

least 1 percent of its total assets after the distribution is made;

(2) No more than 50 percent of the prior calendar year's net earnings or margins if the borrower's net worth is at least 20 percent of its total assets after the distribution is made;

(3) No more than 75 percent of the prior calendar year's net earnings or margins if the borrower's net worth is at least 30 percent of its total assets after the distribution is made; or

(4) No limit on distributions if the borrower's net worth is at least 40 percent of its total assets after the distribution is made.

(c) Borrowers that have not received a loan after [effective date of final rule] may request the Administrator to apply these requirements to them. Borrowers may request in writing that RUS substitute the new requirements described in paragraphs (b)(1) through (b)(4) of this section. Upon request by the borrower, the provisions of the borrower's loan documents restricting cash distributions or investments shall not be enforced to the extent that such provisions are inconsistent with this section.

(d) Rural development investments meeting the criteria set forth in 7 CFR part 1744, subpart D, will not be counted against a borrower's allowable cash distributions in any calendar year (7 U.S.C. 926).

\* \* \* \* \*

#### § 1735.60 [Amended]

10. § 1735.60, paragraph (a) introductory text is amended by removing the reference "(see 7 CFR part 1758)" and paragraph (a)(3) is removed.

#### § 1735.76 [Amended]

11. § 1735.76, the second "or" is removed and the word "of" is added in its place.

#### **PART 1737—PRE-LOAN POLICIES AND PROCEDURES COMMON TO INSURED AND GUARANTEED TELECOMMUNICATIONS LOANS**

12. The part heading for part 1737 is revised as set forth above.

13. The authority citation for part 1737 is revised to read as follows:

Authority: 7 U.S.C. 901 *et seq.*, 1921 *et seq.*; Pub. L. 103-354, 108 Stat. 3178 (7 U.S.C. 6941 *et seq.*).

#### § 1737.70 [Amended]

14. In § 1737.70, paragraph (d) is removed and reserved.

#### **PART 1739—[REMOVED]**

15. Part 1739 is removed.

#### **PART 1746—[REMOVED]**

16. Part 1746 is removed.

Dated: February 24, 1997.

Jill Long Thompson,

*Under Secretary, Rural Development.*

[FR Doc. 97-5223 Filed 3-6-97; 8:45 am]

BILLING CODE 3410-15-P

#### **DEPARTMENT OF TRANSPORTATION**

#### **Federal Aviation Administration**

#### **14 CFR Part 39**

[Docket No. 96-NM-120-AD]

RIN 2120-AA64

#### **Airworthiness Directives; Construcciones Aeronauticas, S.A. (CASA) Model C-212 Series Airplanes**

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

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

**SUMMARY:** This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all CASA Model C-212 series airplanes. This proposal would require an initial inspection of the restrictor pistons on the shock absorbers of the left and right main landing gear (MLG) to determine the number and condition of threaded screw pins that are installed; replacement of any discrepant pin; and repetitive inspections of certain pistons. Modification of certain pistons by the installation of two additional pins would terminate these inspections. This proposal is prompted by reports indicating that the threaded screw pin that holds the restrictor piston on the slide tube of the shock absorber has been found to have loosened on some airplanes. The actions specified by the proposed AD are intended to prevent the loss of hydraulic damping in the MLG, due to failure of the screw pins that hold the restrictor pistons on the slide tubes of the shock absorbers, and consequent structural damage to the airplane.

**DATES:** Comments must be received by April 16, 1997.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 96-NM-120-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 Construcciones Aeronauticas, S.A., Getafe, Madrid, Spain. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Gregory Dunn, Aerospace Engineer, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-2799; fax (206) 227-1149.

#### **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 96-NM-120-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. 96-NM-120-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

#### **Discussion**

The Dirección General de Aviación (DGAC), which is the airworthiness authority for Spain, has notified the FAA that an unsafe condition may exist on all CASA Model C-212 series airplanes. The DGAC advises that it has

received reports indicating that threaded screw pins that hold the restrictor pistons on the slide tubes of the shock absorbers of the left and right main landing gear (MLG) have been found to have loosened.

The piston is held on the slide tube by either one or three screw pins. On some pistons, two of the three screw pin holes have been drilled and sealed with epoxy; on other pistons, only one screw pin hole exists.

Should the pin on a single-pin configuration become loose, the union between the piston and the slide tube may fail, causing the loss of hydraulic dampening in the MLG. This loss of hydraulic dampening, if not prevented, could result in structural damage to the airplane.

#### Explanation of Relevant Service Information

CASA has issued Service Bulletin SB-212-32-38, dated June 16, 1994, which describes procedures for inspecting and installing the threaded screw pins that attach the restrictor pistons to the slide tubes of the shock absorbers of the left and right MLG. This service bulletin also describes procedures for modifying restrictor pistons on which only one threaded pin is installed. This modification entails the drilling of two new holes or the unsealing of two previously-drilled holes, and the installation of two more pins. Accomplishment of this modification will strengthen the union and resistance between the piston and the slide tube, and eliminate the need for repetitive inspections.

