

# 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.

## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 537

RIN 3206-AK51

### Repayment of Student Loans

**AGENCY:** Office of Personnel Management.

**ACTION:** Proposed rule.

**SUMMARY:** The Office of Personnel Management (OPM) is issuing proposed regulations to revise the rules governing the authority to offer student loan

repayment benefits to current Federal employees or candidates for Federal jobs when necessary to recruit or retain highly qualified personnel. These revisions include certain policy changes and clarifications to assist agencies in taking full advantage of the Federal student loan repayment program.

**DATES:** Comments must be received on or before March 12, 2007.

**ADDRESSES:** Send or deliver comments to Jerome D. Mikowicz, Deputy Associate Director for Pay and Leave Administration, Office of Personnel Management, Room 7H31, 1900 E Street, NW., Washington, DC 20415-8200, FAX: (202) 606-0824, or e-mail at [pay-performance-policy@opm.gov](mailto:pay-performance-policy@opm.gov).

**FOR FURTHER INFORMATION CONTACT:** Gene Holson by telephone at (202) 606-2858; by fax at (202) 606-0824; or by e-mail at [pay-performance-policy@opm.gov](mailto:pay-performance-policy@opm.gov).

**SUPPLEMENTARY INFORMATION:** The Office of Personnel Management (OPM) is issuing proposed regulations to revise the rules implementing 5 U.S.C. 5379, which allow agencies to offer student loan repayment benefits to current Federal employees or candidates for Federal jobs when necessary to recruit or retain highly qualified personnel. The primary purpose of this revision is to make part 537 more readable and usable. However, we also are proposing substantive changes based on experience to date to improve program administration in the agencies and promote alignment between this authority and related authorities that support recruitment and retention efforts. The following table lists, by specific regulatory section, the proposed substantive changes and provides a brief description of the purpose and/or effect of each change.

Proposed rule	Description of proposed change
§ 537.102 .....	<p><i>Definitions.</i> The current language in the definition of <i>employee</i> regarding the exclusion of certain types of employees would be moved to proposed § 537.104, which deals with employee eligibility.</p> <p>New definitions of <i>student loan repayment benefit</i> and <i>loan payment</i> would be added to distinguish more clearly between the benefit credited to the employee and the loan payments made to a loan holder by an agency.</p>
§ 537.103(h) .....	<p><i>Documentation.</i> The requirement for documentation would be revised to cover only actions taken to approve a student loan repayment benefit. The current language requires documentation in each case in which an employee is “considered” for a student loan repayment benefit.</p>
§ 537.104 .....	<p><i>Employee eligibility.</i> Paragraph (a) would revise the current language in § 537.104 to clarify when an employee in a time-limited appointment may receive student loan repayment benefits.</p> <p>Paragraph (b) would be modified to incorporate language currently found in the definition of <i>employee</i>.</p> <p>Paragraph (c) would provide a cross reference to the provisions of § 537.108, which deal with loss of eligibility for student loan repayment benefits.</p>
§ 537.105 .....	<p><i>Criteria for payment.</i> This section would be rewritten to focus more clearly on the criteria that must be met to justify the approval of student loan repayment benefits.</p> <p>The provisions for written documentation and the timing of recruitment-related approvals would be clarified and moved to § 537.106, which deals with payment conditions and procedures. (See § 537.106(a)(3) and (4).)</p> <p><i>Current Federal employees.</i> Proposed paragraph (c) would provide that an agency may not authorize student loan repayment benefits to recruit an individual from outside the agency who is currently employed in the Federal service. The intent of the student loan repayment authority is to help agencies recruit individuals for Federal service, not to compete with other agencies for current Federal employees. This restriction would be consistent with current OPM guidance and the rules concerning inter-agency competition when providing recruitment and retention incentives under 5 CFR part 575.</p>
§ 537.106(a) .....	<p><i>General conditions.</i> These provisions establish standards and requirements necessary to provide for reasonable uniformity across agencies, as required by 5 U.S.C. 5379(g). Proposed paragraph (a)(4) would clarify that a service agreement may be signed before a job candidate begins serving in the position for which he or she was recruited. This paragraph would also incorporate language currently found in § 537.105(b).</p>
§ 537.106(b) .....	<p><i>Age of student loans.</i> Proposed paragraph (b)(3) would clarify that, although these regulations do not impose a limit on the age of a student loan, an agency may specify in its own plan that only student loans made within a certain time-frame are eligible for repayment.</p>
§ 537.106(c)(3) .....	<p><i>Benefit cap.</i> A new paragraph would clarify that the full gross amount of the student loan repayment benefit (before deducting any tax withholdings from that gross amount) counts toward the benefit cap.</p>
§ 537.107(a) .....	<p><i>Contingent additional benefits.</i> A new sentence would clarify that a service agreement may address the possibility that the agency may modify the agreement to provide student loan repayment benefits in addition to those fixed in the agreement based on contingencies or conditions specified in the agreement. For example, benefits in a later year could be contingent on budget levels.</p>

