

Commenters also stated that calculation of CFI status on a quarterly or monthly basis would cause some members' CFI status to fluctuate more frequently, which, for members approaching the CFI asset cap, could have a chilling effect on their reliance on Bank funding secured by CFI-eligible collateral.

For membership eligibility purposes, the determination of whether an institution applying for Bank membership is a CFI and, therefore, exempt from the 10 percent requirement, is only required to be made by the Bank one time, during the membership application evaluation process. Therefore, the comments regarding the administrative burden and cost of performing more frequent periodic calculations, coordinating with the annual stock purchase calculation, and the effect on use of Bank funding, are inapposite for membership eligibility purposes. Rather, these comments appear to be directed at how CFI status should be calculated for purposes of allowing CFI members to use the expanded collateral authority under the Modernization Act. These comments, and the definition of CFI for advances collateral purposes, are more appropriately addressed in the Finance Board's final Advances Collateral Rule.

Under the Membership Regulation, the calculation of the 10 percent requirement is based on the applicant's total assets and residential mortgage loans drawn from its most recent quarterly regulatory financial report filed with its appropriate regulator. See 12 CFR 925.10. Since the calculation of average total assets to determine CFI status is necessary in order to determine whether the 10 percent requirement applies, it would be consistent with the current membership application review process at the Banks to use the same total assets data from the applicant's most recent quarterly regulatory financial report for the CFI calculation. In addition, since an average of total assets over three years is required for the CFI calculation, it also would be reasonable to include in the calculation the total assets data from the quarterly regulatory financial reports filed with the applicant's appropriate regulator for the immediately preceding 11 calendar quarters.

Because the calculation of the three-year total assets average affects the determination of CFI status for both membership and advances purposes, the definition of CFI belongs in § 900.1, which contains general definitions applying to all Finance Board regulations. Accordingly, this final rule removes the definitions of "community financial institution" and "community

financial institution asset cap" (§ 925.1(ff) and (gg)) from the Membership Regulation. The final Advances Collateral Rule will add the calculation for membership purposes as described above, as well as the calculation for advances purposes, to a definition of "community financial institution" in § 900.1. The final Advances Collateral Rule also will add the definition of "community financial institution asset cap" to § 900.1.

B. Readmission to Membership—§ 925.30

The final rule makes technical revisions to the language on readmission to membership in § 925.30 of the Interim Final Rule for greater clarity.

III. Regulatory Flexibility Act

Because no notice of proposed rulemaking is required for this final rule, the provisions of the Regulatory Flexibility Act, U.S.C. 601 *et seq.*, do not apply.

IV. Paperwork Reduction Act

For the reasons stated in the Interim Final Rule, the Finance Board adopted the Interim Final Rule on an expedited basis to conform provisions of its regulations to the recently enacted statutory amendments to the Bank Act. Due to the expedited nature of this rulemaking, the Finance Board has not completed its analysis of the information collection requirements contained in the final rule. The amendments in the final rule may result in a reduction in the information collection burden for institutions that qualify as community financial institutions, and an increase in the number of respondents that apply for Bank membership. The Finance Board intends to submit to the Office of Management and Budget the information collection requirements contained in this final rule in accordance with the requirements of section 3507(d) of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d).

List of Subjects in Parts 925 and 950

Credit, Federal home loan banks, Reporting and recordkeeping requirements.

Accordingly, the Interim Final Rule amending title 12, chapter IX, parts 925 and 950, Code of Federal Regulations, which was published at 65 FR 13866 (March 15, 2000), is adopted as final with the following changes:

PART 925—MEMBERS OF THE BANKS

1. The authority citation for part 925 continues to read as follows:

Authority: 12 U.S.C. 1422, 1422a, 1422b, 1423, 1424, 1426, 1430, 1442.

§ 925.1 [Amended]

2. Amend § 925.1 by removing paragraphs (ff) and (gg).

3. Revised § 925.30 to read as follows:

§ 925.30 Readmission to membership.

(a) *In general.* An institution that has withdrawn from membership, or otherwise terminated its membership, may not be readmitted to membership in any Bank for a period of 5 years from the date on which its membership terminated.

(b) *Exceptions.* An institution that transfers membership between two Banks without interruption shall not be deemed to have withdrawn from Bank membership. Any institution that withdrew from Bank membership prior to December 31, 1997, and for which the 5-year period has not expired, may apply for membership in a Bank at any time, subject to the approval of the Finance Board and the requirements of 12 CFR part 925.

Dated: June 23, 2000.

By the Board of Directors of the Federal Housing Finance Board.

Bruce A. Morrison,
Chairman.

