

Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428. Post comments to Ms. Baker on the bulletin board by dialing 703-518-6480.

**FOR FURTHER INFORMATION CONTACT:** Jane A. Walters, Controller, or Ron Aaron, Deputy Controller, at the above address, telephone (703) 518-6570.

**SUPPLEMENTARY INFORMATION:** In 1990, NCUA restructured the operating fee scale for natural person federal credit unions because it was felt the scale did not give due consideration to the ability of such credit unions to pay. The restructuring was a consolidation of the scale from 14 rate brackets to 2 rate brackets. In addition to the rate brackets, credit unions with assets greater than \$50,000 but equal to or less than

\$371,885 paid a minimum fee of \$100, and credit unions with assets equal to or less than \$50,000 paid no fee. In 1992, a third rate bracket was added for credit unions exceeding \$1 billion in assets.

The scale is indexed to and adjusted annually for projected asset growth in federal credit unions. Presently, the operating fee scale is as follows:

Total assets		Assessment rate
Over	But not more than	
\$0 .....	50,000	\$0.00.
\$50,000 .....	371,885	100.00.
\$371,885 .....	383,837,000	0.0002689 × total assets.
\$383,837,000 .....	1,161,485,000	103,213.77 + 0.000784 × total assets over \$383,837,000.
\$1,161,485,000 and over .....		164,181.37 + 0.0002617 × total assets over \$1,161,485,000.

NCUA is concerned that the present operating fee scale does not give enough consideration to the ability of small credit unions to pay. As assets continue to grow, the burden on smaller credit unions becomes greater than the burden on larger credit unions. The following table, based upon December 31, 1994, NCUA 5300 report financial data, indicates that as both a percentage of total expenses and a percentage of average assets the operating fee is more burdensome on small credit unions than on larger credit unions:

Asset size category	Percent of fee expense to total operating expense	Percent of fee expense to average assets
Less than \$500,000 .....	1.51	.07
\$500,000-\$2,000,000 ..	.93	.04
\$2,000,000-\$10,000,000	.90	.03
\$10,000,000-\$50,000,000	.82	.03
\$50,000,000-\$100,000,000	.78	.03
Greater than \$100,000,000	.73	.02

To reduce or eliminate this burden on small credit unions it is proposed that the asset size of credit unions eligible for an exemption from the operating fee be increased from \$50,000 to \$500,000. A total of 587 federal credit unions between \$50,000 and \$371,885 presently pay \$100 and would benefit from this proposal. An additional 193 credit unions, with assets between \$371,885 and \$500,000, that pay an average fee of \$117 would benefit from this proposal as well.

It is further proposed that the asset size of federal credit unions that pay a

\$100 fee be expanded to credit unions with assets over \$500,000 but less than or equal to \$750,000. A total of 349 federal credit unions in this category presently pay an average operating fee of \$167. The restructuring of the operating fee scale will restore the fee to a more equitable assessment basis without imposing any significant financial burden on larger credit unions. The total cost, in terms of reduced revenue, of this proposal is \$104,747. This shortfall in revenue will be spread among all other federal credit unions (at an average cost of \$16.63 per federal credit union), and will provide larger credit unions with an additional opportunity to help and support smaller credit unions which will strengthen the entire credit union movement. Finally, the proposed fee scale will comply more fully with the intent of the Federal Credit Union Act by assessing a fee based upon the credit union's ability to pay.

**List of Subjects in 12 CFR Part 701**

Credit, Credit union, Insurance, Mortgages.

**Authority:** 12 U. S. C. 1755, 31 U.S.C. 3717.

By the National Credit Union Administration Board on June 14, 1995.

**Becky Baker,**

*Secretary of the Board.*

[FR Doc. 95-15494 Filed 6-23-95; 8:45 am]

**BILLING CODE 7535-01-U**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

[Docket No. 95-NM-97-AD]

**Airworthiness Directives; McDonnell Douglas Model MD-11 Series Airplanes Equipped With Pratt & Whitney Model PW4460 and PW4462 Engines**

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

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the superseding of an existing airworthiness directive (AD), applicable to certain McDonnell Douglas Model MD-11 series airplanes, that currently requires a visual inspection to detect cracks or discrepancies in the aft mount beam assembly of the engines; and replacement of the cracked or discrepant aft mount beam assembly with a new assembly, or a previously inspected and re-identified assembly. That amendment was prompted by reports of cracking in a certain aft mount beam assembly on Airbus Model A310 series airplanes. This action would continue to require the visual inspection, and corrective actions for findings of cracking or discrepancies. This action would require additional inspections to detect cracks or discrepancies in the subject area, and follow-on actions. The actions specified by the proposed AD are intended to prevent cracks in the aft mount beam assembly of the engines, which could result in loss of the capability of the aft mount beam assembly to support engine

loads, and possible separation of the engine from the airplane.

