

Registered Holder of the repurchase and request the Certificate. On the date of repurchase, the Lender will forward a payment to FTA that includes the outstanding principal balance of the Guaranteed Interest plus interest through the closing date. FTA shall remit this payment, less FTA approved fees, to the Registered Holder within 2 business days.

§ 4279.240 [Reserved]

§ 4279.241 Repurchase by the Agency.

The Agency may repurchase the Guaranteed Interest and request a transcription in accordance with § 4279.223(c) of this subpart. Written notices will be given to the Lender and FTA when the Agency is to purchase the Guaranteed Interest. The Agency shall not be liable for any amount attributable to any late payment fees due FTA or the Registered Holder.

§ 4279.242 Default by Lender.

The Agency can purchase the Guaranteed Loan when the Lender fails to timely pay the Registered Holder or FTA.

§ 4279.243 Surrender of Certificate.

Failure of the Registered Holder to submit the Certificate to FTA for redemption on the date of payment specified by the Agency or FTA will not entitle the Registered Holder to accrued interest beyond such date and will subject them to a fee approved under § 4279.203 of this subpart.

§ 4279.244 Certificates lost, destroyed, stolen, mutilated or defaced.

Procedures for claims resulting from loss, theft, destruction, mutilation, or defacement of a Certificate shall be the same as those for replacement of a Loan Note Guarantee found in § 4279.84 of this part.

§ 4279.245 Suspension or revocation of participant in secondary market.

The Agency may suspend, debar or otherwise revoke the privilege of a Lender, broker, dealer, FTA, or Registered Holder to sell, purchase, broker, or deal in Guaranteed Loans or Certificates for committing a material violation of:

- (a) These regulations;
- (b) Agreements made pursuant to these regulations; or
- (c) Knowingly submitting false or fraudulent information to RBS or FTA; in accordance with 7 CFR part 3017.

§ 4279.246 Eligibility and selection of FTA.

(a) The selected FTA must be financially responsible and have demonstrated experience in secondary

market loan sales. The FTA must comply with all laws and regulations applicable to transactions under this subpart.

(b) The Agency will award a contract with an independent party to act as the FTA.

(c) The contract with the FTA will expire in 1 year. The Agency shall retain the right to extend the contract for up to 4 additional years.

(d) The selected FTA must agree to allow the Agency access to any of the records or facilities of the FTA, as they pertain to activities authorized under this subpart, and as provided by the contract.

§§ 4279.247–4279.299 [Reserved]

§ 4279.300 OMB control number. [Reserved]

Dated: July 31, 2003.
John Rosso,
Administrator, Rural Business-Cooperative Service.
 [FR Doc. 03–19987 Filed 8–5–03; 8:45 am]
BILLING CODE 3410–XY–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2002–NM–332–AD]

RIN 2120–AA64

Airworthiness Directives; Cessna Model 650 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 certain Cessna Model 650 airplanes. This proposal would require repetitive replacement of the horizontal stabilizer primary trim actuator assembly (HSTA) with a repaired assembly. This action is necessary to prevent uncommanded movement of the horizontal stabilizer, which could result in reduced controllability of the airplane. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by September 22, 2003.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2002–NM–332–AD, 1601 Lind Avenue, SW.,

Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227–1232. Comments may also be sent via the Internet using the following address: *9-anm-nprmcomment@faa.gov*. Comments sent via fax or the Internet must contain “Docket No. 2002–NM–332–AD” in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 for Windows or ASCII text.

The service information referenced in the proposed rule may be obtained from Cessna Aircraft Co., PO Box 7706, Wichita, Kansas 67277. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, Kansas.

FOR FURTHER INFORMATION CONTACT:

Robert P. Busto, Aerospace Engineer, Systems and Propulsion Branch, ACE–116W, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, Kansas 67209; telephone (316) 946–4157; fax (316) 946–4107.

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 action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (e.g., reasons or data) for each request.

