

Construction-Project Direction, Inspection, Testing and Contract Closeout.  
[End of clause]

Dated: February 10, 1997.

Jill Long Thompson,

*Under Secretary, Rural Development.*

[FR Doc. 97-3921 Filed 2-14-97; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 96-CE-48-AD; Amendment 39-9935; AD 97-04-11]

RIN 2120-AA64

#### **Airworthiness Directives; Air Tractor, Inc. Models AT-802 and AT-802A Airplanes**

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Final rule

**SUMMARY:** This amendment adopts a new airworthiness directive (AD) that applies to certain Air Tractor, Inc. (Air Tractor) Models AT-802 and AT-802A airplanes. This action requires revising the Airworthiness Limitations section of the applicable maintenance manual to change the life limit of the tail landing gear spring. This action results from analysis of the life limits of both the tail landing gear and main landing gear after a fatigue failure of the main landing gear on one of the affected airplanes. This analysis revealed that the life limit of the tail landing gear spring should be 3,000 hours time-in-service (TIS) instead of 3,500 hours TIS to be consistent with the main landing gear spring. The actions specified by this AD are intended to prevent fatigue failure of a tail landing gear spring before the life limit of the part is achieved, which could result in loss of control of the airplane.

**EFFECTIVE DATE:** April 4, 1997.

**ADDRESSES:** Service information that applies to this AD may be obtained from Air Tractor Inc., P. O. Box 485, Olney, Texas 76374; telephone (817) 564-5616; facsimile (817) 564-2348. This information may also be examined at the Federal Aviation Administration (FAA), Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket 96-CE-48-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:** Bob May, Aerospace Engineer, FAA,

Airplane Certification Office, 2601 Meacham Boulevard, Fort Worth, Texas 76193-0150; telephone (817) 222-5155; facsimile (817) 222-5960.

#### **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 Air Tractor Models AT-802 and AT-802A airplanes was published in the Federal Register as a notice of proposed rulemaking (NPRM) on October 18, 1996 (61 FR 54370). The action proposed to require revising the Airworthiness Limitations section of the applicable maintenance manual to change the life limit of the tail landing gear spring. The proposed action as specified in the NPRM would be accomplished by incorporating the revision (dated May 24, 1996) to Section 6, Airworthiness Limitations, of the Air Tractor AT 802/802A Maintenance Manual.

The NPRM resulted from analysis of the life limits of both the tail landing gear and main landing gear after a fatigue failure of the main landing gear on one of the affected airplanes. This analysis revealed that the life limit of the tail landing gear spring should be 3,000 hours time-in-service (TIS) instead of 3,500 hours TIS to be consistent with the main landing gear spring.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposed rule 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.

##### **Cost Impact**

The FAA estimates that 37 airplanes in the U.S. registry will be affected by this AD. An owner/operator of one of the affected airplanes holding at least a private pilot certificate is allowed to incorporate the manual revision as authorized by § 43.7 of the Federal Aviation Regulations (14 CFR 43.7). However, the change in the life limit

would require owners/operators of the affected airplanes to have the tail landing gear spring replaced every 3,000 hours TIS instead of every 3,500 hours TIS. The owners/operators of the affected airplanes will be required to have this part replaced 500 hours TIS sooner than already required. The FAA has no way of determining the total hours TIS each owner/operator would accumulate over the life of the affected airplanes and, therefore, cannot calculate the number of additional tail landing gear springs each owner/operator would need to have replaced.

##### **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.

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) 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 final evaluation prepared for this action is contained 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.

##### **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 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:

97-04-11 Air Tractor, Inc.: Amendment 39-9935; Docket No. 96-CE-48-AD.

*Applicability:* Models AT-802 and AT-802A airplanes (serial numbers 0001 through 0038), 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 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 (d) 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 100 hours time-in-service after the effective date of this AD, unless already accomplished.

To prevent fatigue failure of a tail landing gear spring before the life limit of the part is achieved, which could result in loss of control of the airplane, accomplish the following:

(a) Incorporate the revision (dated May 24, 1996) to Section 6, Airworthiness Limitations, of the Air Tractor AT 802/802A Maintenance Manual.

(b) Incorporating the maintenance manual revision as required by paragraph (a) of this AD may be performed by the airplane owner/operator holding at least a private pilot certificate as authorized by section 43.7 of the Federal Aviation Regulations (14 CFR 43.7), and must be entered into the aircraft records showing compliance with this AD in accordance with section 43.11 of the Federal Aviation Regulations (14 CFR 43.11).

(c) 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.

(d) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, FAA, Airplane Certification Office (ACO), 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 ACO.

