Smaller Enterprise has the meaning set forth in § 107.710.

* * * * *

3. Section 107.710 is revised to read as follows:

§ 107.710 Requirement to Finance Smaller Enterprises.

Your Portfolio must include Financings to Smaller Enterprises.

(a) *Definition of Smaller Enterprise.* A Smaller Enterprise means any small business concern that:

(1) Together with its Affiliates has a net worth of not more than $6.0 million and average net income after Federal income taxes (excluding any carry-over losses) for the preceding two years no greater than $2.0 million; or

(2) Both together with its Affiliates, and by itself, meets the size standard of § 121.201 of this chapter at the time of Financing for the industry in which it is then primarily engaged.

(b) Phase 1 of Smaller Enterprise Financing requirement. At the close of your first complete fiscal year beginning on or after April 25, 1994, at least 10 percent of the total dollar amount of the Financings you extended since April 25, 1994, must have been in Smaller Enterprises.

(c) Phase 2 of Smaller Enterprise Financing requirement. At the close of each of your next fiscal years, at least 20 percent of the total dollar amount of the Financings you extended since April 25, 1994, must have been invested in Smaller Enterprises.

(d) Financing a change of ownership which results in the creation of a Smaller Enterprises. The Financing of a change of ownership under § 107.750 which results in the creation of a Smaller Enterprise qualifies as a Smaller Enterprise Financing..

(e) Non-compliance with this section. If you have not reached the required percentage of Smaller Enterprise Financings at the end of any fiscal year, then you must be in compliance by the end of the following fiscal year.

Aida Alvarez,

Administrator.

[FR Doc. 97–5740 Filed 3–12–97; 8:45 am]

BILLING CODE 8025–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–NM–23–AD; Amendment 39–9961; AD 97–06–04]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 757–200 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to certain Boeing Model 757–200 series airplanes. This action requires inspections to detect cracking on the free edge of the tang, if necessary, and of the fastener holes in the lower spar chord; and various follow-on actions. This action also provides for optional terminating action for the requirements of this AD. This amendment is prompted by a report of fatigue cracking in the lower spar chord of two Model 757 series airplanes. The actions specified in this AD are intended to detect and correct such fatigue cracking, which could result in reduced structural integrity of the engine strut.

DATES: Effective March 28, 1997.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 28, 1997.

Comments for inclusion in the Rules Docket must be received on or before May 12, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–103, Attention: Rules Docket No. 97–NM–23–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

The service information referenced in this AD may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Todd Martin, Aerospace Engineer, Airframe Branch, ANM–120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington; telephone (206) 227–2781; fax (206) 227–1181.

SUPPLEMENTARY INFORMATION: The FAA received a report indicating that fatigue cracking was found in the lower spar chord on two Boeing Model 757–200 series airplanes powered by Rolls Royce engines. On one of these airplanes, the tang of the chord was cracked completely through. The crack had propagated approximately five inches into the vertical flange adjacent to the side skins. On the other airplane, a 0.3-inch crack was found in the tang of the chord. Such fatigue cracking, if not detected and corrected in a timely manner, could result in reduced structural integrity of the engine strut.

An initial analysis conducted by Boeing revealed that the stiffening straps, which were installed on the strut midchords of twelve airplanes during production, were the primary cause of the cracks. Consequently, to prevent cracks in the lower spar chords, the stiffening straps were removed from the midchords in accordance with Boeing Service Bulletin 757–54–0028. However, results of subsequent analysis related to the structural reassessment of the strut structure of the Model 757 revealed that cracks can continue to occur after removal of the stiffening straps. The analysis also revealed that cracks can occur in the same area on struts that are made without stiffening straps.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996. The service bulletin describes procedures for certain inspections and follow-on actions, which include the following:

1. Tang Inspection: The service bulletin describes procedures for an eddy current inspection to detect cracking on the free edge of the tang. For airplanes on which cracking within certain limits is found, the service bulletin describes procedures for removal of the midchord channels, stop-drilling of the cracking, and installation of a repair. The service bulletin recommends that if any cracking is found that is outside specified limits, the lower spar chord must be replaced with a new or serviceable chord; however, the service bulletin does not provide procedures for such replacement.

2. Initial Bolt Hole Inspection: The service bulletin also describes procedures for an eddy current inspection (bolt hole inspection) to detect cracking of the two fastener holes in the lower spar chord. For airplanes on which no cracking is found during

the bolt hole inspection, the service bulletin describes procedures for increasing the diameter of the holes by specified dimensions and installing new fasteners.

