

extended coverage, in valuations (according to grade and/or size) established by, or acceptable to, the Committee for the particular crop year. The Committee shall reimburse the handler for the actual costs of such insurance. Prior to the receipt of reserve prunes at the beginning of each crop year, the handler shall certify to the Committee and the Secretary of Agriculture, on Form PMC 4.5, that such handler has a fire and extended coverage policy fully insuring all reserve prunes received by the handler during such crop year. Such certification shall contain the following information:

(1) The name and address of the handler;

(2) The location(s) where reserve prunes will be held for the account of the Committee and the premium rate per \$100 value per annum at each location;

(3) The value per ton at which the reserve prunes are insured; and

(4) The name and address of the insurance underwriter.

(c) *Certain additional payments in connection with the holding of reserve prunes for the account of the Committee.*

(1) Whenever a handler is directed by the Committee to move and dump containers or reserve prunes held by the handler for the account of the Committee for the purpose of causing an inspection to be made of the prunes as provided in § 993.75, but without taking delivery of the prunes at that time, the handler shall be paid for such services at a rate per ton (natural condition weight) determined by the Committee and approved administratively by the Secretary of Agriculture. Such reimbursement rate shall be computed as described in paragraph (a)(3) of this section and publicized as required in paragraph (e) of this section.

(2) Additional payment for reserve tonnage prunes held beyond the crop year of acquisition shall be made in accordance with this paragraph. Each handler holding reserve prunes shall complete such services so that the Committee is assured that the prunes are maintained in good condition.

(i) For storage and necessary fumigation, each handler shall be compensated at a per ton rate announced by the Committee in accordance with paragraph (a)(3) of this section:

(A) For all or any part of the first 3 months of the succeeding crop year, the rate per ton shall be 10 percent of the yearly rate established for the crop year of acquisition;

(B) For all or any part of the second 3 months of the succeeding crop year, the rate per ton shall be 50 percent of the rate established for the first 3 months of the succeeding crop year;

(C) For all or any part of the third 3 months of the succeeding crop year, the rate per ton shall be 25 percent of the rate established for the first 3 months of the succeeding crop year;

(D) For all or any part of the fourth 3 months of the succeeding crop year, the rate per ton shall be 25 percent of the rate established for the first 3 months of the succeeding crop year;

(ii) For all or part of the succeeding crop year, the Committee shall determine the per ton rate for bin rental within the industry and announce bin rental rate to the industry pursuant to paragraph (e) of this section.

(iii) For insurance as prescribed in paragraph (b) of this section.

(d) *Certain additional payments in connection with the delivery of reserve prunes to the Committee or its designee.*

(1) Whenever a handler is directed by the Committee to deliver to it or its designee reserve prunes in natural condition, the Committee shall furnish the handler with the containers in which to deliver the prunes, or reimburse the handler, at cost, for any containers which the handler furnishes pursuant to an agreement with the Committee.

(2) Whenever the Committee arranges with a handler for the reserve prunes delivered to it or its designee to be in processed and packaged condition, the Committee shall reimburse the handler at the agreed rate, determined by the Committee to be reasonable, for the processing, container, and packaging costs.

(e) The Committee shall give reasonable publicity to producer and handler members and alternates who serve on the Committee, commercial dehydrators, handlers, and the cooperative bargaining association(s) of each meeting to consider handler payment rates or any modification thereof, and each such meeting shall be open to them. Similar publicity shall be given to producer and handler members and alternates who serve on the Committee, commercial dehydrators, handlers, and the cooperative bargaining association(s) of each payment rate modification submitted to USDA for review and approval. The Committee shall notify producer and handler members and alternates who serve on the Committee, commercial dehydrators, handlers, and cooperative bargaining association(s) of USDA's action on payment rates and conditions

for payment by first class mail and/or by electronic communications.

Dated: October 8, 2002.

A.J. Yates,

Administrator, Agricultural Marketing Service.

[FR Doc. 02-26054 Filed 10-11-02; 8:45 am]

BILLING CODE 3410-02-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-CE-45-AD]

RIN 2120-AA64

Airworthiness Directives; Fairchild Aircraft, Inc., SA226 Series and SA227 Series

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 all Fairchild Aircraft, Inc. (Fairchild Aircraft) SA226 and SA227 series airplanes. This proposed AD would require you to inspect the fuel boost pump wiring for any chafing, cracked insulation material, or evidence of bare wire(s) (referred to herein as damage), and replace any damaged wiring. This proposed AD would also require you to install a protective tubing around the fuel boost pump wiring harness. This proposed AD is the result of reports of chafed fuel boost pump wiring to either the inboard or outboard boost pump wiring. The actions specified by this proposed AD are intended to prevent the fuel boost pump wiring from chafing, which could result in electrical arcing. This could serve as an ignition source inside the fuel tank and result in fire or explosion.

