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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 35

[Docket No. 95-08]

RIN 1557-AB44

Agricultural Loan Loss Amortization

AGENCY: Office of the Comptroller of the Currency, Treasury.

ACTION: Final rule.

SUMMARY: The Office of the Comptroller of the Currency (OCC) is removing its rule governing agricultural loan loss amortization, effective January 1, 1999. This action is another component of the OCC's Regulation Review Program, which is intended to update and streamline OCC regulations and to reduce unnecessary regulatory costs and other burdens. This action is needed to eliminate the rule when it becomes obsolete.

EFFECTIVE DATE: January 1, 1999.

FOR FURTHER INFORMATION CONTACT: Andrew T. Gutierrez, Attorney, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219, (202) 874-5090.

SUPPLEMENTARY INFORMATION:

Background

The OCC is removing 12 CFR part 35, effective January 1, 1999, as a component of its Regulation Review Program. The goal of the Regulation Review Program is to review all of the OCC's rules to revise, streamline, and simplify them, and to eliminate provisions that do not contribute significantly to maintaining the safety and soundness of national banks or to accomplishing the OCC's other statutory responsibilities.

Title VIII of the Competitive Equality Banking Act of 1987, Pub. L. 100-86, 101 Stat. 635 (1987), added 12 U.S.C. 1823(j) in an attempt to alleviate some of the financial pressures then facing agricultural banks. In particular, 12 U.S.C. 1823(j) permits an agricultural bank to amortize over a period not to exceed seven years: (1) any loss on a qualified agricultural loan that the bank would otherwise be required to show on its annual financial statement for any year between December 31, 1983, and January 1, 1992; and (2) any loss resulting from the reappraisal of property that the bank owned or acquired between January 1, 1983, and January 1, 1992, in connection with a qualified agricultural loan. The OCC implemented this statutory provision by promulgating 12 CFR part 35 with a temporary rule published on November 2, 1987 (52 FR 41959), and a final rule published on July 28, 1988 (53 FR 28373).

Because the statute requires that a loss occur on or before December 31, 1991, to qualify, and that the amortization period may not exceed seven years, the program becomes obsolete on January 1, 1999. Reflecting this fact, 12 CFR 35.3(b) requires that loans under the program must be fully amortized by December 31, 1998.

On February 8, 1995, the OCC proposed to remove 12 CFR part 35, effective January 1, 1999, in order to obviate the need for regulatory action in the future (60 FR 7467). The OCC received two comment letters on the proposed rule, both of which supported the proposed action. Consequently, the OCC is issuing this final rule to remove 12 CFR part 35, effective January 1, 1999. Prior to that date, an annotation to 12 CFR part 35 will indicate the effective date for removal of the part.

Regulatory Flexibility Act

It is hereby certified that this final rule will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required. This final rule has no material impact on national banks, regardless of size.

Executive Order 12866

The OCC has determined that this final rule is not a significant regulatory action under Executive Order 12866.

Paperwork Reduction Act

The collection of information contained in 12 CFR 35.7 has been approved by the Office of Management and Budget (OMB) under OMB Control Number 1557-0186. This final rule will remove as unnecessary, for the reasons set forth in the preamble, that collection of information effective January 1, 1999.

Unfunded Mandates Act of 1995

The OCC has determined that this final rule will not result in expenditures by state, local, and tribal governments, or by the private sector, of more than \$100 million in any one year. Accordingly, a budgetary impact statement is not required under section 202 of the Unfunded Mandates Act of 1995.

List of Subjects in 12 CFR Part 35

Accounting, Agriculture, National banks, Reporting and recordkeeping requirements.

Authority and Issuance

For the reasons set out in the preamble, and under the authority of 12 U.S.C. 93a and 1823(j), chapter I of title 12 of the Code of Federal Regulations is amended as follows:

PART 35—[REMOVED]

1. Part 35 is removed effective January 1, 1999.

Dated: May 18, 1995.

Eugene A. Ludwig,
Comptroller of the Currency.

[FR Doc. 95-12648 Filed 5-23-95; 8:45 am]

BILLING CODE 4810-33-P

FARM CREDIT ADMINISTRATION

12 CFR Parts 614, 615, and 618

RIN 3052-AB53

Loan Policies and Operations; Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; General Provisions; Effective Date

AGENCY: Farm Credit Administration.

ACTION: Notice of effective date.