Proposed rule	Description of proposed change
§ 537.107(b) .....	<p><i>Agreement modifications.</i> The current sentence on “increases” and “renewals” would be removed. The replacement sentence would clarify that the agency and the employee may mutually agree to modify a service agreement to provide additional student loan repayment benefits for additional service without the need for a new service agreement. (A new service agreement would require additional service of at least 3 years. In contrast, an agreement modification could, for example, add just 1 year of additional service.) The possibility of payment increases would now be addressed in the new sentence added to paragraph (a).</p> <p><i>Periods in a non-pay status.</i> A new rule would provide that periods of leave without pay, or other periods during which the employee is not in a pay status, would not count toward completion of the required service period. This means the originally projected service completion date must be extended by the total amount of time spent in non-pay status. However, as provided by 5 CFR 353.107, absence because of uniformed service or compensable injury is considered creditable toward the required service period upon reemployment.</p>
§ 537.107(d) .....	<p><i>Service period commencement.</i> A new paragraph would be added to address when a service period begins.</p>
§ 537.107(e) .....	<p><i>Reimbursement provision in service agreement.</i> A new provision would require agencies to include in any service agreement a provision addressing whether or not the individual will be required to reimburse the agency for student loan repayment benefits if he or she transfers to a different agency during the service period. (Also see proposed § 537.109(b)(2), which would incorporate language currently found in § 537.109(d)(2).)</p>
§ 537.108(a) .....	<p><i>Loss of eligibility.</i> Proposed paragraph (a)(3) would clarify that loss of eligibility based on a condition in the service agreement would occur only when the agreement expressly states that a violation of the condition will result in the loss of eligibility.</p>
§ 537.109(c) .....	<p><i>Reimbursement under a modified service agreement.</i> Current language would be modified to clarify what would happen when an agency and an employee mutually agree to modify an existing service agreement to provide additional student loan repayment benefits for additional service (e.g., a 4th year following an initial 3-year service period). The modified service agreement may stipulate that if the employee completes the initial service period but fails to complete the additional service period, he or she would be required to reimburse the paying agency only for the amount of any student loan repayment benefits received during the additional service period. (Also see proposed § 537.107(b) regarding modified service agreements.)</p>
§ 537.110(a) .....	<p><i>Records retention.</i> Current language would be modified to clarify that a record on a determination to provide student loan repayment benefits must be retained for at least 3 years after the end of the employee’s service period as specified in the service agreement. We are deleting the provision regarding an earlier date linked to an OPM program review because as a practical matter a program review may not necessarily mean each case is reviewed individually.</p>
§ 537.110(b) .....	<p><i>Reports.</i> A new provision would require agencies to report on the student loan repayment benefits they provided during the previous calendar year rather than during the previous fiscal year. Currently, agencies are required to report to OPM by the end of the calendar year on the student loan repayment benefits they provided during the previous fiscal year. However, the law imposes a calendar year limitation on the amount of student loan repayment benefits an agency may provide to an employee. Also, we note agencies are currently required to report to OPM on their use of other recruitment and retention flexibilities (e.g., recruitment, relocation, and retention incentives under 5 CFR part 575) on a calendar year basis. Therefore, we are proposing this change to simplify reporting requirements for agencies. The proposed regulation would require agencies to report to OPM by March 31st of each year on their use of the student loan repayment authority during the previous calendar year.</p> <p>In paragraphs (b)(1) and (b)(2), we propose to replace “employees selected to receive” with “employees who received” because an individual may be selected to receive student loan repayment benefits during one reporting period, but not actually receive benefits until the following reporting period. This change would be consistent with our approach for reporting data on student loan repayments in our annual report to Congress.</p>

## E.O. 12866, Regulatory Review

This rule has been reviewed by the Office of Management and Budget in accordance with E.O. 12866.