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

(e) All persons affected by this directive may obtain copies of the maintenance manual revision referred to herein upon request to Air Tractor Inc., P. O. Box 485, Olney, Texas 76374; or may examine this information at the FAA, Central Region,

Office of the Assistant Chief Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

(f) This amendment (39-9935) becomes effective on April 4, 1997.

Issued in Kansas City, Missouri, on February 10, 1997.

Henry A. Armstrong,

*Acting Manager, Small Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 97-3839 Filed 2-14-97; 8:45 am]

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**DEPARTMENT OF THE TREASURY****Office of the Under Secretary for Domestic Finance****17 CFR Part 404****Government Securities Act Regulations: Recordkeeping**

**AGENCY:** Office of the Under Secretary for Domestic Finance, Treasury.

**ACTION:** Final Rule.

**SUMMARY:** The Department of the Treasury ("Department") is issuing in final form an amendment to the recordkeeping rules in § 404.4 of the regulations issued under the Government Securities Act of 1986 ("GSA"). 17 CFR 404.4 of the GSA regulations requires financial institutions that are government securities brokers or dealers to make and preserve records. Specifically, the Department is amending § 404.4(a)(1) to clarify the applicability of the federal bank regulatory agencies' rules, as adopted by the GSA rules, to financial institutions and to conform with current recordkeeping rule revisions being undertaken by the federal bank regulatory agencies.

**EFFECTIVE DATE:** This amendment is effective April 30, 1997.

**FOR FURTHER INFORMATION CONTACT:** Kerry Lanham or Kurt Eidemiller, Government Securities Regulations Staff, Bureau of the Public Debt, Department of the Treasury, at (202) 219-3632.

**SUPPLEMENTARY INFORMATION:****I. Background**

The Government Securities Act of 1986 ("GSA"), as amended<sup>1</sup> requires, among other things, that a financial institution that is a government securities broker or dealer notify its appropriate regulatory agency ("ARA") of its status as such, thereby providing for the regulation of its government securities business.<sup>2</sup> In 1987, when the

Department developed the GSA regulations affecting financial institutions that are required to file notice as government securities brokers or dealers ("bank broker-dealers"), it decided to adopt the existing recordkeeping regulations of the federal bank regulatory agencies.<sup>3</sup> These rules are similar to the Securities and Exchange Commission's recordkeeping requirements in Rule 17a-3.<sup>4</sup>

The reason for relying on existing bank regulations was that those financial institutions effecting government securities broker-dealer transactions were already subject to a system of federal regulation and supervision, which explicitly included recordkeeping requirements relating to securities activities. Requiring those institutions to follow another set of recordkeeping requirements was viewed as unduly burdensome and did not promote the purposes of the GSA.<sup>5</sup>

Section 404.4 of the GSA regulations provides that, for bank broker-dealers, compliance with the recordkeeping rules of the bank ARAs, together with additional GSA recordkeeping provisions,<sup>6</sup> constitutes compliance with the GSA recordkeeping rules. However, the respective ARAs' regulations provide for certain exemptions from, or exceptions to, most of their recordkeeping rules based on a stated transaction threshold. Specifically, the ARAs' regulations exempt banks from most of the respective recordkeeping requirements if the bank transacts a de minimis annual average number of transactions. The regulations state, with minor variations, the following: "The requirements \* \* \* shall not apply to banks having an average of less than 200 securities transactions per year for customers over the prior three calendar year period, exclusive of transactions in U.S. government and federal agency obligations."<sup>7</sup> The ARAs have interpreted this exemption as excluding government securities transactions, meaning that government securities transactions are not included in the

<sup>3</sup> See 12 CFR Part 12 for national banks, which are regulated by the Office of the Comptroller of the Currency ("OCC"); 12 CFR Part 208 for state member banks of the Federal Reserve System, which are regulated by the Board of Governors of the Federal Reserve System ("Board"); and 12 CFR Part 344 for state banks that are not members of the Federal Reserve System, which are regulated by the Federal Deposit Insurance Corporation ("FDIC").

<sup>4</sup> 17 CFR 240.17a-3.

<sup>5</sup> 52 FR 5675 (February 25, 1987).

<sup>6</sup> In addition to complying with the recordkeeping rules of its ARA, a bank broker-dealer is required to maintain, among other things, records pertaining to securities positions (17 CFR 404.4(a)(3)(i)(A)).

<sup>7</sup> See 12 CFR 12.7(a); 12 CFR 208.8(k)(6)(i); and 12 CFR 344.7(a).

<sup>1</sup> 15 U.S.C. 78o-5.

<sup>2</sup> 15 U.S.C. 78o-5(a)(1)(B).