

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 39**

[Docket No. 2000-SW-34-AD; Amendment 39-12087; AD 2001-02-03]

RIN 2120-AA64

**Airworthiness Directives; Bell Helicopter Textron Canada Model 206A, B, L, L1, and L3 Helicopters**

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

**SUMMARY:** This amendment adopts a new airworthiness directive (AD) for Bell Helicopter Textron Canada (BHTC) Model 206A, B, L, L1, and L3 helicopters. This AD requires inspecting the collective lever assembly (assembly) for a raised forging boss, inspecting the assembly for adequate clearance between the collective lever and the washplate outer ring (outer ring), and modifying any assembly with a raised forging boss and inadequate clearance before further flight. Modifying any assembly that has a raised forging boss and adequate clearance would be required before further flight after January 31, 2001. This AD is prompted by the discovery that a raised forging boss could result in control system interference. The actions specified by this AD are intended to prevent interference between the collective lever and the outer ring, damage to flight controls, and subsequent loss of control of the helicopter.

**DATES:** Effective March 9, 2001.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 9, 2001.

**ADDRESSES:** The service information referenced in this AD may be obtained from Bell Helicopter Textron Canada, 12,800 Rue de l'Avenir, Mirabel, Quebec JON1LO, telephone (450) 437-2862 or

(800) 363-8023, fax (450) 433-0272. This information may be examined at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Sharon Miles, Aviation Safety Engineer, FAA, Rotorcraft Directorate, Regulations Group, Fort Worth, Texas 76193-0111, telephone (817) 222-5122, fax (817) 222-5961.

**SUPPLEMENTARY INFORMATION:** A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an AD for BHTC Model 206A, B, L, L1, and L3 helicopters was published in the Federal Register on September 11, 2000 (65 FR 54888). That action proposed to require, for each assembly, P/N 206-010-467-001:

- Within 30 days, inspecting for a raised forging boss and for adequate clearance;
- Before further flight, modifying any collective lever if the clearance is 0.060 inch (1.52mm) or less between the assembly and the outer ring; and
- Before further flight after January 31, 2001, modifying any assembly that has a forging boss and adequate clearance.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the public interest require the adoption of the rule as proposed.

**Regulatory Impact**

In the NPRM, we estimated that 6,000 helicopters would be affected by this AD; however, only 2,200 helicopters are currently on the U.S. registry. It will take approximately 0.5 work hours per helicopter to inspect and 2 work hours to modify the assembly, and that the average labor rate is \$60 per work hour.

**Federal Aviation Administration (FAA)  
Airworthiness Directive (AD) 2001-02-03**Docket No. 2000-SW-34-AD, Amendment 39-12087  
Bell Helicopter Textron Canada

Subject: Inspecting and Modifying Collective Lever Assemblies

Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be \$330,000.

The regulations adopted herein will 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. Therefore, it is determined that this final rule does not have federalism implications under Executive Order 13132.

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 it 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, under 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. FAA amends § 39.13 by adding the following new airworthiness directive:

(a) Effective Date	Effective March 9, 2001.
(b) Affected Documents	None.

