

# Rules and Regulations

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## FEDERAL HOUSING FINANCE AGENCY

### 12 CFR Part 1208

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### Office of Federal Housing Enterprise Oversight

### 12 CFR Part 1704

RIN 2590-AA15

### Debt Collection

**AGENCY:** Federal Housing Finance Agency; Office of Federal Housing Enterprise Oversight.

**ACTION:** Final rule.

**SUMMARY:** The Federal Housing Finance Agency (FHFA) publishes this final rule to adopt, without change, the interim final rule that was published in the **Federal Register** on November 10, 2010, setting forth procedures for use by FHFA in collecting debts owed to the Federal Government. The final rule implements the requirements of the Federal Claims Collection Act and the Debt Collection Improvement Act of 1996, and includes procedures for collection of debts through salary offset, administrative offset, tax refund offset, and administrative wage garnishment.

**DATES:** The final rule is effective on March 29, 2011.

**FOR FURTHER INFORMATION CONTACT:** Andra Grossman, Senior Counsel, telephone (202) 343-1313 or Gail F. Baum, Associate General Counsel, telephone (202) 343-1508 (not toll-free numbers); Federal Housing Finance Agency, Fourth Floor, 1700 G Street, NW., Washington, DC 20552. The telephone number for the Telecommunications Device for the Deaf is (800) 877-8339.

### SUPPLEMENTARY INFORMATION:

### A. Debt Collection

On November 10, 2010, FHFA published an interim final rule in the **Federal Register** at 75 FR 68956. This final rule adopts, without change, that interim final rule that set forth procedures for use by FHFA in collecting debts owed to the Federal Government. The final rule implements the requirements of the Federal Claims Collection Act<sup>1</sup> and the Debt Collection Improvement Act of 1996 (DCIA).<sup>2</sup> The DCIA requires agencies to either (1) adopt without change regulations on collecting debts by administrative offset promulgated by the Department of Justice or Department of the Treasury; or (2) prescribe agency regulations for collecting such debts by administrative offset, which are consistent with the Federal Claims Collection Standards (FCCS).<sup>3</sup> The agency regulations are to protect the minimum due process rights that must be afforded to a debtor when an agency seeks to collect a debt, including the ability to verify, challenge, and compromise claims, and provide access to administrative appeals procedures which are both reasonable and protect the interests of the United States. FHFA issued its own agency regulations for debt collection, to account for FHFA's status as an independent regulatory agency, and for ease of use. The final rule is consistent with the FCCS, as required by the DCIA. In addition, the tax refund offset provisions of the regulations satisfy the requirement of the Internal Revenue Service (IRS) that FHFA adopt agency regulations authorizing its collection of debts by administrative offset in general and tax refund offset in particular.<sup>4</sup> The administrative wage garnishment provisions of the regulations satisfy the requirement in 31 CFR 285.11(f) that FHFA adopt regulations for the conduct of administrative wage garnishment hearings.

### B. Effective Date

This final rule, without change, affirms the establishment of 12 CFR part 1208 and removal of 12 CFR part 1704 by the interim final rule that is already

in effect. FHFA determined that the interim final rule pertains to agency practice and procedure and is interpretative in nature. The procedures contained in the interim final rule for salary offset, administrative offset, tax refund offset, and administrative wage garnishment are mandated by law and by regulations promulgated by the Office of Personnel Management, jointly by the Department of the Treasury and the Department of Justice, and by the IRS. FHFA determined that the interim final rule was not subject to the Administrative Procedure Act (APA) and the requirements of the APA for a notice and comment period and for a delayed effective date.<sup>5</sup> While the interim final rule became effective on November 10, 2010, FHFA provided a 60-day comment period that ended on January 10, 2011. FHFA did not receive any comments. Based on the rationale set forth in the interim final rule, FHFA adopts the provisions of the interim final rule as a final rule without any changes.

### Regulatory Impact

#### *Paperwork Reduction Act*

The final rule does not contain any information collection requirement that requires the approval of the Office of Management and Budget under the Paperwork Reduction Act.<sup>6</sup>

#### *Regulatory Flexibility Act*

The Regulatory Flexibility Act requires that a regulation that has a significant economic impact on a substantial number of small entities, small businesses, or small organizations must include an initial regulatory flexibility analysis describing the regulation's impact on small entities.<sup>7</sup> Such an analysis need not be undertaken if the agency has certified that the regulation will not have a significant economic impact on a substantial number of small entities.<sup>8</sup> FHFA has considered the impact of the final rule under the Regulatory Flexibility Act. FHFA certifies that the final rule is not likely to have a significant economic impact on a substantial number of small business entities because the rule applies

<sup>1</sup> Public Law 89-508, 80 Stat. 308 (1966), as amended by the Debt Collection Act of 1982, Public Law 97-365, 96 Stat. 1749 (1982).

<sup>2</sup> Public Law 104-134, 110 Stat. 1321 (1996).

<sup>3</sup> 31 U.S.C. 3716.

<sup>4</sup> 31 U.S.C. 3720A(b)(4); 26 CFR 301.6402-6(b); 31 CFR 285.2(c).