The DGAC classified this service bulletin as mandatory and issued Spanish airworthiness directive 07/94, dated October 1994, in order to assure the continued airworthiness of these airplanes in Spain.

#### FAA's Conclusions

This airplane model is manufactured in Spain and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

#### Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would require an initial inspection of the restrictor pistons on the shock absorbers of the left and right MLG to determine the number and condition of threaded screw pins that are installed; replacement of discrepant pins; and repetitive inspections of certain pistons. Pistons on which one pin is installed would be required to be modified by drilling two new holes or unsealing two previously drilled holes, and installing two pins. This modification would terminate the requirement for repetitive inspections. The actions would be required to be accomplished in accordance with the service bulletin described previously.

#### Cost Impact

The FAA estimates that 41 CASA Model C-212 series airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 20 work hours per airplane to accomplish the proposed actions, and the average labor rate is \$60 per work hour. Required parts would cost approximately \$11 per airplane. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$49,651, or \$1,211 per airplane.

The 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.

#### 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 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. 106(g), 40113, 44701.

#### **§ 39.13 [Amended]**

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

Construcciones Aeronauticas, S.A. (CASA):  
Docket 96-NM-120-AD.

*Applicability:* All Model C-212 series airplanes, certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise 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 (b) 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 prevent the loss of hydraulic damping in the main landing gear, due to failure of the screw pins that hold the restrictor pistons on the slide tubes of the shock absorbers, and consequent structural damage to the airplane, accomplish the following:

(a) Prior to the accumulation of 600 hours time-in-service after the effective date of this AD, conduct an inspection of each restrictor piston to detect the number and condition of installed threaded screw pins; in accordance with CASA Service Bulletin SB-212-32-38, dated June 16, 1994. Prior to further

flight, replace any loose pin, in accordance with the service bulletin and accomplish the following, as applicable:

(1) For any piston on which three threaded screw pins are installed: No further action is required by this AD for this piston.

(2) For any piston on which one pin is installed and two holes are sealed with epoxy: Remove the epoxy, and install two additional threaded screw pins, in accordance with the service bulletin. Thereafter, no further action is required by this AD for this piston.

(3) For any piston on which one pin is installed and no other holes exist:

(i) Repeat the inspection required by paragraph (a) of this AD at intervals not to exceed 600 hours time-in-service until the modification required by paragraph (a)(3)(ii) of this AD is accomplished.

(ii) Prior to the accumulation of 1,800 hours time-in-service after the effective date of this AD, or within 3 years after the effective date of this AD, whichever occurs later, modify this piston in accordance with the service bulletin. Accomplishment of this modification constitutes terminating action for the repetitive inspection requirements of paragraph (a)(3)(i) of this AD. Thereafter, no further action is required by this AD with regard to that piston.

(b) 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, Standardization Branch, ANM-113, 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, Standardization Branch, ANM-113.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM-113.

(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.

Issued in Renton, Washington, on February 28, 1997.

Darrell M. Pederson,

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*  
[FR Doc. 97-5574 Filed 3-6-97; 8:45 am]

BILLING CODE 4910-13-U

## Federal Aviation Administration

### 14 CFR Part 39

[Docket No. 96-NM-201-AD]

RIN 2120-AA64

### Airworthiness Directives; McDonnell Douglas Model MD-90-30 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all McDonnell Douglas Model MD-90-30 airplanes. This proposal would require revising the Airworthiness Limitations Section of the Instructions for Continued Airworthiness [MD-90-30 Airworthiness Limitations Instructions (ALI)]. The revision would incorporate certain compliance times for inspections to detect fatigue cracking of principal structural elements (PSE) and to add PSE's to the ALI. This proposal is prompted by analysis of data that identified reduced initial inspection thresholds, reduced repetitive inspection intervals for PSE's, and other PSE's to be added to the ALI. The actions specified by the proposed AD are intended to ensure that fatigue cracking of various PSE's are detected and corrected; such fatigue cracking could adversely affect the structural integrity of these airplanes.

**DATES:** Comments must be received by April 16, 1997.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 96-NM-201-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.

**FOR FURTHER INFORMATION CONTACT:** Brent Bandley, Aerospace Engineer, Airframe Branch, ANM-120L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood,

California 90712; telephone (310) 627-5237; 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 96-NM-201-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. 96-NM-201-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

### Discussion

In accordance with airworthiness standards requiring "damage tolerance assessments" [reference current section 1529 of parts 23, 25, 27, and 29 of the Federal Aviation Regulations (FAR); section 4 of parts 33 and 35 of the FAR; section 82 of part 31 of the FAR; and the Appendices referenced in those sections], all products certificated to comply with those sections must have Instructions for Continued Airworthiness (or, for some products, maintenance manuals), that include an Airworthiness Limitations Section. That section must set forth:

- mandatory replacement times for structural components,
- structural inspection intervals, and