

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97-NM-169-AD]

RIN 2120-AA64

Airworthiness Directives; Israel Aircraft Industries, Ltd., Model 1121, 1121A, 1121B, 1123, 1124, 1124A, 1125 Westwind Astra, and Astra SPX 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 Israel Aircraft Industries, Ltd., Model 1121, 1121A, 1121B, 1123, 1124, 1124A, 1125 Westwind Astra, and Astra SPX series airplanes. This proposal would require repetitive functional tests for proper operation of hydraulic fuses installed in the brake system and emergency hydraulic indicating system; and replacement of any discrepant hydraulic fuse with a new, improved unit. This proposal is prompted by the issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent failure of the hydraulic fuse to operate properly, due to internal corrosion, in the event of an external leak downstream of the fuse, which could result in loss of hydraulic systems.

DATES: Comments must be received by February 12, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-114, Attention: Rules Docket No. 97-NM-169-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 Galaxy Aerospace Corp., One Galaxy Way, Fort Worth Alliance Airport, Fort Worth, Texas 76177. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: International Branch, ANM-116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2110; fax (425) 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 97-NM-169-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-114, Attention: Rules Docket No. 97-NM-169-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Civil Aviation Administration of Israel (CAAI), which is the airworthiness authority for Israel, notified the FAA that an unsafe condition may exist on all Israel Aircraft Industries, Ltd., Model 1121, 1121A, 1121B, 1123, 1124, 1124A, 1125 Westwind Astra, and Astra SPX series airplanes. The CAAI advises that corrosion has occurred on the magnesium piston in the hydraulic fuses installed in the brake system and emergency hydraulic indicating system of these airplanes (except 1125 Westwind Astra series airplanes), which prevented proper operation of the fuse (i.e., closure of the fuse in the event of a downstream leak). This condition, if not detected and corrected in a timely manner, could result in loss of hydraulic systems.

Explanation of Relevant Service Information

The manufacturer has issued Comodore Jet Service Bulletin 1121-29-022 (for Model 1121, 1121A, and 1121B series airplanes), Westwind Service Bulletin 1123-29-045 (for Model 1123 series airplanes), Westwind Service Bulletin 1124-29-132 (for Model 1124 and 1124A series airplanes), and Astra Service Bulletin 1125-32-154 (for Model 1125 Westwind Astra and Astra SPX series airplanes); all dated September 11, 1996. These service bulletins describe procedures for repetitive functional tests for proper operation of the hydraulic fuses installed in the emergency hydraulic indicating system (except Model 1125 Westwind Astra and Astra SPX series airplanes) and the brake system, and replacement of any discrepant hydraulic fuse, with a new, improved unit. The CAAI classified these service bulletins as mandatory and issued Israeli airworthiness directive 29-97-03-10, dated March 27, 1997, in order to assure the continued airworthiness of these airplanes in Israel.

FAA's Conclusions

These airplane models are manufactured in Israel and are 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 CAAI has kept the FAA informed of the situation described above. The FAA has examined the findings of the CAAI, 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 accomplishment of the actions specified in the service bulletins described previously.

Interim Action

This is considered to be interim action until final action is identified, at which time the FAA may consider further rulemaking.

Cost Impact

The FAA estimates that 359 airplanes of U.S. registry would be affected by this proposed AD. It would take approximately 2 work hours per airplane to accomplish the proposed functional test at an average labor rate of \$60 per work hour. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be a total of \$43,080, or \$120 per airplane, per functional test.

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:

Israel Aircraft Industries Ltd.: Docket 97–NM–169–AD.

Applicability: All Model 1121, 1121A, 1121B, 1123, 1124, 1124A, 1125 Westwind Astra, and Astra SPX 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 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 (e) 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 failure of the hydraulic fuse to operate properly in the event of an external leak downstream of the fuse, which could result in loss of hydraulic systems, accomplish the following:

(a) For Model 1121, 1121A, 1123, 1124, and 1124A series airplanes: Perform a functional test (by measuring fluid loss) for proper operation of the hydraulic fuses installed in the brake system and emergency hydraulic indicating system in accordance with Commodore Jet Service Bulletin 1121–29–022 (for Model 1121, 1121A, and 1121B series airplanes), Westwind 1123–29–045 (for

Model 1123 series airplanes), or Westwind 1124–29–132 (for Model 1124 and 1124A series airplanes); all dated September 11, 1996, as applicable; at the later of the times specified in paragraphs (a)(1) and (a)(2) of this AD. Thereafter, repeat the inspections at intervals not to exceed 1,200 flight hours or 3 years, whichever occurs first.

(1) Within 250 flight hours or 1 year after the effective date of this AD, whichever occurs first. Or,

(2) Prior to accumulation of 1,200 total flight hours, or within 3 years since the date of manufacture, whichever occurs first.