## Federal Aviation Administration (FAA)—Continued

## Airworthiness Directive (AD) 2001-02-03

Docket No. 2000-SW-34-AD, Amendment 39-12087

Bell Helicopter Textron Canada

Subject: Inspecting and Modifying Collective Lever Assemblies

<b>(c) Applicability</b>	Bell Helicopter Textron Canada Model 206A (serial numbers (S/N) 004 through 660 and 672 through 715); 206B (S/N 661 through 671, 716 through 4529, and 5101 through 5267); 206L (S/N 45004 through 45153, and 46601 through 46617); 206L1 (S/N 45154 through 45790); and 206L3 (S/N 51001 through 51612) helicopters, with a collective lever assembly (assembly), part number (P/N) 206-010-467-001, installed, certificated in any category.
<b>(d) Unsafe Condition and Background Information</b>	A raised forging boss could interfere with the control system. That could damage flight controls and cause loss of control of the helicopter.
<b>(e) Compliance</b>	Unless previously accomplished, inspect each assembly within 30 days. Modify any assembly that has a raised forging boss. Modify the assembly before further flight if the clearance is 0.060 inch (1.52mm) or less or before further flight after January 31, 2001 if the clearance is greater than 0.060 inch (1.52mm).
<b>(f) Required Actions</b>	<p>(1) Within 30 days:</p> <p>(i) Inspect each assembly for a raised forging boss in accordance with the Accomplishment Instructions, Part I, paragraphs 1.a., of Bell Helicopter Textron Alert Service Bulletin Nos. 206L-00-116, dated March 10, 2000 (ASB 206L), or 206-00-93, Revision A, dated May 10, 2000 (ASB 206), as applicable, and</p> <p>(ii) If the assembly has a raised forging boss, inspect for clearance in accordance with the Accomplishment Instructions, Part I, paragraphs 2.a. through f., of ASB 206L or ASB 206, as applicable.</p> <p>(2) Modify each assembly in accordance with the Accomplishment Instructions, Part II, paragraphs 1 through 10, of ASB 206L or ASB 206, as applicable, as follows:</p> <p>(i) If the clearance is 0.060 inch (1.52mm) or less at one of the outer ring horns, before further flight.</p> <p>(ii) If the clearance is greater than 0.060 inch (1.52mm) at one of the outer ring horns, before further flight after January 31, 2001.</p>
<b>(g) Other Provisions</b>	<p>(1) Alternative Methods of Compliance (AMOC):</p> <p>(i) You may use an AMOC or adjust the time you take to meet the requirements of this AD if your alternative provides an acceptable level of safety and if the Manager, Regulations Group, approves your alternative.</p> <p>(ii) Submit your request for approval through an FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Regulations Group.</p> <p>(iii) You can get information about the existence of already approved AMOC's from the FAA, Rotorcraft Directorate, Regulations Group, 2601 Meacham Blvd., Fort Worth, Texas 76137.</p> <p>(2) Modifications, Alterations, or Repairs: This AD applies to each helicopter identified in the applicability paragraph, even if it has been modified, altered, or repaired in the area subject to this AD. If that change in any way affects accomplishing the required actions, you must request FAA approval for an AMOC. Your request should assess the effect of the change on the unsafe condition addressed by this AD.</p> <p>(3) Special Flight Permits: The FAA may issue you a special flight permit under 14 CFR 21.197 and 21.199 to operate your helicopter to a location where you can comply with this AD.</p>
<b>(h) Incorporation by Reference</b>	You must accomplish the inspections and modifications in accordance with Part I, paragraphs 1.a. and 2.a. through f. and Part II, paragraphs 1 through 10, of Bell Helicopter Textron Alert Service Bulletin Nos. 206L-00-116, dated March 10, 2000, or 206-00-93, Revision A, dated May 10, 2000, as applicable. The Director of the Federal Register approved this incorporation by reference under 5 U.S.C. 552(a) and 1 CFR part 51. If you need a copy of the service bulletin, contact Bell Helicopter Textron Canada, 12,800 Rue de l'Avenir, Mirabel, Quebec JON1LO, telephone (450) 437-2862 or (800) 363-8023, fax (450) 433-0272. You can review a copy of the service bulletin at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, TX; or at the Office of the Federal Register, 800 North Capitol Street, NW, suite 700, Washington DC.

**Federal Aviation Administration (FAA)—Continued  
Airworthiness Directive (AD) 2001-02-03**

Docket No. 2000-SW-34-AD, Amendment 39-12087

Bell Helicopter Textron Canada

Subject: Inspecting and Modifying Collective Lever Assemblies

<b>(i) Related Information</b>	Transport Canada AD No. CF-2000-13, dated May 23, 2000.
--------------------------------	---

Issued in Fort Worth, Texas on January 18, 2001.

**Henry A. Armstrong,**  
Manager, Rotorcraft Directorate, Aircraft  
Certification Service.

[FR Doc. 01-2427 Filed 2-1-01; 8:45 am]

BILLING CODE 4910-13-S

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 201

[Release Nos. 33-7946; 34-43897; IA-1921;  
IC-24846]

#### Adjustments to Civil Monetary Penalty Amounts

**AGENCY:** Securities and Exchange  
Commission.

**ACTION:** Final rule.

**SUMMARY:** This rule implements the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, which requires that the Commission adopt a regulation adjusting for inflation the maximum amount of civil monetary penalties under the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940.

**EFFECTIVE DATE:** February 2, 2001.

**FOR FURTHER INFORMATION CONTACT:**  
Richard A. Levine, Assistant General  
Counsel at (202) 942-0890, or Scot E.  
Draeger, Attorney, Office of the General  
Counsel at (202) 942-0852.

