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Amendments to the Regulations

Accordingly, 26 CFR part 1 is amended as follows:

PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 is amended by adding an entry in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

Section 1.501(c)(29)-1T also issued under 26 U.S.C. 501(c)(29)(B)(i). * * *

■ **Par. 2.** Section 1.501(c)(29)-1T is added to read as follows:

§ 1.501(c)(29)-1T CO-OP Health Insurance Issuers (temporary).

(a) *Organizations must notify the Commissioner that they are applying for recognition of section 501(c)(29) status.* An organization will not be treated as described in section 501(c)(29) unless the organization has given notice to the Commissioner that it is applying for recognition as an organization described in section 501(c)(29) in the manner prescribed by the Commissioner in published guidance.

(b) *Effective date of recognition of section 501(c)(29) status.* An organization may be recognized as an organization described in section 501(c)(29) as of a date prior to the date of the notice required by paragraph (a) of this section if the notice is given in the manner and within the time

prescribed by the Commissioner and the organization's purposes and activities prior to giving such notice were consistent with the requirements for exempt status under section 501(c)(29). However, an organization may not be recognized as an organization described in section 501(c)(29) before the later of its formation or March 23, 2010.

(c) *Effective/applicability date.*

Paragraphs (a) and (b) of this section are effective on February 7, 2012.

(d) *Expiration date.* The applicability of this section expires on February 6, 2015.

Steven T. Miller

Deputy Commissioner for Services and Enforcement.

Approved: January 26, 2012.

Emily S. McMahon,

Acting Assistant Secretary of the Treasury.

[FR Doc. 2012-2338 Filed 2-6-12; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Parts 100, 117, 147, and 165

[USCG-2012-0062]

Quarterly Listings; Safety Zones, Security Zones, Special Local Regulations, Drawbridge Operation Regulations and Regulated Navigation Areas

AGENCY: Coast Guard, DHS.

ACTION: Notice of expired temporary rules issued.

SUMMARY: This document provides required notice of substantive rules issued by the Coast Guard and that were made temporarily effective between May 2011 and November 2011, and that expired before they could be published in the **Federal Register**. This notice lists temporary safety zones, security zones, special local regulations, drawbridge operation regulations and regulated navigation areas, all of limited duration and for which timely publication in the **Federal Register** was not possible.

DATES: This document lists temporary Coast Guard rules between May 1, 2011, and November 15, 2011, that became effective and were terminated before they could be published in the **Federal Register**.

ADDRESSES: The Docket Management Facility maintains the public docket for this notice. Documents indicated in this notice will be available for inspection or copying at the Docket Management Facility (M-30), U.S. Department of Transportation, West Building ground floor, room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590 between 9 a.m. and 5 p.m., Monday through Friday, except federal holidays.

FOR FURTHER INFORMATION CONTACT: For questions on this notice contact Yeoman First Class Marcus Hyde, Office of Regulations and Administrative Law, telephone (202) 372-3862. For questions on viewing, or on submitting material to the docket, contact Renee V. Wright, Program Manager, Docket Operations, telephone (202) 366-9826.

SUPPLEMENTARY INFORMATION: Coast Guard District Commanders and Captains of the Port (COTP) must be immediately responsive to the safety and security needs within their jurisdiction; therefore, District Commanders and COTPs have been delegated the authority to issue certain local regulations. *Safety zones* may be established for safety or environmental purposes. A safety zone may be stationary and described by fixed limits or it may be described as a zone around a vessel in motion. *Security zones* limit access to prevent injury or damage to vessels, ports, or waterfront facilities. *Special local regulations* are issued to enhance the safety of participants and spectators at regattas and other marine events. *Drawbridge operation regulations* authorize changes to drawbridge schedules to accommodate bridge repairs, seasonal vessel traffic, and local public events. *Regulated Navigation Areas* are water areas within a defined boundary for which regulations for vessels navigating within the area have been established by the regional Coast Guard District Commander.

Timely publication of these rules in the **Federal Register** is often precluded when a rule responds to an emergency, or when an event occurs without sufficient advance notice. The affected public is, however, often informed of these rules through Local Notices to Mariners, press releases, and other means. Moreover, actual notification is provided by Coast Guard patrol vessels enforcing the restrictions imposed by the rule. Because **Federal Register** publication was not possible before the end of the effective period, mariners were personally notified of the contents of these safety zones, security zones, special local regulations, regulated navigation areas or drawbridge operation regulations by Coast Guard officials on-scene prior to any enforcement action. However, the Coast Guard, by law, must publish in the **Federal Register** notice of substantive rules adopted. To meet this obligation without imposing undue expense on the public, the Coast Guard periodically publishes a list of these temporary safety zones, security zones, special local regulations, regulated navigation areas and drawbridge operation regulations. Permanent rules are not included in this list because they are published in their entirety in the **Federal Register**. Temporary rules are also published in their entirety if sufficient time is available to do so before they are placed in effect or terminated. The temporary rules listed in this notice have been exempted from review under Executive Order 12666, Regulatory Planning and Review, because of their emergency nature, or limited scope and temporary effectiveness.

The following unpublished rules were placed in effect temporarily during the period between May 1, 2011 and November 15, 2011 unless otherwise indicated. To view copies of these rules, visit www.regulations.gov and search by the docket number indicated in the list below.

Dated: January 30, 2012.

K.A. Sinniger,

Chief, Office of Regulations and Administrative Law.

3RD-4TH QUARTER 2011 LISTING

| Docket No. | Location | Type | Effective date |
|----------------------|-----------------------|---|----------------|
| USCG-2011-0062 | Mobile, AL | Safety Zone (Part 165) | 9/1/2011 |
| USCG-2011-0191 | Chicago, IL | Safety Zone (Part 165) | 8/5/2011 |
| USCG-2011-0228 | Chicago, IL | Safety Zone (Part 165) | 7/18/2011 |
| USCG-2011-0249 | Greenville, MS | Safety Zone (Part 165) | 7/4/2011 |
| USCG-2011-0285 | Little Rock, AR | Special Local Regulation (Part 100) | 6/4/2011 |
| USCG-2011-0319 | Rhode Island | Safety Zone (Part 165) | 6/23/2011 |
| USCG-2011-0353 | Brookings, OR | Safety Zone (Part 165) | 7/18/2011 |