(b) For Model 1125 Westwind Astra and Astra SPX series airplanes: Perform a functional test (by measuring fluid loss) for proper operation of the hydraulic fuses installed in the brake system, in accordance with Astra Service Bulletin 1125–32–154, dated September 11, 1996, at the later of the times specified in paragraphs (b)(1) and (b)(2) of this AD. Thereafter, repeat the inspections at intervals not to exceed 1,000 flight hours or 3 years, whichever occurs first.

(1) Within 250 total flight hours or 1 year after the effective date of this AD, whichever occurs first. Or,

(2) Prior to the accumulation of 1,000 total flight hours, or within 3 years since the date of manufacture, whichever occurs first.

(c) If, during any inspection required by paragraph (a) or (b) of this AD, any discrepancy is found, prior to further flight, replace the fuse with a new, improved fuse (part number 713047 with suffix "A" after the serial number), in accordance with Commodore Jet Service Bulletin 1121–29–022 (for Model 1121, 1121A, and 1121B series airplanes), Westwind 1123–29–045 (for Model 1123 series airplanes), Westwind 1124–29–132 (for Model 1124 and 1124A series airplanes), or Astra 1125–32–154 (for Model 1125 Westwind Astra and Astra SPX series airplanes); all dated September 11, 1996; as applicable.

Note 2: Replacement of the fuse in accordance with paragraph (c) of this AD does **not** constitute terminating action for the repetitive functional tests required by paragraphs (a) and (b) of this AD.

(d) As of the effective date of this AD, no person shall install on any airplane a hydraulic fuse having part number 713047, unless it has a suffix "A" after the serial number.

(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, International Branch, ANM–116, 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, International Branch, ANM–116.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(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.

Note 4: The subject of this AD is addressed in Israeli airworthiness directive 29-97-03-10, dated March 27, 1997.

Issued in Renton, Washington, on January 6, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98-712 Filed 1-12-98; 8:45 am]

BILLING CODE 4910-13-U

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-120200-97]

RIN 1545-AV79

Election Not to Apply Look-Back Method in De Minimis Cases

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: In the Rules and Regulations section of this issue of the **Federal Register**, the IRS is issuing temporary regulations under section 460 relating to the look-back method. The temporary regulations provide rules for electing not to apply the look-back method to long-term contracts in de minimis cases. The temporary regulations reflect changes to the law made by the Taxpayer Relief Act of 1997 and affect electing manufacturers and construction contractors whose long-term contracts otherwise are subject to the look-back method. The text of those temporary regulations also serves as the text of these proposed regulations.

DATES: Written comments and requests for a public hearing must be received by April 13, 1998.

ADDRESSES: Send submissions to: CC:DOM:CORP:R (REG-120200-97), 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 (REG-120200-97), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically via the Internet by selecting the "Tax Regs" option on the IRS Home Page, or by submitting comments directly to the IRS Internet site at http://www.irs.ustreas.gov/prod/tax_regs/comments.html.

FOR FURTHER INFORMATION CONTACT: John M. Aramburu or Leo F. Nolan II at (202) 622-4960 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget for review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)). Comments on the collection of information should be sent to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503, with copies to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, T:FP, Washington, DC 20224. Comments on the collection of information should be received by March 16, 1998. Comments are specifically requested concerning:

Whether the proposed collection of information is necessary for the proper performance of the functions of the Internal Revenue Service, including whether the information will have practical utility;

The accuracy of the estimated burden associated with the proposed collection of information (see below);

How the quality, utility, and clarity of the information to be collected may be enhanced;

How the burden of complying with the proposed collection of information may be minimized, including through the application of automated collection techniques or other forms of information technology; and

Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

The collection of information in this proposed regulation is in § 1.460-6(j). This information is required to notify the Commissioner of taxpayers' elections under section 460(b)(6). This information will be used to determine whether taxpayers have properly elected under section 460(b)(6). This collection of information is required for a taxpayer to elect not to apply the look-back method to long-term contracts in de minimis cases. The likely respondents are for-profit entities.

Estimated total annual reporting burden: 4,000 hours.

Estimated average annual burden hours per respondent: 0.2 hours.

Estimated number of respondents: 20,000.

Estimated frequency of responses: Once.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Background

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend the Regulations on Income Taxes (26 CFR part 1) relating to section 460. The text of those temporary regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the regulations.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assessment is not required. It is hereby certified that the collection of information in these regulations will not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that the time required to prepare and file an election statement is minimal and will not have a significant impact on those small entities that choose to make the election. In addition, the election need only be made once by a taxpayer. Therefore, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required. Pursuant to section 7805(f) of the Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Requests for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any electronic or written comments (a signed original and eight (8) copies) that are submitted timely to the IRS. All comments will be available for public inspection and copying. A public hearing may be scheduled if requested in writing by a person that timely submits written comments. If a public hearing is scheduled, notice of the date,