SUMMARY: The Farm Credit Administration (FCA) published a final regulation under parts 614, 615, 618 on April 24, 1995 (60 FR 20008). The final regulation repeals several regulations

concerning loan policies and operations, funding, and miscellaneous items as well as two Agency prior-approval requirements. These repeals are part of an ongoing effort by the FCA to reduce unnecessary regulatory burdens on Farm Credit System institutions. In accordance with 12 U.S.C. 2252, the effective date of the final rule is 30 days from the date of publication in the **Federal Register** during which either or both Houses of Congress are in session. Based on the records of the sessions of Congress, the effective date of the regulations is May 24, 1995.

EFFECTIVE DATE: The regulation amending 12 CFR parts 614, 615, 618 published on April 24, 1995 (60 FR 20008) is effective May 24, 1995.

FOR FURTHER INFORMATION CONTACT:

W. Eric Howard, Policy Analyst,
Regulation Development, Office of
Examination, Farm Credit
Administration, McLean, Virginia
22102-5090, (703) 883-4498, TDD
(703) 883-4444,

or

Richard A. Katz, Senior Attorney,
Regulatory Operations Division,
Office of General Counsel, Farm
Credit Administration, McLean,
Virginia 22102-5090, (703) 883-4020,
TDD (703) 883-4444.

(12 U.S.C. 2252(a) (9) and (10)).

Dated: May 19, 1995.

Floyd Fithian,

Secretary, Farm Credit Administration Board.
[FR Doc. 95-12741 Filed 5-23-95; 8:45 am]

BILLING CODE 6705-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 94-NM-48-AD; Amendment
39-9238; AD 95-11-04]

Airworthiness Directives; Aerospatiale Model ATR42-200, -300, and -320 Series Airplanes

AGENCY: Federal Aviation
Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain Aerospatiale Model ATR42-200, -300, and -320 series airplanes, that requires modification of the wiring in the elevator controls and the pitch trim dissymmetry monitoring equipment. This amendment is prompted by a report of loss of a propeller and engine gearbox, which

resulted in damage to the fuselage. There has also been a report that a modification was implemented in the elevator control cables during manufacture, which reduced the maximum physical separation between the elevator controls and the monitoring equipment. The actions specified by this AD are intended to prevent reduced controllability of the airplane in the event that debris from an engine burst or propeller failure were to strike the fuselage and sever the elevator flight controls.

DATES: Effective June 23, 1995.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of June 23, 1995.

ADDRESSES: The service information referenced in this AD may be obtained from Aerospatiale, 316 Route de Bayonne, 31060 Toulouse, Cedex 03, France. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 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: Sam Grober, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-1187; fax (206) 227-1320.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to certain Aerospatiale Model ATR42-200, -300, -320 series airplanes was published in the **Federal Register** on July 20, 1994 (59 FR 36998). That action proposed to require modification of the wiring in the elevator controls and the pitch trim dissymmetry monitoring equipment.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

The manufacturer requests that reference to a certain incident involving a Model ATR42-300 series airplane be deleted from the Discussion section of the preamble of the proposed rule. The manufacturer states that the incident did not result in any damage to flight controls and, therefore, should not be referred to in the final rule. The FAA acknowledges that, since the incident was apparently not connected with the flight controls, deletion of the reference

to the incident would be appropriate. However, since the Discussion section of the preamble of the proposal does not reappear in the final rule, no change to the final rule is necessary.

Another commenter requests that the compliance time to perform the modification be extended from the proposed 3 months to 12 months. The commenter states that investigation has shown that only 4% of all affected operators have found any defective propellers. The commenter states that detection of this small percentage of defective propellers does not justify the urgency of a 3-month compliance time. The FAA concurs with the commenter's request to extend the compliance time for the modification requirements. The FAA's intent was that the modifications be performed during a regularly scheduled maintenance visit for the majority of the affected fleet, when the airplanes would be located at a base where special equipment and trained personnel would be readily available, if necessary. Based on the information supplied by the commenter, the FAA now recognizes that 12 months corresponds more closely to the interval representative of most of the affected operators' normal maintenance schedules. Paragraph (a) of the final rule has been revised to reflect a compliance time of 12 months. The FAA does not consider that this extension will adversely affect safety.

As a result of recent communications with the Air Transport Association (ATA) of America, the FAA has learned that, in general, some operators may misunderstand the legal effect of AD's on airplanes that are identified in the applicability provision of the AD, but that have been altered or repaired in the area addressed by the AD. The FAA points out that all airplanes identified in the applicability provision of an AD are legally subject to the AD. If an airplane has been altered or repaired in the affected area in such a way as to affect compliance with the AD, the owner or operator is required to obtain FAA approval for an alternative method of compliance with the AD, in accordance with the paragraph of each AD that provides for such approvals. A note has been added to this final rule to clarify this long-standing requirement.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the change previously described. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.