DATES: The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before December 16, 2002.

ADDRESSES: Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2000-CE-45-AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: 9-ACE-7-Docket@faa.gov. Comments sent electronically must contain

“Docket No. 2000-CE-45-AD” in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from Fairchild Aircraft, Inc., P.O. Box 790490, San Antonio, Texas 78279-0490; telephone: (210) 824-9421; facsimile: (210) 820-8609. You may also view this information at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT:
Ingrid Knox, Aerospace Engineer, FAA, Airplane Certification Office, 2601 Meacham Boulevard, Fort Worth, Texas 76193-0150; telephone: (817) 222-5139; facsimile: (817) 222-5960.

SUPPLEMENTARY INFORMATION:

Comments Invited

How Do I Comment On This Proposed AD?

The FAA invites comments on this proposed rule. You may submit whatever written data, views, or arguments you choose. You need to include the rule’s docket number and submit your comments to the address specified under the caption **ADDRESSES**. We will consider all comments received on or before the closing date. We may amend this proposed rule in light of comments received. Factual information that supports your ideas and suggestions is extremely helpful in evaluating the effectiveness of this proposed AD action and determining whether we need to take additional rulemaking action.

Are There Any Specific Portions of This Proposed AD I Should Pay Attention to?

The FAA specifically invites comments on the overall regulatory, economic, environmental, and energy aspects of this proposed rule that might suggest a need to modify the rule. You may view all comments we receive before and after the closing date of the rule in the Rules Docket. We will file a report in the Rules Docket that summarizes each contact we have with

the public that concerns the substantive parts of this proposed AD.

How Can I Be Sure FAA Receives My Comment?

If you want FAA to acknowledge the receipt of your mailed comments, you must include a self-addressed, stamped postcard. On the postcard, write “Comments to Docket No. 2000-CE-45-AD.” We will date stamp and mail the postcard back to you.

Discussion

What Events Have Caused This Proposed AD?

The FAA has received reports indicating problems with 6 Fairchild Aircraft SA227-AC airplanes. Evidence of chafing to either the inboard or outboard fuel boost pump wiring has been found on all 6 airplanes. In one case, evidence of arcing between the chafed wiring and the fuel check valve was found.

All airplane models within the Fairchild Aircraft SA226 and SA227 series incorporate this fuel boost pump wiring design.

What Are the Consequences If the Condition Is Not Corrected?

Damage to the fuel boost pump wiring, if not detected and corrected, could result in electrical arcing. This could serve as an ignition source inside the fuel tank and result in fire or explosion.

Is There Service Information That Applies to This Subject?

Fairchild Aircraft has issued the following service letters:

- Service Letter 226-SL-023, dated September 6, 2000, which applies to model SA226-T, SA226-AT, SA226-T(B), and SA226-TC airplanes;
- Service Letter 227-SL-039, dated September 6, 2000, which applies to model SA227-AT, SA227-TT, SA227-AC (C-26A), SA227-PC, and SA227-BC (C-26A) airplanes; and
- Service Letter CC7-SL-031, dated September 6, 2000, which applies to

model SA227-CC and SA227-DC (C-26B) airplanes.

What Are the Provisions of This Service Information?

These service letters:

- Include procedures for inspecting the fuel boost pump wiring;
- Specify replacing any damaged wire(s) in accordance with the appropriate wiring manual; and
- Include procedures for installing a protective tubing around the fuel boost pump wiring harness.

The FAA’s Determination and an Explanation of the Provisions of This Proposed AD

What Has FAA Decided?

After examining the circumstances and reviewing all available information related to the incidents described above, we have determined that:

- The unsafe condition referenced in this document exists or could develop on other Fairchild Aircraft SA226 and SA227 series airplanes of the same type design;
- The actions specified in the previously-referenced service information should be accomplished on the affected airplanes; and
- AD action should be taken in order to correct this unsafe condition.

What Would This Proposed AD Require?

This proposed AD would require you to incorporate the actions in the previously-referenced service information.

Cost Impact

How Many Airplanes Would This Proposed AD Impact?

We estimate that this proposed AD affects 490 airplanes in the U.S. registry.

What Would Be the Cost Impact of This Proposed AD on Owners/Operators of the Affected Airplanes?

We estimate the following costs to accomplish the proposed inspection of the fuel boost pump wiring:

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. operators
2 workhours × \$60 per hour = \$120	\$96	\$120 + \$96 = \$216	\$216 × 490 = \$105,840

We estimate the following costs to accomplish the proposed installation of the convoluted tubing:

Labor cost	Parts cost	Total cost per airplane	Total cost on U.S. Operators
1 workhour × \$60 per hour = \$60	\$48	\$60 + \$48 = \$108	\$108 × 490 = \$52,920

The FAA has no method of determining the number of repairs or replacements each owner/operator would incur based on the results of the proposed inspection. We have no way of determining the number of airplanes that may need such repair. The extent of damage may vary on each airplane.