## Regulatory Flexibility Act

I certify that these regulations would not have a significant economic impact on a substantial number of small entities because they would apply only to Federal agencies and employees.

## List of Subjects in 5 CFR Part 537

Administrative practice and procedure, Government employees, Students, Wages.

U.S. Office of Personnel Management.

Linda M. Springer,  
Director.

Accordingly, OPM is proposing to revise 5 CFR part 537 to read as follows:

## PART 537—REPAYMENT OF STUDENT LOANS

Sec.

- 537.101 Purpose.
- 537.102 Definitions.
- 537.103 Agency student loan repayment plans.
- 537.104 Employee eligibility.
- 537.105 Criteria for payment.
- 537.106 Conditions and procedures for providing student loan repayment benefits.
- 537.107 Service agreements.
- 537.108 Loss of eligibility for student loan repayment benefits.
- 537.109 Employee reimbursements to the Government.
- 537.110 Records and reports.

Authority: 5 U.S.C. 5379(g).

### § 537.101 Purpose.

This part implements 5 U.S.C. 5379, which authorizes agencies to establish a student loan repayment program for the purpose of recruiting or retaining highly qualified personnel. Under such a

program, an agency may agree to repay (by direct payment to the loan holder on behalf of the employee) all or part of any outstanding qualifying student loan or loans previously taken out by a job candidate to whom an offer of employment has been made, or by a current employee of the agency.

### § 537.102 Definitions.

*Agency* has the meaning given that term in subparagraphs (A) through (E) of 5 U.S.C. 4101(1).

*Authorized agency official* means the head of an Executive agency or an official who is authorized to act for the head of the agency in the matter concerned.

*Employee* means an employee of an agency who satisfies the definition of the term in 5 U.S.C. 2105.

*Loan payment* means the net payment made by an agency to the holder of a student loan (after deducting any tax withholdings that may be made from the

gross student loan repayment benefit credited to the employee).

*Service agreement* means a written agreement between an agency and an employee (or job candidate) under which the employee (or job candidate) agrees to a specified period of service in exchange for student loan repayment benefits, subject to the conditions set forth under this part.

*Student loan means—*

(1) A loan made, insured, or guaranteed under parts B, D or E of title IV of the Higher Education Act of 1965; or

(2) A health education assistance loan made or insured under part A of title VII of the Public Health Service Act or under part E of title VIII of that Act.

*Student loan repayment benefit* means the benefit provided to an employee under this part in which an agency repays (by a direct payment on behalf of the employee) a qualifying student loan previously taken out by such employee. The dollar value of this benefit is the gross amount credited to the employee at the time of a loan payment to the holder of the student loan, before deducting any employee tax withholdings from that gross amount as described in § 537.106(a)(6)(iii). A student loan repayment benefit is not considered basic pay for any purpose.

*Time-limited appointment* means an appointment of temporary duration including—

(1) A temporary appointment under 5 CFR part 316, subpart D, or similar authority;

(2) A term appointment under 5 CFR part 316, subpart C, or similar authority;

(3) An overseas limited appointment with a time limitation under 5 CFR part 301, subpart B;

(4) A limited term or limited emergency appointment in the Senior Executive Service, as defined in 5 U.S.C. 3132(a), or an equivalent appointment made for similar purposes;

(5) A Veterans Recruitment Appointment under 5 CFR part 307;

(6) A Presidential Management Fellow appointment under 5 CFR 213.3102(ii) and 5 CFR 213.3102(jj);

(7) A Federal Career Intern appointment under 5 CFR 213.3202(o); and

(8) An appointment under the fellowship and similar programs authority at 5 CFR 213.3102(r).

#### **§ 537.103 Agency student loan repayment plans.**

Before providing student loan repayment benefits under this part, an agency must establish a student loan repayment plan. This plan must include the following elements:

(a) The designation of officials with authority to review and approve offering student loan repayment benefits (which may parallel the approval delegations used for other recruitment, relocation, and retention incentives);

(b) The situations in which the student loan repayment authority may be used;

(c) The criteria to meet or consider in authorizing student loan repayment benefits, including criteria for determining the size and timing of the loan payment(s);

(d) A system for selecting employees (or job candidates) to receive student loan repayment benefits that ensures fair and equitable treatment;

(e) The requirements associated with service agreements (including a basis for determining the length of service to be required if it is greater than the statutory minimum);

(f) The procedures for making loan payments;

(g) The provisions for recovering any amount outstanding from an employee who fails to satisfy a service agreement and conditions for waiving an employee's obligation to reimburse the agency for payments made under this part; and

(h) Documentation and recordkeeping requirements sufficient to allow reconstruction of each action to approve a student loan repayment benefit.