[FR Doc. 00-16790 Filed 6-30-00; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 99-NE-15-AD; Amendment 39-11800; AD 2000-13-01]

RIN 2120-AA64

Airworthiness Directives; Allison Engine Company, Inc. AE 3007A and AE 3007C Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to Allison Engine Company, Inc. AE 3007A and AE 3007C series turbofan engines. This AD requires the removal from service of certain turbine wheels before exceeding new, reduced cyclic life limits. This amendment is prompted by a refined life analysis that was performed by the manufacturer.

The actions specified by this AD are intended to prevent an uncontained turbine wheel failure, which could result in damage to the airplane.

DATES: Effective date September 1, 2000. The incorporation by reference of certain publications listed in the rule is approved by the Director of the Federal Register as of September 1, 2000.

ADDRESSES: The service information referenced in this AD may be obtained from Rolls-Royce Allison, P.O. Box 420, Indianapolis, IN 46206-0420; telephone: (888) 255-4766. This information may be examined at the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: John Tallarovic, Aerospace Engineer, Chicago Aircraft Certification Office, FAA, Small Airplane Directorate, 2300 East Devon Avenue, Des Plaines, IL 60018; telephone (847) 294-8180, fax (847) 294-7834.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) applicable to Allison Engine Company, Inc. AE 3007A and AE 3007C series turbofan engines was published in the **Federal Register** on August 5, 1999 (64 FR 42622). That action proposed to require the removal of certain turbine wheels from service before exceeding new, reduced cyclic life limits listed in Rolls-Royce Alert Service Bulletin (ASB) AE 3007A-A-72-105/AE 3007C-A-72-105, dated January 29, 1999.

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

Support for the Rule

One commenter supports the proposed rule as written.

Part Numbers

One commenter requests the addition of part numbers (P/N) to the compliance section. The commenter states that the way the NPRM is written, paragraphs (a)(2) and (b)(2) could be interpreted to mean that all stage 1 and stage 2 turbine wheels, respectively, should have lower lives. In fact, the life reduction is limited to a few part numbers. The addition of the affected part numbers would prevent confusion.

The FAA agrees. To eliminate confusion, paragraph (a)(2) of the compliance section of the final rule has

been revised to specify P/Ns 23065891 and 23062373. Paragraph (b)(2) of the compliance section of the final rule has been revised to specify P/Ns 23065892 and 23063462.

Conclusion

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 changes described previously. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

Economic Analysis

There are approximately 325 engines of the affected design in the worldwide fleet. The FAA estimates that 260 engines installed on aircraft of U.S. registry will be affected by this AD, that it will take approximately 63 work hours per engine to accomplish the required actions, and that the average labor rate is \$60 per work hour. The estimated cost of the lost cycles due to the reduction of the engine cycle life limit is \$57,800 per engine. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be \$15,028,000. The manufacturer of the affected turbine wheels has advised the FAA that it may defray the cost of the reduced life limits, thus reducing the overall cost to operators.

Regulatory Impact

This rule does not have federalism implications, as defined in Executive Order 13132, because it does not have a substantial direct effect 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. Accordingly, the FAA has not consulted with state authorities prior to publication of this rule.

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) 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 final evaluation has been prepared for this action and is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 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:

2000-13-01 Allison Engine Company, Inc.:
Amendment 39-11800. Docket No. 99-NE-15-AD.

Applicability

Allison Engine Company, Inc. AE 3007A and AE 3007C series turbofan engines, installed on, but not limited to, Cessna Aircraft Company 750 series airplanes and Empresa Brasileira de Aeronautica S.A. (Embraer) EMB-145 series airplanes.

Note 1: This airworthiness directive (AD) applies to each engine 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 engines 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 (d) 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 an uncontained turbine wheel failure, which could result in damage to the airplane, accomplish the following:

Remove and Replace

(a) Remove stage 1 turbine wheels, part numbers (P/Ns) 23065891 and 23062373, and replace with new or serviceable parts as follows:

(1) For stage 1 turbine wheels with serial numbers (SNs) listed in Table 5 of Rolls-Royce Alert Service Bulletin (ASB) AE 3007A-A-72-105 and AE 3007C-A-72-105, dated January 29, 1999, replace before accumulating 9,000 engine cycles since new (CSN).

(2) For all other stage 1 turbine wheel SNs with P/Ns 23065891 and 23062373, replace before accumulating 13,100 engine CSN.

(b) Remove stage 2 turbine wheels, P/Ns 23065892 and 23063462, and replace with new or serviceable parts as follows:

(1) For stage 2 turbine wheels with SNs listed in Table 6 of Rolls-Royce ASB AE 3007A-A-72-105 and AE 3007C-A-72-105, dated January 29, 1999, replace before accumulating 7,800 engine CSN.