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 action must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 2002-NM-332-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. 2002-NM-332-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The FAA has received reports indicating that the ability of the no-back feature of the horizontal stabilizer primary trim actuator (HSTA) assembly, a design feature to prevent uncommanded movement of the horizontal stabilizer, could be degraded on Cessna Model 650 airplanes. The degradation is thought to be the result of a combination of assembly tolerances and a change in friction due to wear. Should the no-back feature of the HSTA assembly be degraded, an additional HSTA failure could cause the horizontal stabilizer to move when air loads are applied to it during flight. This condition, if not corrected, could result in the uncommanded movement of the horizontal stabilizer, which could result in reduced controllability of the airplane.

Explanation of Relevant Service Information

The FAA has reviewed and approved Cessna Service Bulletin SB650-27-50, dated June 12, 2002, which describes procedures for replacement of the HSTA assembly part number 9914056-3 or 9914056-4 with a repaired assembly.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would require accomplishment of the actions specified in the service bulletin described previously, except as discussed below.

Interim Action

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

Differences Between Proposed Rule and Service Bulletin

Operators should note that, although the service bulletin recommends accomplishing a one-time replacement of the HSTA assembly, the FAA has determined that a one-time replacement would not ensure that the identified unsafe condition would not reoccur after replacement. In developing an appropriate compliance time for this proposed AD, the FAA considered not only the manufacturer's recommendation, but the degree of urgency associated with addressing the subject unsafe condition, the likelihood that degradation in the no-back design feature of the HSTA assembly would reoccur, the average utilization of the affected fleet, and the time necessary to replace the HSTA assembly (approximately 35 hours). In light of all of these factors, the FAA finds that periodic replacement of the HSTA assembly at intervals not to exceed 18 months, to be warranted, in that it represents an appropriate interval of time allowable for affected airplanes to continue to operate without compromising safety.

Changes to 14 CFR Part 39/Effect on the Proposed AD

On July 10, 2002, the FAA issued a new version of 14 CFR part 39 (67 FR 47997, July 22, 2002), which governs the FAA's airworthiness directives system. The regulation now includes material that relates to altered products, special flight permits, and alternative methods of compliance (AMOCs). Because we have now included this material in part 39, only the office authorized to approve AMOCs is identified in each individual AD.

Change to Labor Rate Estimate

We have reviewed the figures we have used over the past several years to calculate AD costs to operators. To account for various inflationary costs in the airline industry, we find it necessary to increase the labor rate used in these calculations from \$60 per work hour to \$65 per work hour. The cost impact information, below, reflects this increase in the specified hourly labor rate.

Cost Impact

There are approximately 357 airplanes of the affected design in the worldwide fleet. The FAA estimates that

285 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 35 work hours per airplane to accomplish the proposed replacement, and that the average labor rate is \$65 per work hour. The manufacturer has indicated that it would provide the required parts at no cost. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$648,375 or \$2,275 per airplane per replacement cycle. The cost impact figures discussed in AD rulemaking actions represent only the time necessary to perform the specific actions actually required by the AD. These figures typically do not include incidental costs, such as the time required to gain access and close up, planning time, or time necessitated by other administrative actions.

Regulatory Impact

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 proposal would not have federalism implications under Executive Order 13132.

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:

Cessna Aircraft Company: Docket 2002–NM–332–AD.

Applicability: Model 650 airplanes, serial numbers 0001 through 0171 inclusive, 0173 through 0241 inclusive, 7001 through 7094 inclusive, and 7096 through 7119 inclusive; certificated in any category.

Compliance: Required as indicated, unless accomplished previously.

To prevent uncommanded movement of the horizontal stabilizer, which could result in reduced controllability of the airplane, accomplish the following:

Replacement

(a) Within 18 months after the effective date of this AD, replace the horizontal stabilizer primary trim actuator (HSTA) assembly part number 9914056–3 or 9914056–4, with a repaired assembly, part number 9914056–3 or 9914056–4; in accordance with Cessna Service Bulletin SB650–27–50, dated June 12, 2002. Repeat the replacement thereafter at intervals not to exceed 18 months.