#### **§ 537.104 Employee eligibility.**

(a) Subject to the conditions in 5 U.S.C. 5379 and this part, an authorized agency official may approve student loan repayment benefits to recruit a highly qualified job candidate or retain a highly qualified employee who, during the service period established under a service agreement (consistent with § 537.107), will be serving under—

(1) An appointment other than a time-limited appointment; or

(2) A time-limited appointment if—

(i) The employee (or job candidate) will have at least 3 years remaining under the appointment after the beginning of the service period established under a service agreement; or

(ii) The time-limited appointment authority leads to conversion to another appointment of sufficient duration so that his or her employment with the agency is projected to last for at least 3 additional years after the beginning of the service period established under a service agreement.

(b) An employee occupying a position that is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character is ineligible for student loan repayment benefits.

(c) An employee becomes ineligible for student loan repayment benefits under the conditions described in § 537.108.

#### **§ 537.105 Criteria for payment.**

(a) *General criteria.* Before authorizing student loan repayment benefits for an employee (or job candidate), an agency must make a written determination that—

(1) The employee (or job candidate) is highly qualified and otherwise eligible (as described in § 537.104); and

(2)(i) In a case where the authorization is granted to recruit a job candidate to fill an agency position, the agency otherwise would encounter difficulty in filling a position with a highly qualified individual; or

(ii) In a case where the authorization is granted to retain a current employee of the agency, the employee otherwise is likely to leave the agency for employment outside the Federal service and it is essential to retain the employee based on the employee's high or unique qualifications or a special need of the agency.

(b) *Retention considerations.* In making a determination under paragraph (a)(2)(ii) of this section, an agency must consider the extent to which the employee's departure would affect the agency's ability to carry out an activity or perform a function that is deemed essential to its mission.

(c) *Current Federal employees.* An agency may not authorize student loan repayment benefits to recruit an individual from outside the agency who is currently employed in the Federal service.

(d) *Selecting employees.* When selecting employees (or job candidates) to receive student loan repayment benefits, agencies must ensure that benefits are awarded without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition.

#### **§ 537.106 Conditions and procedures for providing student loan repayment benefits.**

(a) *General conditions.* (1) Student loan repayment benefits may be provided at the discretion of the agency and are subject to such terms, limitations, or conditions as may be mutually agreed to in writing by the agency and the employee (or job candidate) as part of a service agreement under § 537.107.

(2) The student loan to be repaid must be a qualifying student loan as set forth in paragraph (b) of this section.

(3) The agency must document in writing each approval of student loan repayment benefits. An authorized

agency official must review and approve each written determination. The written determination must show the employee (or job candidate) meets the criteria specified in § 537.105.

(4) An authorized agency official must approve student loan repayment benefits in connection with a recruitment action before the job candidate actually enters on duty in the position for which he or she was recruited. The agency and the job candidate may sign the service agreement before the job candidate begins serving in the position, but the agency may not begin making loan payments until the job candidate begins serving in the position.

(5) Student loan repayment benefits are in addition to basic pay and any other form of compensation otherwise payable to the employee involved.

(6) Appropriate tax withholdings must be deducted or applied at the time any payment is made. Since these tax implications could create a financial hardship for the recipient of the student loan repayment benefit, agencies may lessen the impact of tax withholdings on an employee's paycheck in one of the following ways:

(i) Make smaller payments at periodic intervals throughout the year, rather than issue payments under this part in one lump sum;

(ii) Allow the employee to write a check to the agency to cover his or her tax liability, rather than have the tax liability withheld from the employee's paycheck;

(iii) Deduct the amount of taxes to be withheld from the student loan repayment benefit before the balance is issued as a loan payment to the holder of the loan.

**Note to § 537.106(a)(6):** Contact the Internal Revenue Service for further details concerning these options, as well as the tax withholding implications of payments under this part.

(b) *Qualifying student loans.* (1) The agency may make loan payments only for student loan debts that are outstanding at the time the agency and the employee (or job candidate) enter into a service agreement. Before authorizing loan payments, an agency must verify with the holder of the loan that the employee (or job candidate) has an outstanding student loan that qualifies for repayment under this part. The agency must verify remaining balances to ensure that loans are not overpaid.