Compliance Time of this Proposed AD

What Would Be the Compliance Time of this Proposed AD?

The compliance time of this proposed AD is whichever of the following that occurs first:

- Within the next 3 months after the effective date of this AD; or
- Within the next 600 hours time-in-service (TIS) after the effective date of this AD.

Why Is the Compliance Time of This Proposed AD Presented in Both Hours TIS and Calendar Time?

Chafing damage is a direct result of airplane usage. However, chafing damage is not necessarily a result of repetitive airplane operation. For example, damage could occur on an affected airplane within a short period of airplane operation while you could operate another affected airplane for a considerable amount of time without experiencing wiring damage. Therefore, to assure that any damaged wiring is detected and corrected in a timely manner without inadvertently grounding any of the affected airplanes, we are utilizing a compliance based upon both hours TIS and calendar time.

Regulatory Impact

Would This Proposed AD Impact Various Entities?

The regulations proposed herein would 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 proposed rule would not have federalism implications under Executive Order 13132.

Would This Proposed AD Involve a Significant Rule or Regulatory Action?

For the reasons discussed above, I certify that this proposed 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, under 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. FAA amends § 39.13 by adding a new airworthiness directive (AD) to read as follows:

Fairchild Aircraft, Inc.: Docket No. 2000–CE–45–AD

(a) *What airplanes are affected by this AD?* This AD affects the following airplane models, all serial numbers, that are certificated in any category:

Models

- SA226–T, SA226–AT, SA226–T(B), SA226–TC, SA227–AT, SA227–TT, SA227–AC (C–26A), SA227–PC, SA227–BC (C–26A), SA227–CC, and SA227–DC(C–26B)

(b) *Who must comply with this AD?*

Anyone who wishes to operate any of the airplanes identified in paragraph (a) of this AD must comply with this AD.

(c) *What problem does this AD address?*

The actions specified by this AD are intended to prevent the fuel boost pump wiring from chafing, which could result in electrical arcing. This could serve as an ignition source inside the fuel tank and result in fire or explosion.

(d) *What actions must I accomplish to address this problem?* To address this problem, you must accomplish the following:

Actions	Compliance	Procedures
(1) Visually inspect the left-hand and right-hand main/auxiliary fuel boost pump wiring for evidence of chafing, damage, or exposed bare wire(s).	Within the next 3 calendar months after the effective date of this AD or within the next 600 hours time-in-service (TIS) after the effective date of this AD, whichever occurs first.	Accomplish the inspection in accordance with the Accomplishment Instructions in Fairchild Service Letter 226–SL–023; Fairchild Service Letter 227–SL–039, or Fairchild Service Letter CC7–SL–031, all dated September 6, 2000, as applicable.
(2) Replace any chafed, damaged or exposed bare wire(s).	Prior to further flight after the inspection required in paragraph (d)(1) of this AD.	Accomplish replacement(s) in accordance with the applicable wiring manual as specified in the applicable Fairchild Service Letter.
(3) Install HEYCO–FLEX V, Slit Convolved Tubing, part-number (P/N) 1634, around each fuel boost pump wiring harness.	Prior to further flight after the inspection required in paragraph (d)(1) of this AD.	Accomplish the installation in accordance with the Accomplishment Instructions in Fairchild Service Letter 226–SL–023; Fairchild Service Letter 227–SL–039; or Fairchild Service Letter CC7–SL–031, all dated September 6, 2000, as applicable.

(e) *Can I comply with this AD in any other way?* You may use an alternative method of compliance or adjust the compliance time if:

- (1) Your alternative method of compliance provides an equivalent level of safety; and
- (2) The Manager, Fort Worth Airplane Certification Office (ACO), approves your

alternative. Submit your request through an FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Fort Worth ACO.

Note: This AD applies to each airplane identified in paragraph (a) of this AD, 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 you have not eliminated the unsafe condition, specific actions you propose to address it.

(f) *Where can I get information about any already-approved alternative methods of compliance?* Contact Ingrid Knox, Aerospace Engineer, FAA, Airplane Certification Office, 2601 Meacham Boulevard, Fort Worth, Texas 76193-0150; telephone: (817) 222-5139; facsimile: (817) 222-5960.

(g) *What if I need to fly the airplane to another location to comply with this AD?* The FAA can issue a special flight permit under sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate your airplane to a location where you can accomplish the requirements of this AD.

(h) *How do I get copies of the documents referenced in this AD?* You may get copies of the documents referenced in this AD from Fairchild Aircraft, Inc., P.O. Box 790490, San Antonio, Texas 78279-0490. You may view these documents at FAA, Central Region, Office of the Regional Counsel, 901 Locust, Room 506, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on October 7, 2002.