**DATES:** Comments must be received by August 21, 1995.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-97-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 McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Department C1-L51 (2-60). This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California.

**FOR FURTHER INFORMATION CONTACT:** Wahib Mina, Aerospace Engineer, Airframe Branch, ANM-120L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712; telephone (310) 627-5324; fax (310) 627-5210.

**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 95-NM-97-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. 95-NM-97-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

**Discussion**

On May 22, 1995, the FAA issued AD 95-11-13, amendment 39-9246 (60 FR 28527, June 1, 1995), applicable to certain McDonnell Douglas Model MD-11 series airplanes, to require a one-time visual inspection to detect cracks or discrepancies in the aft mount beam assembly of the engines; and replacement of the cracked or discrepant aft mount beam assembly with a certain new assembly, or a certain previously inspected and re-identified assembly. That action was prompted by reports of cracking in an aft mount beam assembly having part number (P/N) 221-0261-501 on Airbus Model A310 series airplanes. The requirements of that AD are intended to prevent cracks in the aft mount beam assembly of the engines, which could result in loss of the capability of the aft mount beam assembly to support engine loads, and possible separation of the engine from the airplane.

Aft mount beam assemblies having P/N 221-0261-501 also are installed on McDonnell Douglas Model MD-11 series airplanes equipped with Pratt & Whitney PW4460 and PW4462 engines. The FAA has determined that these airplanes are also subject to the addressed unsafe condition.

In the preamble to AD 95-11-13, the FAA indicated that it intended to supersede that AD to require fluorescent penetrant and eddy current inspections of the aft mount beam assembly, P/N 221-0261-501, of the engines within 4,000 flight cycles after accomplishing the visual inspection required by that AD. This action proposes to require the addition of these inspection requirements.

The FAA previously reviewed and approved McDonnell Douglas Alert Service Bulletin MD11-71A073, Revision 1, dated May 16, 1995, which describes procedures for a one-time visual inspection to detect cracks or discrepancies in the aft mount beam assembly, P/N 221-0261-501, of engine numbers 1, 2, and 3. This alert service

bulletin also describes procedures for replacement of the cracked or discrepant aft mount beam assembly with a new assembly having P/N 221-0261-503, or a previously inspected and re-identified assembly having P/N 221-0261-501.

As a follow-on action to the visual inspection, this service bulletin describes procedures for etch fluorescent penetrant and eddy current inspections to detect cracks or discrepancies in the aft mount beam assembly, P/N 221-0261-501, of engine numbers 1, 2, and 3. This service bulletin also describes procedures for re-identifying and installing the aft mount beam assembly, if no cracks or discrepancies are detected during the fluorescent penetrant and eddy current inspections; and for replacement of any cracked or discrepant assembly found during these inspections.

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would supersede AD 95-11-13 to continue to require a one-time visual inspection to detect cracks or discrepancies in the aft mount beam assembly, P/N 221-0261-501, of engine numbers 1, 2, and 3, and corrective actions for findings of cracking or discrepancies. The proposed AD would also require etch fluorescent penetrant and eddy current inspections to detect cracks or discrepancies in the subject area, and follow-on actions. The actions would be required to be accomplished in accordance with the alert service bulletin described previously.

This proposed AD would also require that operators report results of any inspection findings, positive or negative, to the FAA.

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 included in this notice to clarify this long-standing requirement.

There are approximately 57 Model MD-11 series airplanes equipped with Pratt & Whitney Model PW4460 and PW4462 engines of the affected design in the worldwide fleet. The FAA estimates that 17 airplanes of U.S. registry would be affected by this proposed AD.

The visual inspection that was previously required by AD 95-11-13, and retained in this proposal, would take approximately 2 work hours per airplane to accomplish, at an average labor rate of \$60 per work hour. Based on these figures, the total cost impact of the visual inspection requirement on U.S. operators is estimated to be \$2,040, or \$120 per airplane. The FAA estimates that all affected U.S. operators have already accomplished this action; therefore, the future cost impact of this requirement is minimal.

The fluorescent penetrant and eddy current inspections that would be required by this proposal would take approximately 15 work hours per airplane to accomplish, at an average labor rate of 60 per work hour. Based on these figures, the total cost impact of the proposed fluorescent penetrant and eddy current inspection requirements of this AD on U.S. operators is estimated to be \$15,300, or \$900 per airplane.

