

Issued in Kansas City, Missouri, on June 25, 1996.

James E. Jackson,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

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14 CFR Part 39

[Docket No. 96-CE-30-AD]

RIN 2120-AA64

Airworthiness Directives; Raytheon Aircraft Corporation (formerly Beech Aircraft Corporation) Models 1900C, 1900D, and 2000 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to adopt a new airworthiness directive (AD) that would apply to certain Raytheon Aircraft Corporation (Raytheon) Models 1900C, 1900D, and 2000 airplanes. The proposed action would require inspecting (one-time) the fuel filter assemblies to detect any bypass valve that is glued shut. If a bypass valve is glued shut, the proposal would require replacing the associated fuel filter assembly. Three in-flight occurrences where the low fuel pressure light illuminated prompted the proposed action. In each of the instances, a bypass valve on the affected engine was glued shut with anaerobic thread lock adhesive and when the fuel filter became clogged, proper fuel flow to the engine was not obtained. The actions specified by the proposed AD are intended to prevent lack of fuel to the engine and eventual engine shutdown caused by a clogged fuel filter and a contaminated fuel filter by-pass valve.

DATES: Comments must be received on or before September 6, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 96-CE-30-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from the Raytheon Aircraft Corporation, P.O. Box 85, Wichita, Kansas 67201-0085. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Mr. Karl Schletzbaum, Aerospace Safety Engineer, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Mid-Continent Airport, Wichita, Kansas 67209; telephone (316) 946-4146; facsimile (316) 946-4407.

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 should 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 that summarizes 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 No. 96-CE-30-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, Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 96-CE-30-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

The FAA has received three reports of in-flight occurrences involving Raytheon Model 1900 D airplanes, where the low fuel pressure light illuminated. Fortunately, the airplane landed safely in these incidents. In each of the instances, a bypass valve on the affected engine was glued shut with anaerobic thread lock adhesive and when the fuel filter became clogged, proper fuel flow to the engine was not obtained. Further

investigation has revealed that some fuel filter assemblies were contaminated with anaerobic thread lock adhesive during the manufacturing process.

Raytheon reports that the following airplane models and serial numbers could have fuel filter assemblies contaminated with anaerobic thread lock adhesive:

Models	Serial numbers
1900C	UC-1 through UC-174
1900C (C-12J)	UD-1 through UD-6
1900D	UE-1 through UE-205
2000	NC-4 through NC-53

Raytheon has issued Service Bulletin (SB) No. 2677 (for Model 2000), dated March, 1996; and Beechcraft SB No. 2678 (for Models 1900C and 1900D), dated May, 1996. These service bulletins specify procedures for (1) inspecting the fuel filter assemblies to detect any bypass valves glued shut; and (2) replacing the fuel filter assembly.

After examining the circumstances and reviewing all available information related to the incidents described above, including the referenced service information, the FAA has determined that AD action should be taken to prevent lack of fuel to the engine and eventual engine shutdown caused by a clogged fuel filter and a contaminated fuel filter by-pass valve.

Explanation of the Provisions of the Proposed AD

Since an unsafe condition has been identified that is likely to exist or develop in other Raytheon Models 1900C, 1900D, and 2000 airplanes of the same type design that were manufactured during the period when the fuel filter assembly bypass valves were susceptible to anaerobic thread lock adhesive contamination, the FAA is proposing AD action. The proposed AD would require inspecting (one-time) the fuel filter assemblies to detect any bypass valve that is glued shut. If a bypass valve is glued shut, the proposal would require replacing the fuel filter assembly. Accomplishment of the inspection and replacement (if necessary) would be in accordance with Raytheon SB No. 2677 (for Model 2000), dated March, 1996; or Beechcraft SB No. 2678 (for Models 1900C and 1900D), dated May, 1996, as applicable.

Cost Impact

The FAA estimates that 379 airplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 2 workhours per airplane to accomplish the proposed inspection,

and that the average labor rate is approximately \$60 an hour. Based on these figures, the total cost impact of the proposed AD on U.S. operators is estimated to be \$45,480. This figure only takes into account the cost of the inspection and does not take into account the cost of replacing any fuel filter assembly found to have a nonfunctional bypass valve. A fuel filter assembly replacement would take approximately 1 workhour (possible two fuel filter assembly replacements per airplane) at approximately \$60 per hour. The manufacturer will provide parts at no cost to the owner/operator. The FAA knows of no affected airplane owner/operator that has already accomplished the proposed action.

Regulatory Impact

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 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) 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 has been placed 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. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding a new airworthiness directive (AD) to read as follows:

Raytheon Aircraft Corporation (formerly Beech Aircraft Corporation): Docket No. 96-CE-30-AD.

Applicability: The following airplane model and serial numbers, certificated in any category:

Models	Serial numbers
1900C	UC-1 through UC-174
1900C (C-12J)	UD-1 through UD-6
1900D	UE-1 through UE-205
2000	NC-4 through NC-53

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 (c) 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 50 hours time-in-service after the effective date of this AD, unless already accomplished.

To prevent lack of fuel to the engine and eventual engine shutdown caused by a clogged fuel filter and a contaminated fuel filter by-pass valve, accomplish the following:

(a) Inspect (one-time) the fuel filter assemblies to detect any bypass valve that is glued shut. If a bypass valve is glued shut, prior to further flight, replace the associated fuel filter assembly. Accomplish the inspection and replacement (if necessary) in accordance with Raytheon Service Bulletin (SB) No. 2677 (for Model 2000), dated March, 1996; and Beechcraft SB No. 2678 (for Models 1900C and 1900D), dated May, 1996.

(b) 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.

(c) An alternative method of compliance or adjustment of the compliance time that provides an equivalent level of safety may be approved by the Manager, Wichita Aircraft Certification Office (ACO), 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, Kansas 67209. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Wichita ACO.

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

(d) All persons affected by this directive may obtain copies of the documents referred to herein upon request to the Raytheon Aircraft Corporation, P.O. Box 85, Wichita, Kansas 67201-0085; or may examine these documents at the FAA, Central Region, Office of the Assistant Chief Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on June 25, 1996.

James E. Jackson,
Acting Manager,

Small Airplane Directorate, Aircraft Certification Service.

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[INTL-4-95]

RIN 1545-AT41

Allocation of Loss on Disposition of Stock

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains proposed Income Tax Regulations relating to the allocation of loss realized on the disposition of stock. These regulations will affect United States and foreign shareholders of stock in domestic and foreign corporations. The regulations are necessary to modify existing guidance with respect to stock losses. This document also contains a notice of public hearing on the regulations.

DATES: Written comments must be received by October 7, 1996. Outlines of topics to be discussed at the public hearing scheduled for November 6, 1996, at 10 a.m. must be received by October 16, 1996.

ADDRESSES: Send submissions to: CC:DOM:CORP:R (INTL-4-95), room 5228, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. In the alternative, submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to: CC:DOM:CORP:R (INTL-4-95), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC. The public hearing will be held in room 2615, Internal