For airplanes on which cracking is found during this bolt hole inspection, and that cracking can be removed by increasing the diameter of the hole, the service bulletin describes procedures for increasing the diameter of the hole by specified dimensions, and installing new fasteners. For airplanes on which cracking that is within certain limits is found, but which cannot be removed by increasing the diameter of the hole, the service bulletin describes procedures for installation of a repair. Additionally, for airplanes on which cracking that is outside certain limits is found, the service bulletin recommends that the lower spar chord be replaced with a new or serviceable chord. The service bulletin does not specify procedures for such replacement.

3. Repetitive Bolt Hole Inspections: The service bulletin recommends that a repetitive bolt hole inspection be accomplished. (The procedures for these inspections are the same as those provided for the first bolt hole inspection.)

Installation of a repair eliminates the need for the inspections described previously.

Explanation of the Requirements of the Rule

Since an unsafe condition has been identified that is likely to exist or develop on other Boeing Model 757–200 series airplanes of the same type design, this AD is being issued to detect and correct fatigue cracking of the lower spar chord, and consequent reduced structural integrity of the engine strut.

This AD requires repetitive eddy current inspections to detect cracking on the free edge of the tang; and removal of the midchord channels, stop-drilling of cracking, and installation of a repair; if necessary. For airplanes on which cracking is found that is outside specified limits, this AD requires replacement of the lower spar chord with a new or serviceable chord.

This AD also requires repetitive eddy current inspections (bolt hole inspections) to detect cracking of the two fastener holes in the lower spar chord. For airplanes on which no cracking is found, this AD requires increasing the diameter of the holes by specified dimensions, and installing new fasteners. For airplanes on which cracking is found that can be removed by increasing the diameter of the hole, this AD requires increasing the diameter of the hole by specified dimensions, and installing new fasteners. For airplanes on which cracking is found that is within certain limits, but which cannot be removed by increasing the diameter of the hole, this AD requires installation of a repair. Additionally, for airplanes on which cracking that is outside certain limits is found, this AD requires replacement of the lower spar chord with a new or serviceable chord.

Accomplishment of the bolt hole inspections terminates the eddy current inspections of the free edge of the tang.

This AD also provides for optional terminating action, which, if accomplished, terminates the requirements of the AD.

Replacement of the lower spar chord, if necessary, is required to be accomplished in accordance with a method approved by the FAA. Other actions are required to be accomplished in accordance with the service bulletin described previously.

Interim Action

This AD is considered to be interim action. Boeing currently is developing a Strut Improvement Program for Model 757 series airplanes, which will include installation of a new midchord configuration. The FAA may consider further rulemaking to require accomplishment of that installation.

Differences Between Service Bulletin and This AD

Operators should note that, although the service bulletin referenced in this AD recommends a ''grace period'' of 120 days for accomplishment of the inspections on airplanes that have exceeded certain thresholds, this AD specifies a ''grace period'' of 60 days. The FAA has been advised that a significant number of the affected Model 757 series airplanes have already reached the specified thresholds. In developing an appropriate compliance time for this action, the FAA considered not only the degree of urgency associated with addressing the subject unsafe condition, but the manufacturer's recommendation as to an appropriate compliance time, parts availability, and the practical aspect of accomplishing the required inspections within an interval of time that parallels the normal scheduled maintenance for the majority of affected operators.

In light of this, the FAA has determined that, for airplanes that have already reached certain thresholds, a ''grace period'' of 60 days is necessary to ensure that the affected airplanes are inspected in a timely manner and that an acceptable level of safety is maintained. This ''grace period'' is roughly equivalent to 300 flight cycles, which the service bulletin specifies as the number of flight cycles that should not be exceeded before inspection of the free edge of the tang is accomplished on airplanes that have exceeded certain thresholds.

In addition, the FAA has determined that the eddy current inspections of the free edge of the tang must be accomplished on a repetitive basis until the bolt hole inspection is accomplished. (The service bulletin recommends only a one-time inspection of the free edge of the tang.) The FAA finds that these repetitive inspections of the tang must be accomplished in the event an initial inspection of the tang is performed well before the 15,000 flight cycle threshold.

Determination of Rule's Effective Date

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this 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 under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the 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 AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must

submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 97–NM–23–AD.'' The postcard will be date stamped and returned to the commenter.