<sup>5</sup> 5 U.S.C. 553(b), (c) and (d)(3).

<sup>6</sup> 44 U.S.C. 3501 *et seq.*

<sup>7</sup> 5 U.S.C. 601 *et seq.*

<sup>8</sup> 5 U.S.C. 605(b).

primarily to Federal employees and a limited number of Federal and business entities.<sup>9</sup>

#### List of Subjects

##### 12 CFR Part 1208

Administrative practice and procedure, Claims, Debt collection, Government employees, Wages.

##### 12 CFR Part 1704

Administrative practice and procedure, Debt collection.

## PART 1208—DEBT COLLECTION

### PART 1704—[REMOVED]

#### Authority and Issuance

Accordingly, the interim final rule establishing 12 CFR part 1208 and removing 12 CFR part 1704 that was published in the **Federal Register** at 75 FR 68956 on November 10, 2010, is adopted as a final rule without change.

Dated: March 18, 2011.

**Edward J. DeMarco,**

*Acting Director, Federal Housing Finance Agency.*

[FR Doc. 2011-7341 Filed 3-28-11; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 23

[Docket No. CE311; Special Conditions No. 23-251-SC]

#### Special Conditions: Embraer S.A.; Model EMB 500; Single-Place Side-Facing Seat Dynamic Test Requirements

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special conditions; request for comments.

**SUMMARY:** These special conditions are issued for the installation of a single-place side-facing seat/lavatory on Embraer S.A. EMB 500 aircraft. Side-facing seats are considered a novel design, and their installation in a part 23 airplane was not envisaged and is not adequately addressed in 14 CFR part 23. The FAA has determined that the existing regulations do not provide adequate or appropriate safety standards for occupants of single-place side-facing seats. In order to provide a level of safety that is equivalent to that afforded to occupants of forward and aft facing

seating, additional airworthiness standards, in the form of special conditions, are necessary.

**DATES:** The effective date of these special conditions is March 22, 2011. Comments must be received on or before April 28, 2011.

**ADDRESSES:** Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration (FAA), Regional Counsel, ACE-7, Attention: Rules Docket, Docket No. CE311, 901 Locust, Room 506, Kansas City, Missouri 64106, or delivered in duplicate to the Regional Counsel at the above address. Comments must be marked: Docket No. CE311. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4 p.m.

**FOR FURTHER INFORMATION CONTACT:** Mr. Bob Stegeman, Federal Aviation Administration, Aircraft Certification Service, Small Airplane Directorate, ACE-111, 901 Locust, Kansas City, Missouri, 816-329-4140, fax 816-329-4090, e-mail *Robert.Stegeman@faa.gov*.

**SUPPLEMENTARY INFORMATION:** The FAA has determined that notice and opportunity for prior public comment hereon are impracticable because these procedures would significantly delay issuance of the approval design and thus delivery of the affected aircraft. The FAA therefore finds that good cause exists for making these special conditions effective upon issuance.

#### Comments Invited

We invite interested people to take part in this rulemaking by sending written comments, data, or views. The most helpful comments reference a specific portion of the special conditions, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning these special conditions. You can inspect the docket before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this preamble between 7:30 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

We will consider all comments we receive on or before the closing date for comments. We will consider comments filed late if it is possible to do so without incurring expense or delay. We may change these special conditions based on the comments we receive.

#### Background

On December 26, 2009, Embraer S.A. submitted request for a change to type certificate No. A59CE for a design change application (DCA) for installation of a side-facing belted toilet in the EMB-500 airplane. The implication of the term belted is that the toilet will be used for a passenger seat during takeoff and landing and so must comply with the provisions of 14 CFR §§ 23.562 and 23.785 (in addition to the certification basis as established in type certificate A59CE) and any additional requirements that the FAA determines are applicable. In this case, the approval of a side-facing seat to these provisions is considered new and novel and, as such, will require special conditions and specific methods of compliance to certificate.

14 CFR part 23 was amended August 8, 1988, by Amendment 23-36, to revise the emergency landing conditions that must be considered in the design of the airplane. Amendment 23-36 revised the static load conditions in § 23.561, and added a new § 23.562 that required dynamic testing for all seats approved for occupancy during takeoff and landing. The intent of Amendment 23-36 is to provide an improved level of safety for occupants on part 23 airplanes. Because most seating is forward-facing in part 23 airplanes, the pass/fail criteria developed in Amendment 23-36 focused primarily on these seats. Since the regulations do not address side-facing seats, these criteria should be documented in special conditions.

The FAA decided to review compliance with these regulations because the current regulations do not provide adequate and appropriate standards for the type certification of this type of seat.

These requirements are substantially similar to other single place side-facing seat installations approved for use on several different 14 CFR part 25 airplanes.

#### Type Certification Basis

Under the provisions of § 21.101, Embraer S.A. must show that the model EMB 500, as modified, continues to meet the applicable provisions of the regulations incorporated by reference in Type Certificate No. A59CE or the applicable regulations in effect on the date of application for the change. The regulations incorporated by reference in the type certificate are commonly referred to as the "original type certification basis." The regulations incorporated by reference in Type Certificate No. A59CE are as follows:

<sup>9</sup>Id.