(2) The agency may repay more than one loan if the employee's student loan repayment benefit does not exceed the

limits set forth in paragraph (c) of this section.

(3) These regulations do not impose a limit on the age of a student loan for qualification purposes. The agency may, however, specify in its agency plan that only student loans made within a certain timeframe are eligible for repayment.

(c) *Benefit amount.* (1) In determining the amount of student loan repayment benefits to approve, an agency must consider the employee's (or job candidate's) value to the agency and how far in advance the agency is permitted to commit funds. If an agency decides to make additional student loan repayment benefits contingent on budget levels or other factors, it must address these contingent benefits in the written service agreement as described in § 537.107(a).

(2) The amount of student loan repayment benefits provided by an agency is subject to both of the following limits:

(i) \$10,000 per employee per calendar year; and

(ii) A total of \$60,000 per employee.

(3) In applying the limits in paragraph (c)(2) of this section, the agency must count the full student loan repayment benefit (i.e., before deducting any tax withholdings as described in paragraph (a)(6)(iii) of this section).

(d) *Employee responsibility.* Loan payments made by an agency under this part do not exempt an employee from his or her responsibility and/or liability for any loan(s) the individual has taken out. The employee also is responsible for any income tax obligations resulting from the student loan repayment benefit.

#### **§ 537.107 Service agreements.**

(a) Before an employing agency makes any loan payments for an employee, the employee (or job candidate) must sign a written service agreement to complete a specified period of service with the agency and to reimburse the agency for the student loan repayment benefit when required by § 537.109. The service agreement also may specify any other employment conditions the agency considers to be appropriate, including the employee's (or job candidate's) position and the duties he or she is expected to perform, his or her work schedule, and his or her level of performance. (See §§ 537.108 and 537.109.) The service agreement may address the possibility that, during the period the agreement is in effect, the agency may modify the agreement to provide student loan repayment benefits in addition to those fixed in the

agreement based on contingencies or conditions specified in the agreement.

(b) The minimum period of service to be established under a service agreement is 3 years, regardless of the amount of student loan repayment benefits authorized. The agency and the employee may mutually agree to modify an existing service agreement, subject to the limitations at § 537.106(c)(2), to provide additional student loan repayment benefits for additional service without the need for an entirely new service agreement (which would require a new 3-year minimum service period). Periods of leave without pay, or other periods during which the employee is not in a pay status, do not count toward completion of the required service period. Thus, the service completion date must be extended by the total amount of time spent in non-pay status. However, as provided by 5 CFR 353.107, absence because of unformed service or compensable injury is considered creditable toward the required service period upon reemployment.

(c) A service agreement made under this part in no way constitutes a promise of, or right or entitlement to, appointment, continued employment, or noncompetitive conversion to the competitive service. This condition should be stated in the service agreement.

(d) The service period begins on the date specified in the service agreement. That beginning date may not be—

(1) Earlier than the date the service agreement is signed; or

(2) Earlier than the date the individual begins serving in the position for which he or she was recruited (when student loan repayment benefits are approved to recruit a job candidate to fill an agency position).

(e) The service agreement must contain a provision addressing whether the individual would be required to reimburse the paying agency for student loan repayment benefits if he or she voluntarily separates from the paying agency to work for another agency before the end of the service period. (See § 537.109(b)(2).)

(f) The agency may include in a service agreement specific conditions (in addition to those required by law) that trigger the loss of eligibility for student loan repayment benefits and/or a requirement that the employee reimburse the agency for student loan repayment benefits already received. (See §§ 537.108(a)(3) and 537.109(a)(2).) However, a service agreement may not require reimbursement based on—

(1) An employee's failure to maintain performance at a particular level (unless

the employee is separated based on unacceptable performance); or

(2) An involuntary separation for reasons other than misconduct or unacceptable performance (e.g., an involuntary separation resulting from a reduction in force or medical reasons).

**§ 537.108 Loss of eligibility for student loan repayment benefits.**

(a) An employee receiving student loan repayment benefits from an agency is ineligible for continued benefits from that agency if the employee—

- (1) Separates from the agency;
- (2) Does not maintain an acceptable level of performance, as determined under standards and procedures prescribed by the agency; or
- (3) Violates a condition in the service agreement, if the agreement specifically provides that eligibility is lost when the condition is violated.