**SUPPLEMENTARY INFORMATION:**

#### I. Background

This regulation implements the Debt Collection Improvement Act of 1996 ("DCIA").<sup>1</sup> The DCIA amended the Federal Civil Penalties Inflation Adjustment Act of 1990 ("FCPIAA")<sup>2</sup> to require that each federal agency adopt regulations at least once every four years, adjusting for inflation the maximum amount of the civil monetary

penalties ("CMPs") under the statutes administered by the agency.<sup>3</sup>

A civil monetary penalty ("CMP") is defined in relevant part as any penalty, fine, or other sanction that: (1) Is for a specific amount, or has a maximum amount, as provided by federal law; and (2) is assessed or enforced by an agency in an administrative proceeding or by a federal court pursuant to federal law.<sup>4</sup> This definition covers the monetary penalty provisions contained in the statutes administered by the Commission.

The DCIA requires that the penalties be adjusted by the cost-of-living adjustment set forth in Section 5 of the FCPIAA.<sup>5</sup> The cost-of-living adjustment is defined as the percentage by which the U.S. Department of Labor's Consumer Price Index<sup>6</sup> ("CPI") for the month of June for the year preceding the adjustment exceeds the CPI for the month of June for the year in which the amount of the penalty was last set or adjusted pursuant to law.<sup>7</sup> The statute contains specific rules for rounding each increase based on the size of the penalty.<sup>8</sup> Agencies do not have discretion in whether to adjust a maximum CMP, or the methods used to determine the adjustment. Although the DCIA imposed a 10 percent maximum increase for each penalty for the first adjustment pursuant thereto, which adjustment was made in 1996, that limitation does not apply to the adjustments subsequently made.

The Commission administers four statutes which provide for civil monetary penalties: the Securities Act of 1933; the Securities Exchange Act of 1934; the Investment Company Act of 1940; and the Investment Advisers Act of 1940. Penalties administered by the Commission were first adjusted by rules effective December 9, 1996.<sup>9</sup> The DCIA requires the civil monetary penalties to be adjusted for inflation every four

years. Therefore, the Commission is directed by statute to increase the maximum amount of each penalty by the appropriate formulated amount.<sup>10</sup>

Accordingly, the Commission is adopting an amendment to 17 CFR 201 to add section 201.1002 and Table II to Subpart E, increasing the amount of each civil monetary penalty authorized by the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. The adjustments set forth in the amendment apply to violations occurring after the effective date of the amendment.

The amendment also provides for a revision to 17 CFR 201.1001 to clarify the time period for which the new adjustments to the civil monetary penalties will govern, and a revision to correct a typographical error in the earlier rule. The chart<sup>11</sup> accompanying the 1996 adjustments erroneously stated the amount of the CMP for a violation of 15 U.S.C. 78u(d)(3) by a natural person. The correct amount of the CMP for that violation is \$5,500, not \$5,000.

#### II. Summary of the Calculation

To explain the inflation adjustment calculation for CMP amounts that were last adjusted in 1996, we will use the following example. Under the CMP provisions, as amended in 1996, the Commission may impose a maximum CMP of \$1,100,000 for certain insider trading violations by a controlling person. First, we determine the appropriate CPI for June of the calendar year preceding the year of adjustment. Because we are adjusting CMPs in 2001, we use the CPI for June of 2000, which was 516.5. We must also determine the CPI for June of the year the CMP was last adjusted for inflation. Because the Commission last adjusted CMPs in 1996, we use the CPI for June of 1996, which was 469.5.

Second, we calculate the cost-of-living adjustment or inflation factor. To

<sup>1</sup> Pub. L. No. 104-134, section 31001(s) (April 26, 1996).

<sup>2</sup> 28 U.S.C. 2461 (1990).

<sup>3</sup> An increased CMP applies only to violations that occur after the increase takes effect.

<sup>4</sup> 28 U.S.C. 2461(3)(2).

<sup>5</sup> Pub. L. No. 104-134.

<sup>6</sup> "Consumer Price Index" means the Consumer Price Index for all urban consumers ("CPI-U") published by the Department of Labor.

<sup>7</sup> 28 U.S.C. 2461(5)(b).

<sup>8</sup> 28 U.S.C. 2461(5)(a)(1)-(6).

<sup>9</sup> See 17 CFR 201.1001.

<sup>10</sup> The CPI-All Urban Consumers—for June of the year in which the penalties were last adjusted (June 1996) was 469.5. The CPI for June of the year preceding the proposed adjustments (June 2000) was 516.5. Therefore, the inflation factor for the cost-of-living adjustment for penalties last amended in 1996 is 1.10 (i.e., an increase of 10%).

<sup>11</sup> 17 CFR 201, Subpart E, Table I.