Regulatory Impact

The regulations adopted herein will 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 final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and that it is not a ''significant regulatory action'' under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 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 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

97–06–04 Boeing: Amendment 39–9961. Docket 97–NM–23–AD.

Applicability: Model 757–200 series airplanes having line numbers 1 through 736 inclusive, powered by Rolls Royce engines, certificated in any category.

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 otherwise 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 (i) 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 as indicated, unless accomplished previously.

To detect and correct fatigue cracking of the lower spar chord, and consequent reduced structural integrity of the engine strut, accomplish the following:

(a) Prior to the accumulation of 15,000 total flight cycles, or within 60 days after the effective date of this AD, whichever occurs later: Perform an eddy current inspection to detect cracking on the free edge of the tang, in accordance with the Accomplishment Instructions of Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996. Repeat this inspection thereafter at intervals not to exceed 3,000 flight cycles until the inspection required by paragraph (d) of this AD is accomplished.

Note 2: The inspection required by paragraph (a) of this AD need not be performed on airplanes on which the inspection required by paragraph (d) of this AD is performed prior to the compliance time specified in paragraph (a) of this AD.

(b) If any cracking is found during the inspection required by paragraph (a) of this AD, and the cracking is within the limits specified in the service bulletin: Prior to further flight, remove the midchord channels, stop-drill the cracking, and install a repair in accordance with the service bulletin. No further action is required by this AD.

(c) If any cracking is found, and the cracking is outside the limits specified in the service bulletin: Prior to further flight, replace the lower spar chord with a new or serviceable chord in accordance with a method approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

(d) Perform an eddy current inspection (bolt hole inspection) to detect cracking of the two fastener holes in the lower spar chord, in accordance with the Accomplishment Instructions of Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996, at the time specified in paragraph (d)(1) and (d)(2) of this AD, as applicable. Accomplishment of this inspection terminates the inspections required by paragraph (a) of this AD.

(1) For airplanes on which the stiffening straps have been removed from the midchord in accordance with Boeing Service Bulletin 757–54–0028 prior to the effective date of this AD: Accomplish the inspection at the time specified in paragraph I.D. of Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996.

(2) For airplanes other than those identified in paragraph (d)(1) of this AD: Accomplish the inspection prior to the accumulation of 18,000 total flight cycles, or within 60 days after the effective date of this AD, whichever occurs later.

(e) If no cracking is found during the inspection required by paragraph (d) of this AD, prior to further flight, increase the diameter of the holes by the dimensions specified in the Accomplishment Instructions of Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996, and install new fasteners in accordance with the service bulletin.

(f) If any cracking is found during the inspection required by paragraph (d) of this AD, prior to further flight, accomplish paragraph (f)(1), (f)(2), or (f)(3) of this AD, as applicable, in accordance with the Accomplishment Instructions of Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996.

(1) If the cracking can be removed by increasing the diameter of the hole in accordance with the service bulletin: Increase the diameter of the hole by the dimensions specified in the Accomplishment Instructions of the service bulletin, and install new fasteners in accordance with the service bulletin.

(2) If the cracking cannot be removed by increasing the diameter of the hole in accordance with the Accomplishment Instructions of the service bulletin, but the cracking is within the limits specified in the service bulletin: Install the repair in accordance with the service bulletin. No further action is required by this AD.

(3) If the cracking is outside the limits specified in the service bulletin: Replace the lower spar chord with a new or serviceable chord in accordance with a method approved by the Manager, Seattle ACO.

(g) Accomplish either paragraph (g)(1) or (g)(2) of this AD, as applicable, in accordance with Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996.

(1) If any fastener installed as a result of an inspection required by paragraph (d) of this AD has a diameter of 5/8-inch or greater: Install the repair prior to the accumulation of the number of flight cycles specified in the ''Subsequent Inspection Interval'' column of the Threshold Table included in paragraph I.D. of the service bulletin.

(2) If any fastener installed as a result of an inspection required by paragraph (d) of this AD has a diameter of less than 5/8-inch: Repeat the bolt hole inspection required by paragraph (d) of this AD prior to the accumulation of the number of flight cycles specified in the ''Subsequent Inspection Interval'' column of the Threshold Table included in paragraph I.D. of the service bulletin until the repair specified in paragraph (h) of this AD is installed.

(h) Installation of the repair in accordance with the Accomplishment Instructions of Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996, constitutes terminating action for the requirements of this AD.

(i) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle ACO. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

(j) 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.