The total cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

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 proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the 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 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.

#### 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 U.S.C. App. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

##### § 39.13 [Amended]

2. Section 39.13 is amended by removing amendment 39-9246 (60 FR 28527, June 1, 1995), and by adding a new airworthiness directive (AD), to read as follows:

**McDonnell Douglas:** Docket 95-NM-97-AD. Supersedes AD 95-11-13, Amendment 39-9246.

**Applicability:** Model MD-11 series airplanes, equipped with Pratt & Whitney Model PW4460 and PW4462 engines; as listed in McDonnell Douglas Alert Service Bulletin MD11-71A073, Revision 1, dated May 16, 1995; 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 use the authority provided in paragraph (e) of this AD to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition; or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any airplane from the applicability of this AD.

**Compliance:** Required as indicated, unless accomplished previously.

To prevent loss of the capability of the aft mount beam assembly to support engine loads, and possible separation of the engine from the airplane, accomplish the following:

(a) Within 60 days after June 16, 1995 (the effective date of AD 95-11-13, amendment 39-9246), perform a visual inspection to detect cracks or discrepancies in the aft mount beam assembly, part number (P/N) 221-0261-501, of engine numbers 1, 2, and

3, in accordance with McDonnell Douglas Alert Service Bulletin MD11-71A073, Revision 1, dated May 16, 1995.

(1) If no cracks or discrepancies are detected, no further action is required by paragraph (a) of this AD.

(2) If any crack or discrepancy is detected, prior to further flight, replace the cracked or discrepant aft mount beam assembly with a new assembly having P/N 221-0261-503, or an assembly having P/N 221-0261-501 that has been previously inspected and re-identified, in accordance with paragraph 3.B., Phase 2, of the Accomplishment Instructions of the alert service bulletin. Replacement shall be accomplished in accordance with the procedures specified in the alert service bulletin.

(b) Within 4,000 flight cycles after accomplishing the visual inspection required by paragraph (a) of this AD, perform etch fluorescent penetrant and eddy current inspections to detect cracks or discrepancies in the aft mount beam assembly, P/N 221-0261-501, of engine numbers 1, 2, and 3, in accordance with McDonnell Douglas Alert Service Bulletin MD11-71A073, Revision 1, dated May 16, 1995.

(1) If no cracks or discrepancies are detected, prior to further flight, re-identify and install the aft mount beam assembly in accordance with the alert service bulletin.

(2) If any crack or discrepancy is detected, prior to further flight, replace the cracked or discrepant aft mount beam assembly with a new assembly having P/N 221-0261-503, or an assembly having P/N 221-0261-501 that has been previously inspected and re-identified, in accordance with paragraph 3.B., Phase 2, of the Accomplishment Instructions of the alert service bulletin. Replacement shall be accomplished in accordance with the procedures specified in the alert service bulletin.

(c) Within 10 days after accomplishing any inspection required by this AD, report inspection results, positive or negative, to the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate, 3960 Paramount Boulevard, Lakewood, California 90712; fax (310) 627-5210. Information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*) and have been assigned OMB Control Number 2120-0056.

(d) As of June 16, 1995 (the effective date of AD 95-11-13, amendment 39-9246), no person shall install an aft mount beam assembly, P/N 221-0261-501, on any airplane, unless it has been previously inspected and re-identified in accordance with paragraph 3.B., Phase 2, of the Accomplishment Instructions of McDonnell Douglas Alert Service Bulletin MD11-71A073, Revision 1, dated May 16, 1995.

(e) 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, Los Angeles ACO, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may

add comments and then send it to the Manager, Los Angeles ACO.

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

(f) 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.

Issued in Renton, Washington, on June 20, 1995.

**Darrell M. Pederson,**

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

[FR Doc. 95-15517 Filed 6-23-95; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Secret Service

#### 31 CFR Part 411

[1505-AA69]

#### Color Illustrations of U.S. Currency

**AGENCY:** Secret Service, Treasury.

**ACTION:** Proposed rule.

**SUMMARY:** Pursuant to the Counterfeit Deterrence Act of 1992, the Secret Service proposes to permit color illustrations of United States currency. Currently, color illustrations of U.S. currency are not permitted. The intended effect of the proposed rule is to permit color illustrations of U.S. currency while maintaining the safeguards needed to prevent the counterfeiting of United States currency.

**DATES:** Comments must be submitted on or before August 25, 1995.

**ADDRESSES:** Written comments should be forwarded to John J. Kelleher, Chief Counsel, United States Secret Service, 1800 G Street, NW., Room 842, Washington, DC 20223.