(b) For the purpose of applying paragraph (a)(2) of this section, an acceptable level of performance is one that is equivalent to level 3 (“Fully Successful” or equivalent) or higher, as described in 5 CFR 430.208(d). An employee loses eligibility for student loan repayment benefits if his or her most recent official performance evaluation does not meet this requirement.

**§ 537.109 Employee reimbursements to the Government.**

(a) An employee is indebted to the Federal Government and must reimburse the paying agency for the amount of any student loan repayment benefits received under a service agreement if he or she—

- (1) Fails to complete the period of service required in the applicable service agreement (except as provided by paragraph (b) of this section); or
- (2) Violates any other condition that specifically triggers a reimbursement requirement under the agreement.

(b) An agency may not apply paragraph (a) of this section based on an employee’s failure to complete the required period of service established under a service agreement if—

- (1) The employee is involuntarily separated for reasons other than misconduct or unacceptable performance; or

(2) The employee leaves the paying agency voluntarily to enter into the service of any other agency, unless reimbursement to the agency is otherwise required in the service agreement, as provided by § 537.107(e).

(c) If an agency and an employee mutually agree to modify an existing service agreement to provide additional student loan repayment benefits for

additional service (as provided by § 537.107(b)), the modified service agreement may stipulate that, if the employee completes the initial service period but fails to complete the additional service period, he or she is required to reimburse the paying agency only for the amount of any student loan repayment benefits received during the additional service period.

(d) If an employee fails to reimburse the paying agency for the amount owed under paragraph (a) of this section, a sum equal to the amount outstanding is recoverable from the employee under the agency’s regulations for collection by offset from an indebted Government employee under 5 U.S.C. 5514 and 5 CFR part 550, subpart K, or through the appropriate provisions governing Federal debt collection if the individual is no longer a Federal employee.

(e) An authorized agency official may waive, in whole or in part, a right of recovery of an employee’s debt if he or she determines that recovery would be against equity and good conscience or against the public interest. (See 5 U.S.C. 5379(c)(3).)

(f) Any amount reimbursed by, or recovered from, an employee under this section must be credited to the appropriation account from which the amount involved was originally paid. Any amount so credited must be merged with other sums in such account and must be available for the same purposes and time period, and subject to the same limitations (if any), as the sums with which merged. (See 5 U.S.C. 5379(c)(4).)

**§ 537.110 Records and reports.**

(a) Each agency must keep a record of each determination to provide student loan repayment benefits under this part and make such records available for review upon request by OPM. Such a record may be destroyed when 3 years have elapsed since the end of the service period specified in the employee’s service agreement.

(b) By March 31st of each year, each agency must submit a written report to OPM containing information about student loan repayment benefits it provided to employees during the previous calendar year. Each report must include the following information:

- (1) The number of employees who received student loan repayment benefits;
- (2) The job classifications of the employees who received student loan repayment benefits; and
- (3) The cost to the Federal Government of providing student loan repayment benefits.

[FR Doc. E7–101 Filed 1–8–07; 8:45 am]

**BILLING CODE 6325–39–P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

[Docket No. FAA–2006–26696; Directorate Identifier 2006–SW–19–AD]

RIN 2120–AA64

**Airworthiness Directives; Robinson Helicopter Company Model R44 and R44 II Helicopters**

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes adopting a new airworthiness directive (AD) for Robinson Helicopter Company (Robinson) Model R44 and R44 II helicopters that have a certain seat belt buckle (buckle) assembly installed. The AD would require removing the buckle assembly and the buckle assembly spacer, and replacing them with airworthy parts. This proposal is prompted by an accident in which a seat belt failed, and also by reports of cracking in the buckle assembly stainless support strap (support strap). The actions specified by the proposed AD are intended to prevent cracking in the support strap and failure of a seat belt.

**DATES:** Comments must be received on or before March 12, 2007.

**ADDRESSES:** Use one of the following addresses to submit comments on this proposed AD:

- *DOT Docket Web site:* Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically;
- *Government-wide rulemaking Web site:* Go to <http://www.regulations.gov> follow the instructions for sending your comments electronically;
- *Mail:* Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590;
- *Fax:* 202–493–2251; or
- *Hand Delivery:* Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

You may get the service information identified in this proposed AD from Robinson Helicopter Company, 2901 Airport Drive, Torrance, California 90505, telephone (310) 539–0508, fax (310) 539–5198.

You may examine the comments to this proposed AD in the AD docket on the Internet at <http://dms.dot.gov>.