(k) The actions shall be done in accordance with Boeing Service Bulletin 757–54–0031, Revision 2, dated December 19, 1996. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and CFR part 51. Copies may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(l) This amendment becomes effective on March 28, 1997.

Issued in Renton, Washington, on March 5, 1997.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 97–6086 Filed 3–12–97; 8:45 am]

BILLING CODE 4910–13–U

14 CFR Part 39

[Docket No. 92–CE–25–AD; Amendment 39–9962; AD 97–06–05]

RIN 2120–AA64

Airworthiness Directives; Avions Pierre Robin Model R2160 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that applies to Avions Pierre Robin Model R2160 airplanes. This action requires repetitively inspecting the weld area between the strut and the lower plate of the nose landing gear leg for cracks, and replacing the strut when cracks are found. The AD is the result of several reports of cracks in the weld securing the nose wheel steering bottom bracket to the nose landing gear leg on the affected airplanes. The actions specified by this AD are intended to prevent nose landing gear failure caused by cracks in the weld area between the strut and the lower plate of the nose landing gear leg, which could result in loss of control of the airplane during landing operations.

DATES: Effective May 16, 1997.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of May 16, 1997.

ADDRESSES: Service information that applies to this AD may be obtained from Avions Pierre Robin, 1, Route de Troyes, 21121 Darois France; telephone: 80 35 61 01; facsimile: 80 35 60 80. This information may also be examined at the Federal Aviation Administration (FAA), Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 92–CE–25–AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Mr. Greg Holt, Program Manager, Brussels Aircraft Certification Division, FAA, Europe, Africa, and Middle East Office, c/o American Embassy, B–1000 Brussels, Belgium; telephone (32 2) 513.2692; facsimile (32 2) 230.6899; or Mr. Roman T. Gabrys, Project Officer, Small Airplane Directorate, Aircraft Certification Office, FAA, 1201 Walnut, suite 900, Kansas City, Missouri 64106; telephone (816) 426–6934; facsimile (816) 426–2169.

SUPPLEMENTARY INFORMATION:

Events Leading to the Issuance of This AD

A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an AD that would apply to Avions Pierre Robin Model R2160 airplanes was published in the Federal Register as a notice of proposed rulemaking (NPRM) on November 13, 1996 (61 FR 58145). The NPRM proposed to require repetitively inspecting the weld area between the strut and the lower plate of the nose landing gear leg for cracks, and replacing the strut when cracks are found. Accomplishment of the proposed inspections as specified in the NPRM would be in accordance with Avions Pierre Robin Service Bulletin (SB) No. 101, Revision 3, dated March 5, 1992.

The NPRM resulted from several reports of cracks in the weld securing the nose wheel steering bottom bracket to the nose landing gear leg on the affected airplanes.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposed AD or the FAA's determination of the cost to the public.

The FAA's Determination

After careful review of all available information related to the subject presented above, the FAA has determined that air safety and the public interest require the adoption of the rule as proposed except for minor editorial corrections. The FAA has determined that these minor corrections will not change the meaning of the AD and will not add any additional burden upon the public than was already proposed.

Differences Between This AD, Service Bulletin, and DGAC AD

Both Avions Pierre Robin SB No. 101, Revision 3, dated March 5, 1992, and DGAC AD 83–206(A)R3, dated March 18, 1992, specify repetitive inspection intervals of 25 hours time-in-service if a crack in the weld area is found that is within a certain limit. The limit is ''if the crack runs along the circumference and is less than 15 mm long max. or/and radial crack is less than 8 mm max.'' This AD does not allow continued flight if any crack is found. FAA policy is to disallow airplane operation when known cracks exist in primary structure, unless the abililty to sustain ultimate load with these cracks is proven. The nose landing gear leg is considered primary structure, and the FAA has not received any analysis to prove that ultimate load can be sustained with cracks in this area.

Cost Impact

The FAA estimates that 10 airplanes in the U.S. registry will be affected by this AD, that it will take approximately 1 workhour per airplane to accomplish the initial inspection, and that the average labor rate is approximately $60 an hour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $600. This figure does not take into account the number of repetitive inspections each airplane owner/operator will incur over the life of the airplane, or the number of airplanes that could have cracked weld areas and would need the strut replaced. The FAA has no way of determining the number of repetitive inspections each owner/operator would incur over the life of the airplane or the number of nose landing gear leg struts that could need to be replaced because of cracks in the weld area.

Regulatory Impact

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the