**FOR FURTHER INFORMATION CONTACT:** Mark Mulligan, Attorney/Advisor, Office of Chief Counsel, U.S. Secret Service, 1800 G Street, NW., Room 842, Washington, DC 20223, (202) 435-5771.

#### SUPPLEMENTARY INFORMATION:

##### Background

Currently, illustrations of U.S. currency are permitted provided the illustration is in black and white and is of a size less than three-fourths or more than one and one-half, in linear dimension, of each part so illustrated, and provided the negatives and plates used in making the illustration are destroyed. 18 U.S.C. 504. The Counterfeit Deterrence Act of 1992, Pub.

L. No. 102-550 (1992), amended 18 U.S.C. 504 by requiring "[t]he Secretary of the Treasury [to] prescribe regulations to permit color illustrations of such currency of the United States as the Secretary determines may be appropriate for such purposes." Treasury Directive Number 15-56, 58 FR 48539 (September 16, 1993), delegated the responsibility and authority to prescribe these regulations to the Director, United States Secret Service.

The proposed rule would allow the color illustration of U.S. currency. In developing this proposal, the Secret Service carefully weighed the interest in color illustrations with the federal government's compelling interest of preventing the counterfeiting of U.S. currency. The proposed rule is designed to allow the color illustration of U.S. currency in a manner which both prevents the possibility of these color illustrations being used as instruments of fraud and avoids the creation of conditions which may facilitate counterfeiting. In addition, the proposal recognizes technological advances in both computer graphics and other reprographics and requires that such methods comply with the requirements of the proposed rule.

The proposed rule would require the permitted color illustrations to comply with the current size restrictions set out in 18 U.S.C. 504. Any color illustration permitted under the proposed rule would also be required to have the term "non-negotiable" be prominently and conspicuously placed across the center portion of any illustration. In addition, the legend "non-negotiable" would be required to appear in clearly legible, bold, black, block letters, being a minimum of one quarter inch high, and covering at least one third of the linear length of the illustration. The legend "non-negotiable" must appear simultaneously with the creation, production, printing, publishing and transmission of the illustration on all copies of the illustration or any part thereof, and on all negatives, plates, positives, digitized storage medium, graphic files, magnetic medium, optical storage devices, or other reproductive method. In addition, such color illustrations would be required to be only one-sided.

The exceptions proposed by this rule, like the exceptions set out in 18 U.S.C. 504, apply notwithstanding any other provision of chapter 25 of Title 18 of the U.S. Code. It should specifically be noted that the requirement that the term "non-negotiable" appear simultaneously with the creation, production, printing, publishing and transmission of the

illustration on all copies of the illustration or any part thereof, and on all negatives, plates, positives, digitized storage medium, graphic files, magnetic medium, optical storage devices, or other reproductive method does not waive or repeal the prohibition in 18 U.S.C. 333 against the mutilation or disfiguring of currency with the intent to render such currency unfit to be reissued. Also, the criminal liability imposed by 18 U.S.C. 474 and other applicable sections of chapter 25 of Title 18 of the U.S. Code could apply where a color illustration of U.S. currency fails to meet the requirements imposed by this proposed regulation.

#### Executive Order 12866

It has been determined that this document is not a significant regulatory action under Executive Order 12866. This proposed rule is intended to permit the color illustrations of certain U.S. currency, which at the present time are prohibited by law.

#### Regulatory Flexibility Act

Pursuant to section 605(b) of the Regulatory Flexibility Act and for the reasons set forth above, it is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required.

#### List of Subjects in 31 CFR Part 411

Color illustration, Currency.

For the reasons set out in the preamble, it is proposed that title 31, chapter IV of the Code of Federal Regulations be amended by adding part 411 as set forth below.

#### PART 411—COLOR ILLUSTRATIONS OF UNITED STATES CURRENCY

**Authority:** 18 U.S.C. 504; Treasury Directive Number 15-56, 58 FR 48539 (Sept. 16, 1993)

##### § 411.1 Color illustrations authorized.

(a) Notwithstanding any provision of chapter 25 of Title 18 of the U.S. Code, authority is hereby given for the printing, publishing or importation, or the making or importation of the necessary plates or items for such printing or publishing, of color illustrations of U.S. currency provided that:

(1) The illustration be of a size less than three-fourths or more than one and one-half, in linear dimension, of each part of any matter so illustrated;

(2) The term "non-negotiable" be placed on any illustration in clearly legible, bold, black, block letters, being a minimum of one quarter inch high,