Michael Gallagher,

Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 02-26053 Filed 10-11-02; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Part 111

RIN 1515-AD14

Performance of Customs Business by Parent and Subsidiary Corporations

AGENCY: Customs Service, Department of the Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document sets forth proposed amendments to Part 111 of the Customs Regulations to specify that corporate compliance activity engaged in for the purpose of exercising “reasonable care” under 19 U.S.C. 1484 is not customs business and, therefore, such activity is not subject to the customs broker licensing requirements of 19 U.S.C. 1641. The proposed amendments make clear that this corporate compliance activity concept does not extend to document preparation and filing, which is customs business subject to licensing requirements. It is anticipated that the proposed amendments will improve the operational efficiency of the affected corporate entities and, thereby, enhance

their ability to ensure compliance with applicable customs laws and regulations.

DATES: Comments must be submitted on or before December 16, 2002.

ADDRESSES: Written comments are to be addressed to the U.S. Customs Service, Office of Regulations and Rulings, Attention: Regulations Branch, 1300 Pennsylvania Avenue NW., Washington, DC 20229. Submitted comments may be inspected at U.S. Customs Service, 799 9th Street NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Gina Grier, Office of Regulations and Rulings (202-572-8730).

SUPPLEMENTARY INFORMATION:

Background

Statutory and Regulatory Framework

Section 641 of the Tariff Act of 1930, as amended (19 U.S.C. 1641), provides that a person must hold a valid customs broker’s license and permit in order to transact customs business on behalf of others, sets forth standards for the issuance of broker’s licenses and permits, provides for disciplinary action against brokers in the form of suspension or revocation of such licenses and permits or assessment of monetary penalties, and provides for the assessment of monetary penalties against other persons for conducting customs business without the required broker’s license. Section 641 also authorizes the Secretary of the Treasury to prescribe rules and regulations relating to the customs business of brokers as may be necessary to protect importers and the revenue of the United States and to carry out the provisions of section 641.

The regulations issued under the authority of section 641 are set forth in part 111 of the Customs Regulations (19 CFR part 111). Part 111 includes detailed rules regarding the licensing of, and granting of permits to, persons desiring to transact customs business as customs brokers, including the qualifications required of applicants and the procedures for applying for licenses and permits. Part 111 also prescribes recordkeeping and other duties and responsibilities of brokers, sets forth in detail the grounds and procedures for the revocation or suspension of broker licenses and permits and for the assessment of monetary penalties, and sets forth fee payment requirements applicable to brokers under section 641 and 19 U.S.C. 58c(a)(7).

Section 111.1 of the Customs Regulations (19 CFR 111.1) defines “customs business” as follows for purposes of part 111:

“Customs business” means those activities involving transactions with Customs concerning the entry and admissibility of merchandise, its classification and valuation, the payment of duties, taxes, or other charges assessed or collected by Customs on merchandise by reason of its importation, and the refund, rebate, or drawback of those duties, taxes, or other charges. “Customs business” also includes the preparation, and activities relating to the preparation, of documents in any format and the electronic transmission of documents and parts of documents intended to be filed with Customs in furtherance of any other customs business activity, whether or not signed or filed by the preparer. However, “customs business” does not include the mere electronic transmission of data received for transmission to Customs.

Section 111.1 also defines “person” for purposes of part 111 as including “individuals, partnerships, associations, and corporations.”

Section 111.2 of the Customs Regulations (19 CFR 111.2) sets forth the basic rules regarding when a person must obtain a customs broker license and permit. Paragraph (a)(2) of § 111.2 specifies several exceptions to the license requirement including, in subparagraph (i), an exception for an importer or exporter (and his authorized regular employees or officers acting only for him) transacting customs business solely on his own account and in no sense on behalf of another. Section 111.4 of the Customs Regulations (19 CFR 111.4) provides that any person who intentionally transacts customs business, other than as provided in § 111.2(a)(2), without holding a valid broker’s license, will be liable for a monetary penalty for each such transaction as well as for each violation of any other provision of section 641.

Reasons for Proposed Change

The amendments made in 1993 by the Customs Modernization Act provisions of the North American Free Trade Agreement Implementation Act (Public Law 103-182, 107 Stat. 2057) included the requirement to exercise “reasonable care” in connection with the entry requirements set forth in 19 U.S.C. 1484. To foster compliance with the customs laws and regulations under this added statutory responsibility, many importer groups consisting of a parent corporation and one or more subsidiary corporations have chosen to centralize their in-house customs experts into one corporate entity and to make the services of those experts available to the group as a whole. However, when requested to issue an administrative ruling on the issue, Customs has consistently taken the position that many of the activities performed under this type of arrangement would involve