Note 1: Having the letter “B” following the part serial number (for example, SER. NO. 13B) identifies a repaired HSTA assembly, part number 9914056–3 or 9914056–4.

Parts Installation

(b) As of the effective date of this AD, no person shall install an HSTA, part number 9914056–3 or 9914056–4, on any airplane, unless that HSTA has been repaired and reidentified with the letter “B” following the part serial number.

Alternative Methods of Compliance

(c) In accordance with 14 CFR 39.19, the Manager, Wichita Aircraft Certification Office, FAA, is authorized to approve alternative methods of compliance for this AD.

Issued in Renton, Washington, on July 31, 2003.

Ali Bahrami,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03–19984 Filed 8–5–03; 8:45 am]

BILLING CODE 4910–13–P

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 1

Investment of Customer Funds

AGENCY: Commodity Futures Trading Commission.

ACTION: Reopening comment period.

SUMMARY: The Commodity Futures Trading Commission (Commission) is reopening the comment period for the

proposed amendments to Regulation 1.25. These amendments would, among other things, allow futures commission merchants and derivatives clearing organizations (DCO) to engage in repurchase agreements with securities deposited by customers subject to certain conditions and modify the portfolio time-to-maturity requirements for securities deposited in connection with certain collateral management programs of DCOs pursuant to certain conditions. The new deadline for submitting public comments is September 5, 2003.

DATES: Written comments must be received on or before September 5, 2003.

ADDRESSES: Comments on proposed amendments to Regulation 1.25 should be sent to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581. Comments may be sent by facsimile transmission to (202) 418–5528 or by e-mail to *secretary@cftc.gov*. Reference should be made to “Proposed Amendments to Regulation 1.25.”

FOR FURTHER INFORMATION CONTACT: John C. Lawton, Deputy Director and Chief Counsel, or Lois Gregory, Special Counsel, Division of Clearing and Intermediary Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington DC 20581. Telephone: (202) 418–5450.

SUPPLEMENTARY INFORMATION: On June 30, 2003, the Commission published a notice of proposed rulemaking which sought comment on proposed amendments to Regulation 1.25.¹ The amendments would allow futures commission merchants and derivatives clearing organizations (DCO) to engage in repurchase agreement with securities deposited by customers subject to certain conditions and modify the portfolio time-to-maturity requirements for securities deposited in connection with certain collateral management programs of DCOs pursuant to certain conditions. The Commission also requested comments concerning whether the portfolio time-to-maturity requirement should be modified for portfolios consisting exclusively of Treasury securities; whether the restriction on embedded derivatives should be modified, whether the list of permitted benchmarks for variable rate securities should be expanded, and whether the concentration limits on reverse repurchase agreements should be changed. The Commission

established a 30-day period for submitting public comment, ending July 30, 2003.

By letter dated July 24, 2003, an association of futures industry participants requested an extension of the original comment period until September 5, 2003, so that additional parties who could not meet the original July 30 deadline could submit comments letters.

In response to this request and in order to ensure that an adequate opportunity is provided for submission of meaningful comments, the Commission has determined to reopen the comment period for the notice of proposed rulemaking to September 5, 2003.

Issued in Washington, DC, on July 30, 2003, by the Commission.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 03–19949 Filed 8–5–03; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–128203–02]

RIN 1545–BA81

Partnership Transactions Involving Long-Term Contracts

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations relating to partnership transactions involving contracts accounted for under a long-term contract method of accounting. The regulations are necessary to resolve issues that were reserved in final regulations under section 460 that were published in the **Federal Register** on May 15, 2002, addressing other mid-contract changes in taxpayer engaged in completing such contracts. The effect of the regulations is to explain the tax consequences of these partnership transactions.

DATES: Written and electronic comments and requests for a public hearing must be received by November 4, 2003.

ADDRESSES: Send submissions to: CC:PA:RU (REG–128203–02), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m.

¹ 68 FR 38654.