(2) For all other stage 2 turbine wheel SNs with P/Ns 23065892 and 23063462, replace before accumulating 8,400 engine CSN.

Alternative Life Limits

(c) This AD establishes new cyclic life limits for the turbine wheels identified in paragraphs (a) and (b) of this AD. Except in accordance with paragraph (d) of this AD, no alternative life limits may be approved for the turbine wheels identified in paragraphs (a) and (b) of this AD.

Alternative Method of Compliance

(d) 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, Chicago Aircraft Certification Office. Operators shall submit their request through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Chicago Aircraft Certification Office.

Note 2: Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Chicago Aircraft Certification Office.

Special Flight Permits

(e) Special flight permits may be issued in accordance with §§ 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

Documents Incorporated by Reference

(f) This AD references Rolls-Royce Alert Service Bulletin AE 3007A-A-72-105/AE 3007C-A-72-105, dated January 29, 1999. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Rolls-Royce Allison, P.O. Box 420, Indianapolis, IN 46206-0420; telephone: (888) 255-4766. Copies may be inspected at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

Effective Date

(g) This amendment becomes effective on September 1, 2000.

Issued in Burlington, Massachusetts, on June 19, 2000.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 00-16232 Filed 6-30-00; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-NE-05-AD; Amendment 39-11804; AD 2000-13-05-AD]

RIN 2120-AA64

Airworthiness Directives; Rolls-Royce plc. RB211 Trent 768-60, Trent 772-60, and Trent 772B-60 Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to Rolls-Royce plc. (RR) RB211 Trent 768-60, Trent 772-60, and Trent 772B-60 turbofan engines. This action requires initial and repetitive ultrasonic inspections for cracks in fan blade dovetail roots, and if necessary, replacement with serviceable parts. This amendment is prompted by reports of fan blade failures due to dovetail root cracks. The actions specified in this AD are intended to prevent possible multiple fan blade failures, which could result in an uncontained engine failure and damage to the airplane.

DATES: Effective August 2, 2000. The incorporation by reference of certain publications listed in the rule is approved by the Director of the Federal Register as of August 2, 2000.

Comments for inclusion in the Rules Docket must be received on or before September 1, 2000.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000-NE-05-AD, 12 New England Executive Park, Burlington, MA 01803-5299. Comments may also be sent via the Internet using the following address: "9-ad-engineprop@faa.gov." Comments sent via the Internet must contain the docket number in the subject line.

The service information referenced in this AD may be obtained from Rolls-Royce plc, PO Box 31, Derby, England; telephone: 011-44-1332-249428; fax 011-44-1332-249223. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT:

James Lawrence, Aerospace Engineer, Engine Certification Office, FAA, Engine

and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803-5299; telephone 781-238-7176; fax 781-238-7199.

SUPPLEMENTARY INFORMATION: The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom (U.K.), recently notified the FAA that an unsafe condition may exist on Rolls-Royce plc. (RR) RB211 Trent 768-60, Trent 772-60, and Trent 772B-60 turbofan engines with fan blade part numbers (P/N's) FK22580, FK23411, FK25441, and FK25968 installed. The CAA received a report of multiple fan blade root cracks in a factory engine. A recent inspection of a set of fan blades from a factory fleet leader test engine has identified small cracks in the blade roots on the convex root flank. To date, this is the only engine that has exhibited the blade root cracks. This condition, if not corrected, could result in possible multiple fan blade failures, which could result in an uncontained engine failure and damage to the airplane.

Manufacturer's Service Information

Rolls-Royce plc (RR) has issued service bulletin (SB) No. RB.211-72-C878, Revision 1, dated December 10, 1999, that specifies procedures for ultrasonic inspections for cracks in fan blade dovetail roots. The CAA classified this SB as mandatory and issued airworthiness directive (AD) 003-11-99 in order to assure the airworthiness of these engines in the U.K.

Differences Between This AD and the Manufacturer's Service Information

This AD applies only to those engines with fan blades having four specific part numbers. The manufacturer's service bulletin is not limited in that fashion. The FAA expects that future changes in the design of the affected fan blades will eliminate the need for the required inspections and that those newer fan blades will have different part numbers. The installation of the newer part number will therefore have the effect of removing the engine from the applicability of this AD.

Bilateral Airworthiness Agreement

This engine model is manufactured in the U.K. 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 CAA has kept the FAA informed of the situation described above. The FAA has examined the findings of the CAA, reviewed all available information, and determined that AD action is necessary